

COMMISSIONERS MEETING

MINUTES

June 25, 2008

The Commissioner's meeting convened at 7:00 p.m. in the training room at the Wastewater Treatment Plant, 104 Sawmill Lane North Conway, NH. The following were present: Chairman James Umberger, Commissioner Robert Porter, Commissioner John Santuccio, Superintendent David Bernier, Chief Patrick Preece and Recording Secretary Kristine Cluff.

Commissioner Umberger called the meeting to order at 7:00 p.m.

Commissioner Umberger explained the meeting will start with a public hearing to accept egress and tracking units for use by North Conway Fire Department.

Public Hearing

Egress and Tracking Units for North Conway Fire Department

Commissioner Umberger explained the purpose of today's public hearing is to discuss the Precinct's intention of accepting 12 egress units and 24 tracking units from the Newington Fire Department. Chief Preece explained these units allow a fire fighter to guide themselves back to an open door

Public Comment

Karen Umberger questioned if these units were battery operated and the answer is yes. Maureen Westrick Forbes questioned why Newington Fire Department did not want the units. Chief Preece explained Newington Fire Department had no use for the units.

Board Comment

There were no further Board comments.

Motion of Commissioner Porter seconded by Commissioner Santuccio to accept the 12 egress units and 24 tracking units from the Newington Fire Department with a value of approximately \$12,000 as allowed by RSA 31-95 e). Motion carried by voice vote 3-0-0.

Minutes

Motion of Commissioner Porter seconded by Commissioner Santuccio to accept the 5/28/08 and 6/4/08 public minutes and non public minutes of 6/4/08 as written. Motion carried by voice vote 3-0-0.

Motion of Commissioner Santuccio seconded by Commissioner Umberger to accept the public minutes of 6/16/08 as written. Motion carried by voice vote 2-0-1 with Commissioner Porter abstaining (i.e. absent from meeting).

Commissioner Umberger stated that Commissioner Porter verbally agreed to allow Superintendent Bernier to sign the documents for Contract #6.

Motion of Commissioner Santuccio seconded by Commissioner Porter to accept the 6/11/08 public minutes as written. Motion carried by voice vote 3-0-0.

Fire Department

Chief's Report:

Membership:

44 Members: No new applications pending at this time.

Personnel:

The membership bylaw committee is working on reviewing their bylaws and brings changes forward to the membership.

Training:

The department training for July will be at the Kennett High School; this is a joint training with Conway Fire Department.

Department Actives:

The fire department association will be hosting a petting zoo on the 4th of July on the front lawn of the fire station.

Chief Preece explained this is a new activity and just wanted the Board to be aware. Commissioner Santuccio questioned who is supply the pets. They are being supplied by a call fireman. This activity is listed on the association's insurance policy.

Emergency Calls:

The fire department has responded to 66 calls for the month of June.

The fire department has responded to 514 calls year to date.

The department responded to a lot lighting related calls over the last two weeks

Apparatus / Trucks:

Truck washing and waxing will on June 30, 2008 at 18:00 hours.

Engine Three air horns have been repaired it was valve which have been replaced also a headlight been replaced.

The booster hole on the forestry needs to be replaced; it is old and leaking, approx. 200 feet of rubber hose.

Equipment Issues:

One air pack is back in service the second air pack had to be sent back to the factory to make the repairs to the air pack.

Purchase for New Equipment:

The new pager order has come in and all in order, much needed. 24 new pagers

Chief Preece stated that Motorola is taking the old Minitor II pages and rebating the department \$75.00 for each unit.

The locks have been changed at the fire department. The last time locks where changed was 15+ years ago.

Review the letter to the Board of Commissioners from the Tank Truck Committee for their recommendation on the purchase of the new tanker / pumper.

Old Business

Architectural Study:

Commissioner Umberger asked Chief Preece to invite Ed Bergeron to the next Board meeting to review the Architectural Study. Commissioner Umberger is inclined to proceed with Mr. Bergeron's presentation as the other proposal has too many open ends. It was questioned of Mr. Bergeron's proposal why the Seavey Street property was so costly and the Board will wait for Mr. Bergeron's explanation. Chief Preece explained that Mr. Bergeron will be on vacation for the next meeting but will invite him the meeting on July 23,2008.

Guidance Document:

It was agreed to remove the second "Infrastructure Reimbursement Fee" on Page (1) paragraph (1). Appendix B needs to remain as part of the document as it gives the methodology for calculating reimbursement costs.

Motion of Commissioner Porter seconded by Commissioner Santuccio to accept the Guidance Document with the changes. Motion carried by voice vote 3-0-0.

Sewer Rules & Regulations:

Commissioner Umberger stated the Board is trying to update the Sewer Rules & Regulations. It was questioned who wrote the original rules and regulations and they were done by Attorney Dewhurst. Red lines indicated the items that need to be changed. Commissioner Santuccio questioned who said these need to be changed. They are being updated to strengthen the language and mitigate future litigation. Please review these and forward any further changes/comments to Superintendent Bernier. Attorney Judge has been given a copy to review and we will await his review.

Evaluation Forms:

Commissioner Umberger is very concerned the form used does not meet the union contract language of doesn't meet standards, meets standard, or exceeds standards. Superintendent Bernier stated this is the same form that has been utilized since he came to the Precinct. Superintendent Bernier stated the language is consistent with criteria of the contract. The form utilizes O = Outstanding, V= Very Good which is the same as exceeds standards and warrants the \$500.00 merit bonus and G = Good and warrants the \$250.00 merit bonus while I=Improvement Needed, U = Unsatisfactory warrant no merit bonus. Commissioner Umberger stated the point from 80-100 is too much of a spread. Superintendent Bernier explained you take the assessment of points and divide it by the overall categories scored this will equal overall score. Superintendent Bernier explained outstanding or very good clearly meets exceeds standards and good falls in line with \$250.00 merit bonus.

Commissioner Porter stated he is used to working with five categories. Three categories doesn't give enough for a good evaluation. Commissioner Umberger does not feel this form meets the intention of the contract. Superintendent Bernier stated the contract doesn't state there needs to be three categories. Commissioner Porter feels a person would have to walk on water to be outstanding. Chief Preece stated people were comfortable with this form in the past. Commissioner Umberger questioned if Superintendent Bernier and Chief Preece have sat down and reviewed this form. Chief Preece thought that is why it is on the agenda. Commissioner Porter will set up a time to meet with Superintendent Bernier and hopefully simplify the form. Commissioner Umberger feels the Board needs to get together and determine the range for the evaluation. Superintendent Bernier stated this needs to get done there are people overdue on evaluations. Commissioner Umberger stated he is concerned because the Board is now backed into a corner and can't make a change. Chief Preece and Commissioner Porter thought this was the form to be used for this year and then Commissioner Porter would work with Chief Preece and Superintendent Bernier on a new form. Whatever is designed for the new form, it will need to be approved by the union.

Commissioner Umberger read Article 28 of the Union Contract and feels both Superintendent Bernier and Chief Preece need to look at it. Superintendent Bernier stated he used the comment section to substantiate his scoring. Commissioner Umberger stated because these are union employees, the review needs to be done right. Commissioner Umberger stated it is better to be late and beg forgiveness than be wrong. Commissioner Santuccio questioned if the Board is going to finish this

matter. The contract states it has to be a written evaluation – doesn't specify the form to be used. It was agreed Superintendent Bernier will send the form to Kathy Peahl for her review.

Committee Reports

No Committees to report at this meeting

New Business

Budgets

Commissioner Porter stated he is happy with water/sewer. A few categories are coming up short and one is heat. The heat reimbursement has not been made from water to sewer. Peter LaBonte and Mickey McDonald have found a way to turn off the air handler to process control building at night when the building is unoccupied. This is savings 60-80 gallons of fuel per day. There are two boilers at the plant and there is a lot of friction loss between buildings and leaks between the buildings. They are looking at shutting off the heat to the water maintenance garage. Look at a Baxy propane unit for this building that mounts on the wall and vents out through the wall. We could look at going to one boiler. With a Baxy Unit, the Precinct could go back and forth between Baxy unit and boilers.

Maureen Westrick Forbes questioned if the Precinct has given any thought to geothermal units. Department of Energy has grant money available. There was a short conversation on different things that could be done to save on heat this winter.

Under Lab Supplies, a spectrophotometer had to be replaced at approximately \$3,000.00 and this was an unplanned replacement. Micro "C" has sent the lab chemicals up a little. Most of the radios have been purchased through a warrant article.

In the water department, the Cross Farm had to be funded at Annual Meeting. We had anticipated this expense to go away this year but the State is require additional testing in 2008. Weston Solutions is working directly with DES and ODD Fund on this.

Pickup truck has been built and should be delivered in the next couple of weeks.

Karen Umberger questioned if the Board was going to pursue a committee with Maureen Westrick Forbes as the Chairman to work on pursuing the geothermal heating. Superintendent Bernier stated sometimes these green initiatives cost more in the long run. Superintendent Bernier stated to take people from the general public and ask them to understand this factory is not feasible. The Precinct has staff that has made every single improvement that has been implemented. It was agreed that Superintendent Bernier will work with Ms Westrick Forbes on this.

Board received a letter from the truck committee recommending the Precinct go with E-One for the new pumper/tanker. Superintendent Bernier stated he agreed just the experience of the repairs to Tower Two where they have completed the repairs at no cost to the Precinct.

There is a down payment letter in your packet. The Precinct needs to seriously look at this to outfit the truck with hose, nozzles, saw, halogens, and flashlights etc. This truck is also classified by NFPA and ISO. Mr. Bushey stated the Precinct will receive 4% on its money. Mrs. Umberger is concerned if this is in the spirit and intention of the warrant article in the amount of \$375,000.00. Chief Preece stated the Precinct is only earning 1.5% in this account. Sherri Browning questioned why the Precinct would utilize an account only making 1.5%. It was explained the funds are with the Trustee of Trust Funds and they invest the money. The Precinct is not allowed to retain the money. Commissioner Porter expressed his concern the Precinct is paying for the performance bond and not E-One. Mr. Bushey stated he could not absorb that payment.

Motion of Commissioner Porter seconded by Commissioner Santuccio to authorize the purchase of the pumper/tanker from E-One with a down payment of \$300,000.00 to obtain the discount of \$12,000 and to further purchase the Performance bond at \$1200.00. Motion carried by voice vote 3-0-0.

Karen Umberger questioned how the accessories are purchased. They can be purchased by the fire department and the invoice given to E-One for payment or they can be purchased through E-One.

Commissioner Porter stated if we put down another \$60,000.00 , we could save an additional \$2,400.00 but that will increase the performance bond another \$240.00 nets out to an additional \$2,200.00 in savings.

Motion of Commissioner Porter to add an additional \$60,000.00 to the down payment subject to financing through the Town of Conway. Motion carried by voice vote 3-0-0.

Superintendent Bernier stated the Board needs to remember by prepaying this truck, the interest in the trust fund account will be diminished.

RFP Auditor:

Commissioner Umberger stated this is close to being put out with the exception of the escape clause. This will be reviewed again at the next meeting. This is for the 2009 audit. We will call the surrounding towns and see what they pay for their audits.

Motion of Commissioner Porter seconded by Commissioner Santuccio to move forward with RFP for an Auditor with the addition of the escape clause as approved by Chairman Umberger. Motion carried by voice vote 3-0-0

RFP Banking Services:

Superintendent Bernier stated the Precinct fairly solicited from our current bank in the same manner as Northway Bank. Superintendent Bernier stated Northway Bank is a local bank and their main office is in North Conway on Route 16. Superintendent Bernier explained the Precinct has been using them for short term and interim financing. There rates are substantially better. Superintendent Bernier stated if the Precinct has a banking relationship with Northway they will further reduce the interest rate.

Currently, we are looking for 2.88 million dollars and Northway Bank's rate is 2.37 without a relationship and 2.19% with a relationship. Also, we are looking to finance 1.6 million dollars and their rate is 3.91 without a relationship and 3.79% with a relationship. Superintendent Bernier this is substantial enough to move all our money to them. Superintendent Bernier stated this is a little risky but they are willing to reprint all our checks at no cost to the Precinct. Superintendent Bernier stated this is scary for the office manager as she has a good relationship with Citizens Bank. Commissioner Santuccio questioned why we are looking at Northway Bank. They approached the Precinct and asked what it would take to gain our business. They were asked to present a proposal. Superintendent Bernier stated Citizens Bank is no longer local and you can't get a commitment from them. Commissioner Porter stated he is in agreement to move.

Motion of Commissioner Porter seconded by Commissioner Santuccio to move all of the Precinct's banking services to Northway Bank subject to Northway maintaining the same interest rate or lower on the commitment letters. Motion carried by voice vote 3-0-0.

Sherri Browning stated the Precinct will have to do another comparison if Northway Bank's interest is not the same rate.

Superintendent Bernier stated this is unnerving for the office manager. The office manager stated it is not unnerving to change banks but the Precinct now putting all its eggs in one basket. Anyone with any financial expertise would say it not good financial practice. The Office Manager stated she would not do it in her personal finances or her own business finances.

Budget Committee:

The Budget Committee needs to meet to review the first half year expenses. Commissioner Santuccio questioned the need for the budget committee. Commissioner Porter agreed since the Board should be reviewing the budgets, as they did tonight.

Motioned by Commissioner Santuccio seconded by Commissioner Porter to disband the budget committee.

Commissioner Umberger stated our taxpayers gained a certain amount of comfort with the budget committee and it is valuable to have another set of eyes reviewing the budgets. This committee may be required by the by-laws.

Commissioner Santuccio withdrew his motion and Commissioner Porter withdrew his second on the motion.

Budget committee will meet on July 29, 2008 at 7:00 p.m. at the Precinct Office.

New Business

Mr. Bushey explained the Precinct's current options for Tank One. The Precinct could find a brokerage company and advertise as soon as possible. They would charge 10% of the sale price. The

truck is worth approximately \$45,000.00 and we have been offered \$10,000.00. The Precinct can advertise the truck themselves with availability upon receipt of the new truck. It could be placed on the websites for the Fire Department, Precinct and advertised in the Local Government Center's Town and City.

Increase in rates for Service Billings:

Superintendent Bernier stated there has not been a rate increase in service bill rates in over the last eleven years. Superintendent Bernier is not interested in raising water or sewer bills only service billing.

Superintendent Bernier would like to increase residential field inspections from \$27.50 by \$5.00 to \$32.50 and commercial inspections from \$30.00 to \$35.00. Contractors install the water and sewer lines and the Precinct inspects the installation. Increase shut off fees to \$50.00 - there is no turn on fee. Backflow tests would increase from \$35.00 to \$50.00 with multiple testing fees going from \$17.50 to \$25.00. If the Precinct finds a backflow that fails, we fix it and retest at no extra cost.

Commissioner Umberger stated he has received a lot complaints about the annual backflow costs. Superintendent Bernier stated in the past across the board, RPZ's have been installed and require testing twice a year where a double check valve could have been installed that doesn't require testing. Low hazard RPZ's have been allowed to go to annual testing.

Commissioner Umberger doesn't have a problem with increasing fees but would like to see something in writing to compare. Comparison will be prepared for the next meeting. Make sure the Precinct is breaking even on the backflow fees. Karen Umberger questioned if all the backflow are located in businesses. Superintendent Bernier stated they are installed in hotels, motels, bed and breakfast and restaurants. Most residences have a Watt's #7 and are not testable. Mrs. Umberger is concerned raising the fee from \$35.00 to \$50.00 is a substantial increase and additional costs. This is increasing this fee 40%. Superintendent Bernier stated we charge \$45.00 and this is difficult for some people who only use 2,000 gallons. Superintendent Bernier feels it is fair for the residential customer to pay for the difference.

Commissioner Umberger stated the Precinct doesn't have to be the one doing the backflow inspections. However, outside companies charge substantially more. The Precinct provides a substantial discount for multiple backflows. An example would be Settler's Green they are charged a discounted rate for multiple backflows.

Superintendent's Report

Reviewed 6 month budgets for water and sewer, Only item I see as a concern at this time is the Heating line item for the WWTF and Administrative offices.

Poured last 2 concrete slabs under new garage lean too.

Attended Bartlett Selectman's Meeting regarding acquisition of permits for borings and water waterline installation for Pierce Road.

Completed 2008 Annual Consumer Confidence Report and forwarded same to printers.

Completed plan review for new 5,000 square foot retail building for KGI developers at Mountain Valley Mall. Sent comment letter to engineers regarding changes needed.

Met with Park Construction to go over installation plan, gave park a copy of our system map. Introduce Mark Norby to Roger and Artie.

Met with Fairpoint Field Rep for SCADA line installation at Kearsarge Estates Pump Station.

Discussed meeting plans with Bill Merserve from CDM regarding our meeting at DOT on Wednesday.

Completed contract signing for Depot Road, Neighbor's Row and Contract 6 last week. Both Contractor's plan on starting July 7, 2008.

Sign Checks

Motion of Commissioner Porter seconded by Commissioner Santuccio to sign checks out of session. Motion carried by voice vote 3-0-0.

Public Comment

Karen Umberger stated she would like to discuss dealing with the budget committee. The budget committee provides a very good service and is respected by the people and taxpayers. The committee gave a very good and honest review of all the financials. Mrs. Umberger stated she was quite disappointed when two of the Board of Commissioners thinks it should be done away with. Mrs. Umberger just wants to make the statement that it would be a terrible disservice to our Precinct.

Non Public Session

Motion of Commissioner Umberger seconded by Commissioner Porter to enter non public session at 9:26 p.m. under RSA 91-A:3, II (c) – Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the body or agency itself, unless such person requests an open meeting. This exemption shall extend to any application for assistance or tax abatement or waiver of a fee, fine, or other levy, if based on inability to pay or poverty of the applicant. Motion carried by roll call vote – Umberger – aye, Porter – aye and Santuccio – aye.

Reentered public session at 9:40 p.m.

Motion of Commissioner Umberger seconded by Commissioner Porter to enter non public session at 9:26 p.m. under RSA 91-A:3, II (c) – Matters which, if discussed in public, would likely

affect adversely the reputation of any person, other than a member of the body or agency itself, unless such person requests an open meeting. This exemption shall extend to any application for assistance or tax abatement or waiver of a fee, fine, or other levy, if based on inability to pay or poverty of the applicant. Motion carried by roll call vote – Umberger – aye, Porter – aye and Santuccio – aye.

Reentered public session at 945 p.m.

Adjourn

Motion of Commissioner Porter seconded by Commissioner Santuccio to adjourn this public meeting at 9:45 p.m. Motion carried by voice vote 3-0-0.

Chairman Umberger called for an Emergency Non Public

Motion of Commissioner Umberger seconded by Commissioner Porter to enter non public session at 10:06 p.m. under RSA 91-A:3, II (c) – Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the body or agency itself, unless such person requests an open meeting. This exemption shall extend to any application for assistance or tax abatement or waiver of a fee, fine, or other levy, if based on inability to pay or poverty of the applicant. Motion carried by roll call vote – Umberger – aye, Porter – aye and Santuccio – aye.

Reentered Public Session at 10:30 p.m.

Respectfully,



Kristine M. Cluff
Recording Secretary