

**MERRIMACK VILLAGE DISTRICT
BOARD OF COMMISSIONERS
MARCH 18, 2024
MEETING MINUTES
(approved April 15, 2024)**

A regular meeting of the Board of Commissioners was conducted on March 18, 2024, at 5:00 p.m. at 2 Greens Pond Road, Merrimack, NH.

Chairman, Donald Provencher presided:

Members of the Board present: Wolfram von Schoen, Personnel Liaison
 John Lyons
 Erin Clement

Members of the Board Absent: Kenneth Ayers, Vice Chairman

Also in Attendance: Ron Miner, Superintendent
 Jill Lavoie, Business Manager
 Kristen Maher, HR/ Finance Director

FINANCE/HUMAN RESOURCES REVIEW – Kristen Maher

A. Analysis of Revenue and Expenditures

Director Maher informed the commissioners that being through the month of February, MVD is just shy of 67% through the fiscal year. The net ordinary income is at \$1.2M and the revenues are running at about 4% over the total revenue budget through February. In terms of expenses, MVD is roughly 28% less than budget through the month of February. Salaries are running about 5% less than the salary budget. Account 70010.1 (Equipment) required a transfer of \$6,608 from FY '23. That amount had initially been paid out of the operations budget but belongs to a Capital Improvements Project. Fiscal Year '23 is closed, and this adjustment was made for this year.

B. Capital Reserve Balance

Director Maher informed the commissioners that the Unrestricted Fund Balance was at roughly \$8.2M for operating, and the total for all accounts was roughly \$22.9M. Director Maher stated that the trust activity through the end of February is at \$1.6M for land, equipment and facilities is at \$3.2M, system development is at \$1.1M, legal is at \$108,000, and water purchase & water treatment plant O&M is at \$364,000.

REGULAR SESSION

- 1. Board of Commissioners to hear an update from Underwood Engineers, Inc regarding the Polishing Pilot Study.**

At this time, Keith Pratt, of Underwood, informed the commissioners that they should have in front of them a document that is called, “ESR #72, amendment 1,” and attached to that is Blueleaf’s part of that (the pilot proposal). Pratt informed the commissioners that Underwood is carrying Blueleaf as a sub. At this time, Pratt offered to go through what Underwood is proposing, and the commissioners accepted. Pratt explained that during the summer of 2023, the commissioners authorized Underwood to do some planning for the pilot work. This was ESR #72. Underwood had given MVD a budget of \$125,000 broken into two parts. It was explained that the planning was \$25,000 and Underwood suggested budgeting \$100,000 for the pilot when ready. A tech memo was presented to the commissioners at the last meeting. The tech memo was the result of the first effort. Based on the tech memo and the results of the last meeting, Underwood put the pilot project together and agreed to get Blueleaf involved, now that the pilot test columns are constructed, to help run the pilot, and set up the protocols. It was noted that this is the same group that Underwood has used in conjunction with MVD on pilots in the past. Blueleaf was carried under Underwood’s ESR, and task 1 talks about their part. Pratt explained that in task 1, Underwood has identified an opportunity to make any final updates to the pilot protocols. Blueleaf will set up and start the pilot. The pilot will use the media that MVD selects. Blueleaf will also train MVD staff on what to do, how to run it, and when to sample it. The samples will be collected by MVD staff and will be shipped to EPA. It was noted that EPA is paying for all of the sampling and analysis. Once the data is collected and reported back from EPA, Blueleaf will write a summary report with the documentation. Underwood will be involved with all of it, and once complete, will write another technical memo with findings and recommendations. At this time, Pratt explained that while the commissioners had set aside \$125,000, they had only authorized Underwood for \$25,000. He shared that between the two tasks, Underwood is coming up with a budget of \$66,000, which is significantly less than the \$100,000 still set aside. The ESR shows that MVD still has a “balance” of \$34,000, that Underwood is not touching. Pratt explained that if and when the commissioners authorize this, they are authorizing tasks 3 & 4 to reprogram the \$100,000 to get engaged and get the pilot running, in the amount of \$66,000.

At this time, commissioner W. von Schoen suggested that MVD share pictures and information with the public as things, such as the pilot tests, are being done, so the customer has a better understanding of what money is being spent on. He requested that photos and videos get taken as tasks are being done, and that those photos and/or videos are then shared with staff to share with the community. K. Pratt stated that that was easy enough for them to do. Pratt stated that they will discuss capturing key milestones.

Looking at Blueleaf’s proposal, Chairman Provencher stated that they have assumed 3 GAC media, 2 alternative absorbents, and 1 anion resin, totaling 6 columns. Chairman Provencher also expressed concerns over which media should be tested, noting that one supplier not currently included in the pilot test had high claims, while another supplier included in the pilot test, expressed that their media would produce inferior results than the media that MVD currently uses. Chairman Provencher expressed that he feels that the supplier with high claims should be tested, but was cautious that the supplier with inferior projections may be conservative in their results. It was also noted that one supplier had offered to set up their own test columns, which would free up one of MVD’s. Underwood was asked to investigate this further for confirmation. Neither the commissioners nor Underwood remembered which supplier this was. Commissioner W. von Schoen asked how much water was needed for the testing, and suggested siphoning off some of the original water, assuming it was a reasonable amount, to be put in a holding tank to run testing on the additional media once the first test is done. This would allow MVD to collect data on all of the media, while using the same water that was used in the first test batch. It was explained to commissioner W. von Schoen that in that scenario, the water would likely be stored for a while, because the test is looking for exhaustion and breakthrough and is designed to run for up to a

year. Commissioner von Schoen expressed that he had not realized this, and the idea could be scratched. Commissioner E. Clement suggested that as long as a media is being compared to the Evoqua media, it will still produce informative results, because MVD can see how the Evoqua media performs in the real world during the same start and end points. This suggestion was made as a way to test additional media if one media were to “drop out” due to inadequate performance early on. Keith Pratt expressed his agreement.

At this time, Chairman Provencher asked for confirmation that there is no sampling cost in the proposal because EPA is funding that. Superintendent R. Miner answered that the EPA has confirmed this. It was noted that part of the scope includes constant contact with EPA. Pratt informed the commissioners that they would calculate the number of samples and let the EPA know, to confirm that everyone is on the same page with a cost estimate. It was noted that EPA is paying for the sampling, shipping, and analysis. As of right now, it is undetermined which lab will be used.

At this time, it was noted that the funds had been previously allocated, therefore a motion was not required and Superintendent R. Miner could sign the ESR. The commissioners were all in agreement with this plan.

2. Board of Commissioners to discuss solar panel plan options with Cole Camberlain of Solar Pros and Jeff Cowart of Aveyo.

At this time Cole Camberlain, of Solar Pros, introduced himself to the commissioners. He explained that he and Jeff Cowart had been working with MVD staff to build a proposal based on goal setting for what solar projects looks like for municipalities. Jeff Cowart, of Aveyo, explained that when talking about solar, there are a lot of different options and routes that you can go. He explained that you can purchase solar panels, in which the biggest incentive at the moment is the 30% Federal Tax Credit. However, municipalities are not really able to take advantage of this because they do not have much federal tax liability. In discussions with MVD staff, purchasing solar panels has been mostly ruled out. Cowart noted that the cost would be extensive. Cowart stated that some municipalities take advantage of what is known as a “power purchase agreement” (PPA). He explained that for MVD there is no capital investment, no upfront cost, no out of pocket cost, and no loan. Cowart further explained a PPA is an agreement to purchase solar energy at a lower rate than what MVD is currently paying for power. He explained that there are investors who provide the capital to upgrade the facility to a solar utility. This would be a combination of rooftop panels and/or ground mount systems. The property would be surveyed, and a location would be determined. A power purchase agreement is typically a 25-year agreement, where the power would be provided to the facility at a guaranteed rate. Cowart stated that on average, there is a 15% savings. He stated that energy costs are going up incredibly, with the national average being a 5% increase in electricity costs annually. This is even higher in certain areas, reaching as high as 19%. The increase each year through the power purchase agreement is capped at 2%. The power purchase agreement comes with maintenance and a power production guarantee. If your power production dips below the guarantee, they will send someone out for maintenance. Cowart stated that because MVD has a high volume of areas that consume power, there is a significant amount of work on the front end for them to design the system and come up with production calculations and estimates. Before investing the time and effort, they like to make sure that everyone is on board. To do this, they like to have the customer (MVD) sign a Letter of Intent. From there, a site survey will take place to determine where the panels will go. Once the preliminary designs are back, a follow up meeting will take place. Business Manager J. Lavoie clarified that at this point, they are not looking for a commitment to purchase, they are looking to move forward with a letter of intent.

Commissioner J. Lyons stated that he was unsure if he was comfortable signing a letter of intent at this time and asked why they chose to present the power purchase agreement, rather than the route of ownership. Cowart answered that the rate of electricity is fairly inexpensive in this area, and therefore, it would not be as cost effective to go the route of ownership. Commissioner W. von Schoen stated that he agrees with commissioner Lyons, that he is not comfortable signing a letter of intent, and stated that as a public entity, MVD should seek out more than one offer. Cowart explained that a letter of intent for them is more of a liability release. He stated that if their engineer comes on site and does the site assessment, and something happens, he is on there for official business, and therefore is protected by the solar company. Cowart further explained that there is no financial obligation on the end of MVD with the letter of intent, but rather a “good faith agreement” that MVD is actually interested in looking at the solar options. It was noted that the letter of intent also states that MVD will not share the information with others in regard to the solar panel system design.

At this time, Commissioner W. von Schoen stated that he had a list of many questions but asking them all would take the entire meeting. Cowart stated that if MVD would like to schedule a separate meeting that was more of a Q&A, he would be happy to do so. Chairman Provencher stated that he was not sure if this type of project would require multiple bids, like a construction project would, and asked Cowart if they had come across that in the past. Cowart stated that he had not, but he was not educated on Merrimack’s requirements. Business Manager Lavoie informed Cowart that because a power purchase agreement was a 25-year contract, it would have to go to the annual meeting to be voted on. She shared that MVD’s annual meetings take place each March.

At this time, Commissioner W. von Schoen stated that he would be comfortable signing an NDA, rather than a letter of intent in order for them to get started on the work, and asked Cowart if this is something they would be interested in. Cowart answered that he would be okay with that if MVD would be willing to include something regarding liability, so their staff has the okay to be on property. Commissioner Clement stated that her concern with an NDA is that these proposals will be reviewed at a public meeting. It was noted that the bigger concern is the system design, not the cost analysis.

It was decided that MVD will seek advice from legal counsel to determine if other bids are necessary. Commissioner J. Lyons asked Cowart to send over some forms that could be reviewed by legal counsel. Cowart answered that he is comfortable with that and will send some forms over to Business Manager J. Lavoie. Commissioner W. von Schoen stated that he will send his list of questions over to staff for them to address with Cowart. Chairman Provencher also requested that Cowart provide more information as to whether or not solar panels are treated with PFAS and/or introduce PFAS into stormwater run off from the panels. Cowart agreed.

3. Board of Commissioners to review the minutes from the February 26, 2024 regular BOC meeting and Public Hearing.

APPROVAL OF MINUTES

Board of Commissioners Regular Meeting.....February 26,
2024

No amendments were offered.

Board of Commissioners Public Hearing.....February 26,
2024

No amendments were offered.

MOTION BY COMMISSIONER W. VON SCHOEN TO ACCEPT THE MEETING MINUTES OF THE FEBRUARY 26, 2024 BOARD OF COMMISSIONERS REGULAR MEETING AND THE FEBRUARY 26, 2024 BOARD OF COMMISSIONERS PUBLIC HEARING AS PRESENTED

MOTION SECONDED BY COMMISSIONER J. LYONS

A Viva Voce Roll Call was conducted, which resulted as follows:

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Erin Clement

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Nay:

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MOTION CARRIED

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4. Board of Commissioners to review Action Items from previous meetings and those to be added from this meeting.

The Commissioners reviewed the list of Action Items, removing tasks that have been completed, and making necessary additions. At this time, the commissioners discussed Action Item #90, the investigation of solar panel options. Commissioner E. Clement asked if Cole Camberlain and Jeff Cowart, whom the commissioners had met with earlier in the meeting, were from the same company, or competing companies. It was answered that they were from the same company. Commissioner J. Lyons expressed that he would like to continue to search for additional options for solar panels but would like legal counsel to review the sample letter of intent that the Camberlain and Cowart were planning on sending over.

At this time, Commissioner W. von Schoen expressed that he would like to add an action item to follow up with staff regarding cybersecurity and information security. He stated that he would like to be provided with an update within the next two months regarding which third party vendors staff have engaged with, noting how important these types of security are.

5. Old Business - None

6. New Business - None

7. Superintendent's Report

Superintendent R. Miner informed the commissioners that Well 5 is down. He noted that Barry Miller came out on Friday to take some readings and determined that the pump motor itself seems to be fine. He shared that well had been pumping and then suddenly just stopped. Superintendent Miner informed the commissioners that Miller would be back the following day to pull the line. Superintendent R. Miner shared that the DOT project on Continental Boulevard will be starting soon. There is a meeting at the Town Hall on Tuesday, and Superintendent R. Miner said that he would share the schedule soon. There will be water mains that need to be moved.

Superintendent R. Miner shared that the Annual Meeting is next Tuesday, March 26, 2024, at 7:00 pm at the Merrimack High School. It will be held in the cafeteria.

At this time, the Board of Commissioners determined who would be reading which Warrant Articles at the Annual Meeting. It was decided as follows:

- **Article 4:** Chairman Provencher will move, Commissioner Clement will second, Chairman Provencher will speak to it
- **Article 5:** Commissioner Lyons will move, Chairman von Schoen will second, Commissioner Lyons will speak to it
- **Article 6:** Commissioner von Schoen will move, Vice Chairman Ayers will second
- **Article 7:** Chairman Clement will move, Commissioner Lyons will second
- **Article 8:** Vice Chairman Ayers will move, Commissioner von Shoen will second

8. Questions from the Public/Press - None

ADJOURNMENT

**MOTION BY COMMISSIONER J. LYONS TO ADJOURN
MOTION SECONDED BY COMMISSIONER E. CLEMENT**

A Viva Voce Roll Call was conducted, which resulted as follows:

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Erin Clement

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Nay:

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MOTION CARRIED

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The March 18, 2024 meeting of the Board of Commissioners was adjourned at 7:10 p.m.

Submitted by Amanda McKenna, Recording Secretary