

Board of Commissioners

Minutes

March 17, 2021

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

Call the Meeting to Order

Meeting called to order by Commissioner Nelson at 10:04 AM.

Minutes

Motion of Commissioner Porter and seconded by Commissioner Nelson to accept the Public Meeting Minutes from March 3, 2021.

Motion carried by 2-0 voice vote.

Fire Department

(Copied from Chief's Report)

Membership:

39 Members

No new applications at this time.

Personnel:

2 members on leave at this time

No members on quarantine at this time.

Training:

Department Training. Will be set up once officers meet next week.

Tower 2 Training: using Webex power point lecture on ropes and knots. This went well as it could using web ex.

Rescue Training: Bone fractures and how to treat them along with pain management.

Department Activities

Currently 28 members have received 2 shots; completely done

Currently 2 members have received 1 shots; with minor or no side effects.

Currently 3 members awaiting their first scheduled shots.

Currently 4 members do not want the shots.

Emergency Calls:

The fire department has responded to 67 calls for the month of March

The department has responded to 284 calls year to date for 2021

Norcross Circle:

1. The Masons are making good progress overall.
 - a) The hose tower brick is at a stopping point until they sent the top granite is done; then they will continue lying the rest of the brick on the hose tower.
 - b) The top granite up on the west and north walls have been installed.
 - c) The granite in the arches of the garage doors 2 are complete and 3 to go.
 - d) They will be starting to install the granite top cap on the north and west wall on Thursday.
2. Electricians working on putting light switches and outlets throughout the entire building. The light fixtures is scheduled for delivery in 2 weeks.
3. Painting is going well, first coat of paint has been done throughout the building.
4. Plumbers have been work on the air exchange equipment that this on the roof.
5. Pope has the fire alarm system 90 % complete.
6. Elevator installation is complete awaiting on the generator to be installed so they can have the State come and inspect it.
7. Portland Glass have started installing the doors and windows.
8. Flooring should start next week as long if it gets delivered on time.
9. Millwork is in production at this time.

New Business

(Superintendent's Report)

Annual Meeting Update

Candidate filing period opens Wednesday, March 24th. One week after that is the Budget/Bond hearing on Wednesday, March 31st. That night we will also have our required quarterly night meeting. The Commissioners meeting begin at 6:30 with the Budget Hearing to follow at 7 PM.

Annual Meeting	Saturday, May 8
Annual Report Available	Friday, April 23
Post Warrant	Friday, April 16
Commissioners Approve Warrant (at regular Commission Meeting)	Wednesday, April 14
Budget/Bond Hearing	Wednesday, March 31
Candidate Filing Period Begins	Wednesday, March 24

2021 Budgets & Warrant

Attached to this report are the updated/revised budget narrative and the proposed budget breakdowns for each department. The only major edit to the budget narrative was to amend the Commissioners section to recommend using "double collected" funds from 2020 to pay off SRF Note #30 as recommended by the Commission at the last meeting. Also attached is the 2021 DRAFT Warrant for review.

Jason will be adding language about accepting grants in the description for Article 12 of the 2021 Warrant.

North-South Road Water Main

An RFP was sent out to 5 local contractors for this work. Pricing is due back on March 26th.

Saco River Erosion Study Update

The DRAFT application has been submitted to NHDES for feedback. I'm still waiting on a few key personnel to provide comment, but so far, no issues with the DRAFT application have been identified. As soon as I receive final comments, I'll submit the final application and put the Request for Qualifications together to advertise for the project.

Well 2 Project Update

We received very positive news for the project as Apex Construction has signed the Intent to Award form and agreed to hold their bid pricing even though the project won't be awarded until after Annual Meeting. The remaining documentation has been submitted to NHDES and I am anticipating receiving conditional approval to award any day now.

ERP Update

Every 5 years, the Precinct is required by USEPA to update its Emergency Response Plan for the drinking water system. At Wednesday's meeting, I will provide copies of the 2021 updated plan so that you don't have to print them. This update was re-created completely from scratch as the only versions of previous ERPs were scans of paper copies. This should make future updates significantly less time-intensive and allow for regular updates (as intended) when conditions within the Precinct change.

2020 Consumer Confidence Report

The 2020 Consumer Confidence Report (CCR) outlining water quality in the Precinct is now available. Hannah has worked hard to put together a user-friendly format that we hope will be easy for customers to use and understand. By doing the work in-house, the Precinct also saves more than \$2,000 per year vs. the cost of hiring a consultant. The CCR is available on our website. Notification will be made via Q1 water bills, also saving the Precinct the cost of mailing notification to each customer and printing the actual reports.

2020 Auditor / 2019 Audit

As you may recall, setting of the tax rate in the Town of Conway was delayed in 2020 due to the Precinct's Auditor not having completed their necessary work. 5 months later, our 2019 audit is

still not complete. This is the culmination of an unfortunate pattern from our Auditor. Although they are great to work with and do quality work, it is my opinion that their delays have the potential to hurt the Precinct both from a public relations standpoint and a NH DRA standpoint. We have put out a new RFQ for auditing services. We have also been in discussion with highly regarded auditing firms about the possibility of taking on the Precinct's 2020 Audit (since we still haven't received our final 2019 audit...) I am recommending that the Precinct enter into an agreement with Plodzik & Sanderson to perform the 2020 Audit.

There are a couple of caveats to this recommendation.

1. The Precinct is currently under contract with Roberts & Greene through 2021. We believe this should not be an issue, however, as our understanding is that the Precinct has just cause to terminate the contract because of how late their work has been.
2. Precinct bylaws state that one of the purposes of Annual Meeting is to "... select independent certified public accounts [sic] to serve as auditors..." At Annual Meeting 2020, Article 15 "ratified" the auditor for 2020 as Roberts & Greene. To legally change this, the voters must officially change their position. To that effect, we will be proposing a Warrant Article for 2021 Annual Meeting along the lines of:

To see if the voters of the North Conway Water Precinct will rescind ratification of Roberts and Greene CPAs as the Precinct auditor for the calendar year of 2020, and ratify Plodzik & Sanderson as the Precinct auditor for the calendar years 2020 and 2021.

On another positive note, changing to Plodzik & Sanderson would save the Precinct more than \$4,000 in auditing costs for the 2020 Audit. Plodzik & Sanderson is currently the firm performing the Town of Conway's audit, and is one of the largest, most respected auditing firms in NH.

Solar Update

Installation work on the new solar panels has just about wrapped up. The last major hurdle prior to bringing the system online is for NH Electric Co-op to install a new "recloser" switch at the main pole on Sawmill Lane. I've seen a few pickup trucks out there with guys looking up at the pole but have yet to get a firm date on the work being completed.

In other good news, we received word late on Monday that there will be no early termination fees for breaking our electricity supply contract with Direct Energy. In order to participate in group net metering, all of our sewer-related electricity accounts will be switched back to NHEC supply.

Septage Rate Update – Tiered Structure

As discussed late last year, I am recommending that the Precinct switch to a tiered septage rate structure to encourage more septage disposal (and hopefully more revenue) at the Precinct. Here is a breakdown of the proposed change:

Current Septage Rates		Proposed Septage Rates	
Gallons Delivered	Price per Gallon	Gallons Delivered	Price per Gallon
0 – 999,999	\$0.09	0 – 999,999	\$0.09
1,000,000 – 1,500,000	\$0.09	1,000,000 – 1,500,000	\$0.08
1,500,000 – 1,999,999	\$0.09	1,500,000 – 1,999,999	\$0.075
2,000,000+	\$0.09	2,000,000+	\$0.07

Haulers pay the standard \$0.09/gallon rate when they deliver. At the end of each calendar year, haulers meeting each price reduction threshold would receive a rebate based on their annual effective rate. For example, if a hauler delivered exactly 1,000,000 gallons they would have paid \$0.09 x 1,000,000 gallons = \$90,000. They would receive a rebate equal to \$0.01/gallon, or \$10,000, because they fell into Tier 2 of the new rate structure. Based on our conversations with haulers, we are hopeful this will encourage larger haulers to bring more volume to the Precinct instead of hauling it to other locations. If the tiered rate structure proves to not be beneficial to the Precinct, we can go back to the old rate structure at any time. The proposed changes are shown on the attached 2021 DRAFT Rate Schedule on page 3 in yellow highlight.

Precinct Bylaws require that the Commission hold a public hearing before changing these rates. I am recommending that this Public Hearing be held at the March 31 meeting, with a vote on the proposed rate change immediately following. Septage hauling activity begins picking up significantly in April, and I would like them all to be aware of the volume incentives at the start of the season.

Additional Water Rate for Delinquent Meter Accounts

It has been nearly 6 years since our residential meter replacement program was enacted and there are still close to two dozen residential accounts who have not changed out their old-style meters. This causes increased cost to the Precinct, both in the form of effort by meter reading staff and in the form of annual fees to update the software required to read the old-style meters. I am recommending that a similar policy be put in place as is used to encourage properties to connect to the sewer system where the water rate is higher for customers who have not allowed the Precinct to change out their old-style meter. In the attached 2021 DRAFT Rate Schedule, the yellow highlighted rate on page 1 is proposed. Essentially, this doubles the base fee (from \$60 per quarter to \$120 per quarter) for accounts with old, out of date meters. This works out to be a \$240/year premium for residential property owners who do not allow the Precinct to change their meter to the new style.

Refinance of Precinct Debt – NHMBB

Earlier this year, I discussed the possibility of refinancing portions of the Precinct's existing debt through the New Hampshire Municipal Bond Bank. We have received the savings analysis back

from NHMBB's financial consultant and the projected savings from refinance totals just under \$1M over the next 20 years. Attached to this report is a breakdown of the potential savings. I am still awaiting details of the process needed to refinance and will update you as soon as I have all the information. It is likely this can be done without waiting for Annual Meeting, although there may be public notice and public hearings required. The one potential drawback to refinancing through NHMBB is that we cannot pay those bonds off early if desired.

Signing of Checks

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

1. Payroll Checks dated 3/18/2021
2. Accounts Payable Checks dated 3/18/2021

Motion carried by voice vote 2-0.

Non-Public

Motion of Commissioner Nelson and seconded by Commissioner Porter to enter into Non-Public Session per 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.

Roll Call Vote:

Commissioner Porter	Yes
Commissioner Nelson	Yes

Commissioners entered Non-Public Session at 11:02 AM

Commissioners returned from Non-Public Session at 11:05 AM

Motion of Commissioner Nelson and seconded by Commissioner Porter to enter into Non-Public session per RSA 91-A:3, II (d) Consideration of the acquisition, sale or lease of personal property which, if discussed in public, would likely benefit a party or parties whose interests are adverse to those of the general community.

Roll Call Vote:

Commissioner Porter	Yes
Commissioner Nelson	Yes

Commissioners entered Non-Public Session at 11:06 AM

Commissioners returned from Non-Public Session at 11:36 AM

Motion of Commissioner Porter and seconded by Commissioner Nelson to seal these minutes because it is determined that divulgence of this information likely would render a proposed action ineffective.

Roll Call Vote:

Commissioner Porter	Yes
Commissioner Nelson	Yes

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 11:36 AM.** .

Motion carried by voice vote 2-0.

Respectfully,



Hannah Andersen
Recording Secretary