

Board of Commissioners

Minutes

November 25, 2020

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 Robert Porter, Commissioner Suzanne Nelson, Fire Chief Patrick Preece, Superintendent Jason Gagnon, Allan Clark of REI and Recording Secretary Hannah Andersen.

Call the Meeting to Order

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

Minutes

Motion of Commissioner Nelson and seconded by Commissioner Porter to accept the Public Meeting Minutes from November 12, 2020.

Motion carried by voice vote 3-0-0.

Fire Department

(Copied from Chief's Report)

Membership:

39 Members

No new applications at this time.

Personnel:

Jeff Currier Resigned from the department; he has taken a fulltime job with the Town of Bartlett as the Fire Chief. I would like thank him for 13 years of service to the department

2 members on leave at this time

Training:

Department Training. We will be doing ground ladder training along with rescue carries down the ladders.

Tower 2 Training: Will be doing SCBA training.

Rescue Training: Will be doing Air Bag training.

Department Activities

Performed Fire alarm testing for the Kearsarge Brook Condo's 19 Units. They passed the test with some minor issues; they corrected all issues.

Emergency Calls:

The fire department has responded to 79 calls for the month of November

The department has responded to 1,081 calls year to date for 2020

Apparatus / Trucks:

Car 1 needs a new timing sensor and timing belt, the parts have been ordered

Equipment Issues:

Norcross Circle:

1. Blocks walls have been started in the apparatus bays 3 full walls are complete. The mason has started on the hose tower wall; they have two days left on the tower depending on the winds.
2. Steel Frame work is progressing well; 2 weeks should be done.
3. Masons have started laying bricks on the west wall; which runs along the rail road tracks.
4. Floors in the apparatus bay was poured on Monday; they poured 170 yards of concrete the floor came out great. The mezzanine on the second floor should be poured today.
5. Plumbers has completed all the radiate heat piping under the slab and floors.
6. Wall framers have been working on the interior wall framing.
7. The roofers have the apparatus bay and admin. roofs on. They will be back on Monday the 30th to work on the deacon roof.
8. Electricians working on rough wiring in the admin offices.

Allan Clark Budget Update

Several weeks ahead of schedule on the Fire Station Project. They are set to start drywalling in 2 weeks. Rough plumbing, electrical, and heating are in place. While the Mason is lagging due to the brickwork being time consuming and it being difficult to find skilled labor, we are still well ahead of schedule. We are purchasing everything that we can ahead of time due to head off any risk of covid lengthening lead time on items. We're working on finalizing furniture. The appliance package has been purchased. We will be using up some of the contingency budget (\$100,000) on masonry. The Country Club is allowing us to store resources on their property. David Swirk from the Railroad has been very accommodating. We are negotiating an easement with them. There will be a masonry wall that will be used to hide the generator and the transformer. Plans are ready to be recorded, language of the easement has been prepared by the Precinct's attorney and is set to be reviewed by David Swirk's attorney. Their cooperation has been immensely helpful to the project.

New Business

(Superintendent's Report)

COVID-19 Sick & Travel Policy Updates

Attached to this report is the most recent update to the Precinct's sick and travel policies. All of our policies are intended to reduce the potential for COVID transmission to and between employees. Precinct staff are essential public health workers delivering clean water, fire, and rescue services – it is critical that we stay healthy and able to perform our jobs.

Abatelements

Attached are recommendations to deny two abatement requests.

For Account 0974 dated 10/30/2020, the water was used for irrigation of a lawn and flower beds. The Precinct has set the precedent that abatements are not granted for irrigation use, therefore this abatement request is recommended for denial. The property owner will be sent information about the Precinct's irrigation meter program.

For Account 0717 dated 11/6/2020, the water use was associated with a leaky toilet at the property. The property owner is requesting an abatement because due to COVID, they were not able to make the trip to come check on their property. In this case, the Precinct incurred the cost of pumping, distributing, and treating the water, as well as collecting and treating the wastewater. Because the Precinct did incur those costs, this abatement request is recommended for denial.

Motion of Commissioner Nelson and seconded by Commissioner Porter to deny abatement request for two accounts: Account 0974 request from October 30, 2020 and Account 0717 from November 6, 2020.

Motion carried by a 3-0-0 voice vote.

Solar Installation

Yesterday was one of the first milestones of the project, as the electrical switch gear for the new solar array was installed. This required a full-day shutdown of electric power to the WWTF. I'm happy to report that we were able to run on backup generator power for the day with no issues and that the switch installation was completed without a hitch.

We have also had positive movement on approval of our Alteration of Terrain permit, with approval received from NH Fish & Game. We are currently awaiting final approval from NHDES, which we hope will come quickly.

Fueling Station Update

Our fueling station is progressing nicely. Last week we had good progress from Eastern Propane on the tank install, and on Friday the paving around the concrete pad was completed by Central Paving. We took the opportunity to repair some of the older broken up pavement near the new pad location at the same time and I'm very pleased with the way it came out.

Precinct Internet & Phones

As mentioned in the previous meeting, the Precinct's current phone system is aging technology and relatively expensive. With the new Fire Station project underway, now is a very good time for the Precinct to upgrade our entire phone system in order to manage future costs and maintain/enhance communication between remote locations. Attached to this report are quotes from Bretton Woods Telephone and Northledge Technologies for updated phone systems using Voice Over Internet Protocol (VOIP) technology. VOIP uses fiber optics and internet to carry phone signals rather than traditional copper. Costs are generally fixed for the service – that is, no matter how many calls you make, the cost is the same. Currently we pay local and long-distance fees on each call placed.

Attached is what I've received for pricing so far from the two local providers. Northledge appears to be the best long-term solution, actually saving the Precinct money over our current system after year 4. I'm still working through the details of the proposals, however, and need to verify some of the fine print on the FirstLight fiber component regarding phone service costs.

Septage Revenue

In light of the very real potential for another year of reduced revenues due to reduced travel/tourism related water/sewer use, I've been looking at ways to boost Precinct revenues. Mickey and I have been working on the concept of a tiered rate system for septage disposal, with the general idea being "the more you bring, the less you pay per gallon." In other words, lower pricing could incentivize more septage disposal and therefore more revenue for the Precinct. So far, we've had a couple of haulers tell us they would bring more here if it cost them less – but we also want to make sure we're not lowering our prices without guaranteeing the additional revenue.

The solution we've come up with is a year-end rebate system whereby haulers who reach certain thresholds receive a rebate based on the volume of septage they bring to the Precinct. Our hope is this will encourage more septage disposal here without risk of reduced revenues if that doesn't happen. In a nutshell, for every 500,000 gallons of septage delivered by a hauler, they would receive a ½ cent rebate per gallon at the end of the year. Here's how we envision it working:

Septage Tier (gallons delivered)	Rebate Amount	Total Cumulative Rebate	"Net Price" After Rebate
0 – 499,999			\$0.09 / gal
500,000 – 999,999	\$0.005 / gal	\$0.005 / gal	\$0.085 / gal
1,000,000 – 1,499,999	\$0.005 / gal	\$0.01 / gal	\$0.08 / gal
1,500,000 – 2,000,000	\$0.005 / gal	\$0.015 / gal	\$0.075 / gal
2,000,000 +	\$0.005 / gal	\$0.02 / gal	\$0.07 / gal

Currently, the going rate at the "septage disposal hot spots" is \$0.07 / gallon. Attached is a proforma showing potential revenue scenarios should this rate change take effect. As shown on the proforma, if everything falls exactly the wrong way, there is the potential that revenues could decrease slightly from what we've seen in the past two years, but the likelihood of that scenario happening seems slim. I did want to be sure to let you know it wasn't a 100% guaranteed money maker, even though I believe it will increase septage revenues somewhat.

Both Mickey and I are comfortable with the facility being able to handle additional septage loading from this proposal, for the following reasons:

- Having almost two full years under our belt with the new septage and dewatering equipment, we are confident that the equipment can handle the potential increased flows.
- This year, as flows were down due to COVID-induced reductions in tourism, septage was largely responsible for providing enough food to "keep the bugs happy" and maintain efficient operation of our wastewater process. I'm not sure that would have been the case if we didn't have the steady stream of food (septage) to feed the system. We may be in for another year like that, and I'd like to do more to make sure the septage continues to come here.
- Even with conservative estimates at the cost of treating the septage solids, at \$0.07 /gallon the Precinct is still making a reasonable profit.

If accepted by the Commission, these septage receiving rates would go into effect at some point early in the new year with the intent of being retroactive to January 1. Rebates would be issued in the last week of the calendar year. The rebates would come from already collected septage revenues and be shared proportionally by the Precinct and CVFD per the IMA.

I believe that a public hearing is required in order to make this rate change. If the Commission is agreeable to the proposal, we can begin that process.

Potential EDA Grant Submission

Since its inception in 2018, I have been actively involved in working with the Saco Headwaters Alliance (SHA). One of SHA's core missions is to be a vehicle to bring outside funding into the region to support projects that help protect the Saco River Watershed. The Precinct currently has two grant-funded projects underway with SHA – a municipal outreach project aimed at educating public officials in surrounding towns on the importance of protecting the aquifer from which we get our drinking water, and a risk analysis looking at threats to our wells from septic system loading in the West Side Road area – which will bring in \$50,000 in grant funds for the Precinct's benefit.

SHA is currently working on a proposal to the Economic Development Authority that could bring in substantially more funding for the Precinct. We are in the process of developing this proposal after some very promising conversations with EDA staff. Although the details of the proposal are still being worked out, the thought is that it would include a request for full updates of the Precinct water & wastewater master plans (last updated in 2011), along with other work aimed at protecting the Saco River watershed (and our drinking water source). The potential cost of these master plan updates is currently being developed but could be as much as \$200,000. EDA grants typically require some level of matching funds that could be as low as 20% or as high as 50% - we're still too early in the process to know for sure what level we're potentially eligible for.

I think there is great synergy between the Precinct's past and its future with this grant proposal. EDA grant money is largely responsible for providing the funding that allowed the WWTF to be built with the capacity to accept wastewater from the entire Mount Washington Valley region. Since the WWTF was built, the Precinct has worked hard to build out our wastewater infrastructure – both within our boundaries, and beyond by brining in CVFD's flows. We've done everything in our current master plan and now the Precinct is ready to move forward toward fulfilling our promise to EDA more than 20 years ago. Updating our Master Plans to begin to think in more regional terms is the first step in making that happen.

I'll be sure to keep you posted on progress as the team continues to work on the proposal.

Superintendent and Fire Chief reviews will be after the next Commissioners Meeting on December 9, 2020.

Signing of Checks

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

1. 2020 Payable Checks dated 11/25/2020
2. 2020 Payroll Checks dated 11/25/2020

Motion carried by voice vote 3-0-0.

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 11:06 AM.

Motion carried by voice vote 3-0-0.

Respectfully,



Hannah Andersen
Recording Secretary