

Board of Commissioners
Minutes
January 19, 2022

The Commission meeting convened at 10:00 AM in person — at the North Conway Water Precinct 104 Sawmill Lane North Conway, NH. The following were present: Commissioner John Santuccio, Commissioner Robert Porter, Superintendent Jason Gagnon, Fire Chief Pat Preece, and Recording Secretary Hannah Andersen.

Call the Meeting to Order

Meeting called to order by Commissioner Santuccio at 10:00AM.

Minutes

Motion of Commissioner Porter and seconded by Commissioner Santuccio to accept the Public and Non-Public Meeting Minutes from January 5, 2022.

Motion carried by 2-0 voice vote.

Minutes from December 22, 2021, will be carried to next meeting.

Fire Department

Membership:

39 Members

Personnel:

2 members on leave at this time

6 member has tested positive for COVID and is following the CDC guidelines.

2 member is waiting for their test results from as close contact of a family member.

Training:

Department Training. Trained on basics of cleaning SCBA packs, Hydrants how to open and close.

Engine 3 Training. Will be going over winter operations of how to pump water safely in the freezing winter conditions

Rescue Training. Will be doing winter emergencies using the snow machines and the ranger.

Department Activities:

Working on the 2021 budget

1. Call pay for members I would like to increase the base rate from \$13.25 to \$14.00 per hour.
2. Warrant articles
 - A. Truck replacement \$205,000.00
 - B. Rescue tools \$50,000.00
 - C. Radio System upgrades

D. Chiefs Car replacement \$60,000.00

E. Place \$4,000.00 for the sale of Rescue 2 into the truck replacement account we got missed last year.

Emergency Calls:

The fire department has responded to 41 calls for the month of January

The department has responded to 41 calls year to date for 2022

We have seen a rise in COVID positive patients over the last 4 weeks.

With the high COVID numbers going on the rise in the valley masks is required when entering the fire station and on all calls as of 1/11/21. We need to protect of first responders and emergency services. We will reassess the mask requirement in a month.

New Business

(Superintendent's Report)

2022 Budget Update

2021 Revenues

The following revenues are preliminary and may change slightly as end-of-year accounting is wrapped up. Note that I haven't included other revenue streams like service billing, bulk water sales, or miscellaneous billing items as we don't have those compiled yet. Overall, 2021 was down 2.9% vs. pre-COVID numbers on the water side, and down 0.5% vs. pre-COVID numbers on the sewer side. Septage revenues surged in 2021, possibly due to our new rate structure incentivizing disposal with end-of-year rebates for haulers meeting certain thresholds.

WATER BILLING

	2021 Actual	2021 Projected	% Difference 2021 Projected	% Difference 2016 – 2019 Average
Residential	\$525,826	\$546,000	- 3.69%	- 1.51%
Commercial	\$622,684	\$598,500	+ 4.04%	- 4.04%
Total	\$1,148,511	\$1,144,500	+ 0.35%	- 2.90%

SEWER BILLING

	2021 Actual	2021 Projected	% Difference 2021 Projected	% Difference 2016 – 2019 Average
Residential	\$364,588	\$329,000	+ 10.82%	+ 2.22%
Commercial	\$979,754	\$930,200	+ 5.33%	- 1.50%
Total	\$1,344,343	\$1,259,200	+ 6.76%	- 0.52%

SEPTAGE

	2019	2020	2021	% Difference 2021 Projected
Volume Received	3,133,209	3,575,090	5,841,137	+ 69.6%
Total Revenue	\$281,988	\$321,758	\$502,540	+ 62.1%

Notes:

- \$156,923.08 of septage revenue was shared with CVFD
- Two haulers met delivered more than 1,000,000 gallons each and qualified for an end-of-year \$0.01 per gallon rebate. Total rebate amount given was \$23,161.94.

2022 Budgets

Attached are the preliminary 2022 budgets. Brief highlights:

- Commissioners
 - Accounting/Auditing expenses continue to drop as projected
 - Added in legal expenses for 2022 CBA negotiations
 - Overall, not much change
- Water
 - Included new position "Technology Specialist" at 25% split for full year
 - Communications increase due to new data connections at Well buildings and a proposed radio path study

- Electricity increase due to bringing Well 2 back online – actual cost may be lower as other wells are run less
- Chemicals increase to account for initial caustic delivery at Well 2 and continued market instability for caustic
- Water Distribution Supplies increase to reflect accounting practices
- Water Distribution New Equipment increase is for N-S Road water main, much of which will hopefully be reimbursed
- Meter changeouts still hanging around – many of the meters have been purchased, but show up under Water Distribution Supplies due to accounting practices
- NHDES is backing up the Brinks truck this year for Asset Management grants. These numbers will be refined over the next month based on feedback from NHDES. Applications were due late this year (Jan 7), which is why we don't have the clarity we usually do at this point. This year's line includes:
 - Regular asset management work up to \$100K
 - Water Audit up to \$20K
 - Strategic Planning up to \$50K
 - Energy Efficiency initiatives up to \$200K (shown – could be as high as \$400K after feedback)
- Potential to use some water Capital Reserve to help fund matching portion of solar project shown
- Vehicle Capital Reserve contribution has been increased to recommended level
- Anticipated reimbursement for N-S Road water main projects shown based on discussion with developers – not finalized yet.
- Sewer
 - Included new position "Technology Specialist" at 75% split for full year
 - Lease Agreements / Contracts increase due to shifting WWTF expenses into these lines to more easily track IMA shared expenses
 - CVFD Septage Share is the "credit" we give CVFD on their monthly sewer bill for their proportional share of septage revenue as defined by the IMA. As total septage revenue increases, their share increases too.

- Electricity budget has been lowered to account for solar. I hope to have a nice graphic showing savings at an upcoming meeting.
- Plant repairs and maintenance increase due to specific projects planned, including:
 - Replacement of HVAC coils and associated construction
 - Radio path study and radio replacement (SCADA)
 - Installation of 2nd clarifier automated cleaning system
 - Installation of redundancy for main mixer/aerator power supply
 - Fall protection installation and cleaning of septage storage basin
- Chemicals increase due to rapidly increasing cost of dewatering polymer and addition of soda ash for alkalinity
- Pump station electricity increase due to replacement of obsolete cellular SCADA devices
- Meter changeouts still there – work has been progressing, and many meters are bought but do not show up here yet because they haven't been installed.
- Capital contribution is down some due to refinancing of many sewer bonds through NHMBB – it still includes the additional \$130K from electricity savings from the solar array to offset tax-funded debt.
- Vehicle Capital Reserve contribution has been increased to recommended level
- Now that we have some comfort in actual savings from the new solar array, the REC proceeds are again shown being transferred into the Green Energy CRF.

Annual Meeting Timeline

Working timeline for Annual Meeting related activities:

Meeting	Proposed Date
Annual Meeting	March 30
Annual Reports Available	March 22
Post Warrant and MS-636	March 15
Bond / Budget Hearings	March 2

Post Bond Hearing	February 22
Candidate Filing Period	February 9 – February 18
Post Candidate Filing Period & First Annual Meeting Notice	January 16 th

Reports to be included in the Annual Report (Chief's report, Superintendent's report, Commissioners' report) should be to Hannah by the end of February.

2021 Solar Performance

These are also preliminary numbers, but since the solar array has come online in May 2021:

2021 Production Total: 811,647 kWh

2020 WWTF Electricity Cost: \$126,311.10

2021 WWTF Electricity Cost: \$60,474.07

2021 REC payments totalled \$36,050 and are projected to come in around \$50,000 total in 2022 if the market holds.

Well 2R Project

Progress continues, albeit slowly. The foreman for Apex Construction currently has COVID and materials supply delays are constant.

North-South Road Water Main

Layout for the Rec Path has taken longer than anticipated – I'm waiting for confirmation from Coleman that they're ready for us. As mentioned in the budget discussion, I am working with developers to determine the share each will provide for the project.

Aeration Upgrade Project

We will be potentially adding an energy audit update to our planning grant scope so that any modifications will also qualify for grant funding through the CWSRF Energy Efficiency grant program.

WWTF HVAC Repairs

Over the Christmas holiday one of the heat exchanger coils sprung a leak. The HVAC unit is located in the attic above the janitor's closet, tucked in between the engineered roof

trusses. The only access to this area is via ceiling hatch in the closet. Our staff was able to isolate the leaking coil and supply heat to the affected areas by using fans from other parts of the building. Because of the HVAC unit's location, none of the parts are removable. Technicians were able to slide the leaking heat exchanger coil out of the HVAC unit in between the roof trusses just enough to braze 12 separate leaks found. There are two of these coils in the HVAC unit, each of which is original to the WWTF and now approaching 25 years old. WWTF staff has had to run reduced pressure through the system for years now because of the condition/age of the coils, and they are at the end of their useful life.

Because the roof/attic was essentially built around the HVAC unit, there is no way to replace any parts without literally taking the roof off. We're hoping the repairs last until warmer weather, at the very least. We're also looking into replacing the coils and modifying the roof/attic area to provide better access to the HVAC units. Even though it's just the coils being replaced now, we also recognize that the entire HVAC unit is approaching the end of its useful life and will need to be replaced in the next 10 or so years.

We've met with Shawn Bergeron to take a look at the situation and the structure to come up with potential long-term solutions. Current thinking is that it may make sense to expand the attic area to: 1) provide adequate space to work; 2) provide access other than the current 2' x 3' ceiling opening; and 3) provide future space to accommodate replacement of the entire HVAC system when the time comes.

2022 Budget Update

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Signing of Checks

Motion of Commissioner Porter and seconded by Commissioner Santuccio to ratify checks signed out of session:

- a. Payroll Checks dated 1/20/2022
- b. Accounts Payable Checks dated 1/20/2022

Motion carried by voice vote 2-0.

Non-Public

11:28 AM

Motion of Commissioner Porter and seconded by Commissioner Santuccio to enter into Non-Public Session by reason of RSA 91-A:3, II (a) The dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her, unless the employee affected (1) has a right to a public meeting, and (2) requests that the meeting be open, in which case the request shall be granted.

Motion carried by a 2-0 voice vote.

John Yes

Bob Yes

12:20 PM

Motion of Commissioner Porter and seconded by Commissioner Santuccio to seal the minutes from this Non-Public Session.

Motion carried by a 2-0 voice vote.

Adjourn

Having nothing further to come before this public meeting, **Motion of Commissioner Nelson and seconded by Commissioner Porter to adjourn this public meeting at 12:21 PM.**

Motion carried by voice vote 2-0.

Respectfully,

A handwritten signature in purple ink, appearing to read 'Hannah Andersen', with a large, sweeping flourish extending to the right.

Hannah Andersen
Recording Secretary