

**Board of Commissioners
Minutes
February 22, 2016
(approved March 21, 2016)**

Present: L. Woods, T. Pellegrino, G. Keller, J. Comer, Superintendent R. Miner, Water Quality Support/Administrative Manager J. Lavoie

Excused: J. Balcom

Financial Review – January 2016

G. Keller questioned why account 70100 (R&M Communications Equipment) is at 304%. R. Miner noted that this includes radios in the District's vehicle, which were upgraded, and a base station at the office. The opportunity to purchase this equipment presented itself so the District purchased these items.

G. Keller questioned the Utility Field Technician (Backflow). It was noted that this employee has been broken out to make sure that anyone reading this budget would be aware that the backflow program is on-going.

T. Pellegrino questioned when uniforms are purchased for field staff. R. Miner noted that a card is loaded with a specific amount and the employees purchase what they need, when they need it. Boots are purchased in the summer and fall.

Board of Commissioners to approve minutes from the January 25, 2016 Public session.

A motion was made by T. Pellegrino and seconded by J. Comer to approve the minutes from the January 25, 2016 Public session with the following revisions:

Page 1, item #4, the words "District Treasurer" should be replaced with the words "Natalie Couture";

Page 3, Service Line Protection under Superintendent's Report, the word "recourses" should be "resources".

The motion passed 4-0-0.

Board of Commissioners to view a slideshow presentation of the treatment plant project progress by Bob Daigle of Underwood Engineers, Inc.

R. Daigle noted that this project is a little behind schedule. L. Woods

noted that he walked this project about 2 weeks ago and the project is moving along to completion.

Board of Commissioners to discuss with Mike Metcalf of Underwood Engineers, Inc. PRB's request for a possible time extension for completion of the treatment plant.

M. Metcalf noted that PRB has requested a 21 day extension. R. Daigle noted that the pipes are coming in in the incorrect order. M. Metcalf noted there have been issues with the wrong pieces being sent. R. Daigle noted that the extension will mean that the plant will be turned over to the District the middle of April. He noted that water will be sent out through the system

Merrimack Village District, Board of Commissioners, 2/22/2016, Page 2 of 5

during start up in the middle of March. He noted that one month of performance at the plant must be done before handover.

L. Woods questioned how the District can assure the ratepayers that the water coming from this plant during performance testing is safe to drink. R. Daigle noted that there will be continuous testing of the water from this plant before it is sent into the system. L. Woods questioned what would happen if the water was found to be not safe. R. Daigle noted in this event the water would be sent through a hydrant and flushed. He noted that the water coming from this plant will be better than the current quality of water coming from these wells. R. Miner noted that if the SCADA system is not working the water will be pumped to waste. The pH of the water is constantly read.

J. Comer questioned the iron and manganese content of this water and how it will be tested. J. Lavoie noted that this is currently tested with a physical test. R. Daigle noted that the water coming from this plant will have iron and manganese levels no higher than the levels currently found in the water from these wells. M. Metcalf noted that these levels should be read at least daily during start up. This information will be in the O&M manual.

L. Woods questioned the disinfecting of the plant before start up. R. Daigle noted that all of the pipes will be disinfected and the greensand will be shocked to activate it.

L. Woods questioned UEI's experience with extensions at other jobs. M. Metcalf noted that he has had experience with extensions. The penalty for going over the schedule is called "liquated damages". It was noted that it

is estimated that the additional 21 days requested will cost the District about \$16,000. R. Daigle noted that there is enough money in the budget to cover this time. He noted that he thinks this project can be completed without liquated damages.

R. Miner noted that he recommends that the Board grant the extension at this time. He suggested that liquated damages be looked at if the project is not completed during this extension.

The extension asked for is 21 days. Twenty-one days from the original completion date is April 18, 2016.

A motion was made by L. Woods and seconded by T. Pellegrino to give PRB an extension of 21 days for the substantial completion of the Wells 7 & 8 Treatment plant to April 18, 2016.

R. Daigle noted that 89% of the budget has been used to date. All equipment for the plant has been ordered. L. Woods questioned whether the project will now cost more than the budgeted amount. M. Metcalf noted that if the project goes longer than the extension of 21 days it will cost more than the budget, however, the contingency built into the contract has not yet been touched and it will be sufficient to cover this extension. R. Daigle noted that his concern is whether the pipe supplier will come through in good time.

The motion passed 4-0-0.

R. Daigle noted that the transformers from EverSource were due to be delivered today but they did not come in.

Merrimack Village District, Board of Commissioners, 2/22/2016, Page 3 of 5

L. Woods noted that the Board would like conveyed to PRB that the Board does not believe that this extension will harm the budget and that the 21 day extension is okay, but that after that 21 days there will be a problem.

Board of Commissioner to discuss the withdrawal of \$450,000 from the Equipment and Facilities Capital Reserve Fund for payment of anticipated expenses incurred in the construction of the Wells 7 & 8 Treatment Plant.

R. Miner noted that this is a housekeeping item. This project is getting toward the end of the \$4.3M from the SRF. This is a timing issue. It is important to get the request to the Trustees of the Trust Funds so that the money can be withdrawn from the investments and get to the District in an appropriate timeframe. L. Woods noted that this money should be tracked correctly in the budget when it is received from the Trustees of the

Trust Funds.

A motion was made by T. Pellegrino and seconded by J. Comer to move that the Board of Commissioners, acting as agents to expend, request from the Merrimack Trustees of Trust Funds, the withdrawal of \$450,000 from the Equipment and Facilities Capital Reserve Funds for payment of anticipated expenses associated with the project known as "Wells 7 & 8 Iron and Manganese Treatment Facility". Such expenses were approved at the August 18, 2014 regular BOC meeting. The motion passed 4-0-0.

Board of Commissioners to consider withdrawing \$120,278.22 from the Equipment and Facilities Capital Reserve Fund for payment to the Town of Merrimack for MVD's portion of the Sunset Shores Drainage project.

R. Miner noted that the original estimate for this project was \$300,000. The final cost was \$120,278.22.

A motion was made by J. Comer and seconded by T. Pellegrino to move that the Board of Commissioners, acting as agents to expend, request from the Merrimack Trustees of Trust Funds, the withdrawal of \$120,278.22 from the Equipment and Facilities Capital Reserve Fund for payment to the Town of Merrimack for the MVD portion of the Sunset Shores Drainage Project which extended the water main into that area. The motion passed 4-0-0.

Board of Commissioners to review final Budget Memo and Warrant Articles with explanations for the Public Hearing.

R. Miner noted that it makes sense to have this budget memo available for the Public Hearing. J. Lavoie noted that this is in lieu of the Annual Meeting guide which is not available until after the Public Hearing.

Board of Commissioners to assign Warrant Articles for discussion at the Annual Meeting on March 29, 2016.

Article 3 (budget) will be moved by L. Woods and seconded by T. Pellegrino.

Article 4 (contingency fund) will be moved by T. Pellegrino and seconded by L. Woods.

Article 5 (System Development CRF) will be moved by G. Keller and seconded by J. Comer.

Article 6 (Equipment and Facilities CRF) will be moved by J. Comer and seconded by G. Keller.

Merrimack Village District, Board of Commissioners, 2/22/2016, Page 4 of 5

Article 7 (Land Acquisition CRF) will be moved by J. Comer and seconded by T. Pellegrino.

Board of Commissioners to discuss any update on the Tennessee Gas Pipeline project.

R. Miner noted that he has heard nothing new regarding a meeting with this group and the Board. He noted that he does not think that anything will be heard regarding this meeting.

Old Business

There was no old business at this time.

10. New Business

D. Dandurant – R. Miner noted that Dave Dandurant, who retired from the MVD, passed away on February 11, 2016. He questioned whether the Commissioners would like to see something in the Annual report regarding his passing based on the fact that Dave was retired. Dave did work part-time after he retired. The Board felt that this would be appropriate to put something in the annual report about his passing.

11. Superintendent's Report

Well 2 – This well is at a critical level. This is not an emergency level, but the level is being closely monitored at this time. A dam on Naticook was plugged and has been unplugged. The water level in Greens Pond rose 1-inch after this dam was unplugged. R. Miner noted he thinks this will be okay. He noted that when the treatment plant goes on-line the District will be able to take well 2 off line to give the wellhead area time to recharge. L. Woods suggested that the Superintendent be ready with information regarding the odd/even watering restriction at the Annual Meeting.

Meter Exchange – About 400 meters have been exchanged so far. The District is purchasing more meters.

Town Grant – The town of Merrimack is applying for a grant from DES to fund the installation of equipment in salt/sand trucks which will track what areas have been treated. This will eliminate duplication of treatment which saves time, money and over treatment. The GIS technology will be installed in the vehicles treating near our wells. Data will be shared with MVD to compare to sodium and chloride levels over a 2 year period.

National Rural Water Taste Test – R. Miner noted that the MVD did not place in the national rural water taste test in Washington. He noted it was a good trip and he met with different politicians supporting water protection and funding of water related programs.

12. Questions from the Public

There were no questions from the public at this time.

13. Questions from the Press

There were no questions from the press at this time.

Recess

The meeting was recessed at 6:10 PM.

After the Public Hearing:

A motion was made by T. Pellegrino and seconded by J. Comer to reconvene the meeting of the Merrimack Village District Board of Commissioners. The motion passed 3-0-0.

A motion was made by T. Pellegrino and seconded by J. Comer to accept the 2016-2017 Operating Budget and Warrant Article for 2016 as written. The motion passed 3-0-0.

A motion was made by J. Comer and seconded by T. Pellegrino to adjourn the meeting at 7:15 PM. The motion passed 3-0-0.

Respectfully submitted,
Rita Pointon, Recording Secretary