

COMMISSIONERS MEETING
MINUTES
February 7, 2008

The Commissioner's convened at 4:00 p.m. at the North Conway Water Precinct Office 104 Sawmill Lane North Conway, NH 03860. The following were present: Chairman James Umberger, Commissioner Michelle Seavey, Commissioner Robert Porter, Superintendent David Bernier, and Recording Secretary Kristine Cluff.

Chairman Umberger called the meeting to order at 4:05 p.m.

Motion of Commissioner Seavey seconded by Commissioner Porter approve the minutes of January 23, 2008 as written. Motion carried by voice vote 3-0-0.

Motion of Commissioner Seavey seconded by Commissioner Porter to take the agenda out of order to accommodate Kennett Corporation. Motion carried by voice vote 3-0-0.

KENNETT CORPORATION – Bayard and Theresa Kennett

Mr. Kennett is requesting the Board consider placing a Commission Article on the 2008 Precinct Warrant to expand the southern boundaries of the Precinct to include the remaining Pine Hill and Mineral Springs properties. Currently, the northern section is in the North Conway Water Precinct, the East is in the Redstone Fire District and the West and part of the southern section is in Conway Village Fire District. Mr. Kennett stated not a lot has changed from last year with the exception Kennett Corporation has a serious developer interested in developing an assisted living complex. This would be located on the north/west slope of Pine Hill in the area of Sunbridge. Mr. Kennett stated workforce housing on the east side did not fly with Town of Conway but would consider something similar in the future.

Mr. Kennett stated the dark green area is approximately 200 acres with the school being approximately 62 acres (i.e. map attached). The green checked area is in the North Conway Water Precinct and the Pink check area in the Conway Village Fire District.

Mr. Kennett provided the following data:

- Looking at 300-400 households at Mineral Springs property
- 85,000 gallons per day of sewerage from Mineral Springs using data from the 1988 master plan
- All the units built by 2010 and considering sewerage from the outside and leachate the plant would be at 640,000 gallons or 43% of plant capacity.
- Including the Mineral Springs area and additional loading of 170,000 gallons per day from Lower Bartlett the plant would be at 810,000 gallons or 54 % of plant capacity. This would be a ten year build out starting in 2008 to 2020. In 2010 there would 17,000 additional gallons for a total of 640,000 gallons or 44% of plant capacity
- In 2020 with LBWP and Mineral Springs and working with the data from 1988 master plan it is estimated that 770,000 gpd from NC, 170,000 gpd from Lower Bartlett and 85,000 gpd from Mineral Springs (2.5 people @ 100 gal potable water and 85 gpd sewer) for total 1,025,000 gpd with a plant capacity of 68%.

Commissioner Umberger questioned if Mr. Kennett was proposing to include the school. Mr. Kennett stated it would be good to include it but has not discussed it with the school. Mr. Kennett referenced section 2.1 of the school agreement where it refers to the modification of the agreement, if the Precinct boundaries changes or the school population doubles or grows significantly. Mr. Kennett referred back to when the school was in Conway Village Fire District and the district charged for water and sewer but it was not charged for taxes. He also referred to language relative to water for public recreation, Schouler Park and Whitaker field. If the school is included in the boundary expansion, Mr. Kennett would be asking the North Conway Water Precinct taxpayers to pick up the bill for the entire school. There is concern regarding this because the high school is an eight town high school.

Commissioner Umberger reminded Mr. Kennett the last time we talked about looking at options, the Kennett Corporation never got back to the Board. A short discussion

ensued on the possibility of franchising this area. If you franchise an area, you sacrifice the early taxes for the later fees.

Commissioner Seavey questioned if Mr. Kennett has provided these figures to the Superintendent and the answer was no. However, he will make sure they are provided to Superintendent Bernier.

Approximately 200-250 acres of the 650 acres is already in the Precinct. You would have to remove approximately 40 acres for the by-pass. NHDOT has not given any date to build the middle section of the by-pass. The Coleman 113/302 section of the by-pass is scheduled to be built in 2015 in three sections and funded by legislation at \$114,000,000. Currently, the Kennett Corporation does not want to be bought up by the State of New Hampshire.

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As Written

There was short conversation concerning the wetland areas. Superintendent Bernier wanted to remind everyone that water and sewer booster or pump stations should remain private. Superintendent Bernier does not want the Precinct to incur any more stations. This is more palatable to the Precinct constituents if they do not have to operate and maintain any more pump stations. The Precinct would own and maintain the collection system. Mr. Kennett explained these would be the responsibility of the developer, as the Kennett Corporation would be land seller.

Mr. Kennett stated the developer may want to acquire a little more area because they are looking at cottage colony type of development with a core facility in association with assisted living and memory loss. This would be similar to the Taylor Homes and not considered a nursing home. This would mean this type of facility would not compete with Sunbridge.

Commissioner Porter would like to see the Board support this project. Commissioner Seavey suggested Mr. Kennett meet with Superintendent Bernier and verify the numbers. Another avenue is for the Kennett Corporation to petition the article. We are talking 400 units at an average value of \$300,000. This would generate \$36,000 per year in tax revenue using a rate of \$3.00/1,000 and \$360,000 in ten years.

It would mean buy in fees for water on 400 houses at \$580.00 or \$232,000.00 in water buy in revenue and sewer fees buy in fees on 400 houses at \$2,300.00 or \$920,000.00 in sewer buy in revenue.

There was a short conversation relative to taking in the school and the out of precinct contract for Conway Village Fire District. Also, how would the negotiations proceed with the School to keep the eight sending towns paying for the agreement if the school is in the Precinct?

Bill Hounsell believes any discussions with the Town of Conway would be a positive thing as the desire is to move water to the East Conway Road and toward Center Conway. Commissioner Umberger is concerned it may be a little late to educate the public. Commissioner Seavey would like to be able to have Chief Preece see how this impacts the fire department and the ISO issues of the southern substation. Commissioner Seavey does not believe the Precinct could do a franchise for this but maybe something similar to what the Precinct has done with Pittsfield Aqueduct Company. However, to master meter for sewer is much more difficult.

Commissioner Umberger is concerned that we have approximately two weeks to review this and Commissioner Seavey stated the Board can make their best effort. Superintendent Bernier will meet with Mr. Kennett and put some numbers together for the next meeting.

Mr. & Mrs. Kennett left the meeting.

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OLD BUSINESS

RFP Auditor:

Commissioner Umberger has rethought this request for proposal. With the Precinct making several changes, this should be rescheduled for July or August and the remaining Board agreed.

RFP Architectural Study:

This proposed request for proposal is a little vague and will be table for the next meeting.

Goals for Superintendent and Fire Chief:

Commissioner Umberger stated the Chief's goals are to vague and the goals are something that can be measured. This will be table for the next meeting.

Commissioner Porter stated merit pay system goals are part of the evaluation process

COMMITTEE REPORTS

Maureen Seavey stated she is the new chairman for the ad hoc budget committee. The committee met last night. The committee has asked that Chief Preece separate the call pay from the training pay and show them on separate lines in the budget. Mrs. Seavey explained if she could not be at a commission meeting, then Commissioner Porter would present the committee report.

SUPERINTENDENT'S REPORT

A copy of the Superintendent Bernier's bi-weekly report will be attached to the original minutes.

Superintendent Bernier explained the Sewer Department budget is underfunded and recommended moving the Storage Building Article for \$65,000 to be totally funded by water revenues. This water budget could absorb this and it would leave the sewer budget in the black and brings more parity to funding of the building. After a short discussion, the Board agreed to Superintendent Bernier's request providing he is willing to stand behind it at the annual meeting.

Commissioner Umberger stated that union negotiations are still ongoing and should an agreement be reached the budget will need to be able to support it.

Superintendent Bernier stated he would like to address the two (2) percent increase he left on the table a couple of years ago. Commissioner Porter felt this should be discussed in non-public.

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SIGNATURE DOCUMENTS

CDM Contract for William Hounsell:

Superintendent Bernier presented William Hounsell's contract with CDM for signature.
Motioned by Commissioner Porter seconded by Commissioner Seavey to authorize the Superintendent to sign the CDM Contract for William Hounsell's services for 2008/2009.
Motion carried by voice vote 3-0-0.

OTHER BUSINESS

Superintendent Bernier presented a request from Mr. Allen for some abatement on his 4th quarter billing. He had drained his unit and a contractor went in and turned the water back on and left it running for three days. After a short discussion, it was agreed Mr. Allen would pay for the water and half the sewer costs.

Drury Right to Know Request:

Superintendent Bernier explained the Right to Know request received from Drury Research and it will cost between \$1,000.00 and \$1,500.00 to research all her questions. Attorney Peahl has reviewed the request and issued an opinion on how to handle the request. This same request has been received by other clients of Attorney Peahl.

Boart Longyear Prolonged Testing:

Superintendent Bernier reported the prolonged well test for Well #6 will have to be repeated as the samples froze on route to the Vermont lab. This means that Boart Longyear will be back to resample Well #6. There will be some minimal costs attributed to the second prolonged test.

NON PUBLIC SESSION

Motion of Commissioner Seavey seconded by Commissioner Porter to enter non public session at 5:20 p.m. for a personnel issue under RSA 91-A: 3, II (a) – The dismissal, promotion or compensation of any public employee or the disciplining of such employee, or investigation of any charges against him, unless affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted. Motion carried by roll call vote – Umberger – aye, Seavey – aye and Porter- aye.

REENTERED PUBLIC SESSION AT 5:35 P.M.

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As Written

SECOND NON PUBLIC SESSION

Motion of Commissioner Seavey seconded by Commissioner Porter to enter non public session at 5:36 p.m. for a personnel issue under RSA 91-A: 3, II (a) – The dismissal, promotion or compensation of any public employee or the disciplining of such employee, or investigation of any charges against him, unless affected (1) has a right

to a meeting and (2) requests that the meeting be open, in which case the request shall be granted. Motion carried by roll call vote – Umberger – aye, Seavey – aye and Porter- aye.

ENTERED PUBLIC SESSION AT 5:45 P.M.

BUDGETS

Fire Department:

Merit Pay Pool – after a short discussion and a difference of opinion on how this will be implemented. Commissioner Seavey did not believe the Board was looking to implement this program this year. Commissioner Porter believes bringing this program on board in 2009 is more feasible.

Short conversation regarding COLA increase and it had been previously presented by Superintendent Bernier to use 3.6%. Commissioner Umberger stated the COLA increase is not the only thing the Board has to deal with. It must also look at the 8.9% increase in insurance. Commissioner Porter suggested looking at our Blue Cross policy and see if there is any benefit going from national coverage to a New England coverage area.

Superintendent Bernier is recommending 3.6% COLA increase which is middle ground of the military, COLA of NE and Social Security and in line with what the school is proposing. It was agreed that if a union contract is approved the non-union personnel will still only contribute \$8.50 for a single plan, \$16.50 for a two person plan and \$22.00 for a family plan. After a short discussion, it was agreed the non union personnel will receive a straight three (3%) percent COLA and the insurance contribution will remain the same.

Motion of Commissioner Porter seconded by Commissioner Seavey all non union personnel will receive a COLA increase of 3%. Motion carried by voice vote 3-0-0.

All merit pay pool increases will be removed from all the budgets and brought forward to the 2009 budget.

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The Board was pleased to see the training hours (1970 hours) broken out from the call firemen's payroll. Chief Preece has added one hour into the administrative line to accommodate the posting of the training hours. The Board stated they could not support this.

The Board agreed to remove from the fire department budget: merit pay pool, 1 hour for administrative time for posting the training hours, and add 3% COLA for the Chief.

Water / Sewer:

The Board was asked by Superintendent Bernier to consider the 2 % that was left on the table. Commissioner Seavey stated that she not trying to be negative but the Superintendent gave it up and hindsight is 20/20. Superintendent Bernier's thought process was the Board could have come to terms and that he should have asked for it. Superintendent Bernier stated he is fine with the Board's response.

Superintendent Bernier would like to recommend the storage building be expensed all from water revenues. Commissioner Seavey wants to make sure the Superintendent is ready to justify his reasons at the annual meeting. The primary use for this facility is water.

The Board agreed to remove the merit pay pool from both the water and sewer budgets. Also, to remove the 2% wage increase for the superintendent left on the table from two years ago and add a 3% COLA to the non union personnel.

Warrant Articles

These are the current Article #'s:

Article 12 – Motioned by Commissioner Porter seconded by Commissioner Seavey to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 13 - Motioned by Commissioner Porter seconded by Commissioner Seavey to post the article to the warrant as amended with all revenues coming from water. Motioned carried by voice vote 3-0-0 as amended.

Article 14 – Motioned by Commissioner Porter seconded by Commissioner Seavey to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 15 - Motioned by Commissioner Porter seconded by Commissioner Seavey to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 16 - Motioned by Commissioner Porter seconded by Commissioner Seavey to post the article to the warrant as written with appropriation. Motion carried by voice vote 3-0-0.

Article 17 - Motioned by Commissioner Porter seconded by Commissioner Seavey to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Discussion: Karen Umberger questioned if this is a substantial amount she would be curious if the same philosophy should hold as with the fire truck article. A project with a small amount would not be of concern but a substantial project might become an issue. Commissioner Umberger stated this is entirely a different perspective and the Board with due diligence would have to consider it being brought to the taxpayers.

Article 18 - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 19 - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 20 - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 21 - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 22 - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 23 - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 24 - The board is not supporting an article to add the word "ambulance" to the charter at this time.

Article 24 (new renumbering) - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Article 25 (new renumbering) - Motioned by Commissioner Seavey seconded by Commissioner Porter to post the article to the warrant as written. Motion carried by voice vote 3-0-0.

Reminder that a warrant article is needed to ratify the auditor for 2008 and this will be written.

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PUBLIC COMMENT

There was no public comment. It was agreed the Board will meet on Tuesday, February 12, 2008 at 3:00 p.m. to finalize the budgets.

ADJOURN

Motion of Commissioner Seavey seconded by Commissioner Porter to adjourn at 6:33 p.m. Motion carried by voice vote 3-0-0.

Respectfully,

Kristine M. Cluff
Recording Secretary