

Minutes
Merrimack Village District – Board of Commissioners

Public Session
Januray 26, 2015
(approved February 23, 2015)

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

Financial Review – December 2014

J. Comer questioned why account 40407 (Miscellaneous Income) was over budget. N. Couture noted that it's the District's best estimate for the amount that will go into this account. This amount includes grant money. J. Lavoie noted that the Asset Management Grant and the SRF money was included in this account.

1. Board of Commissioners to hear comments from Country Crossing residents and members of the Country Crossing Board of Directors regarding a billing dispute.

It was noted that water bills for the Turnbuckle building went up by a factor of 3. No one could justify the increase. During the MVD's investigation it was discovered that the meter for Turnbuckle and Flintlock were crossed. There was no major water line break. It was questioned whether there was something wrong with the meter for Flintlock. The management company scheduled for the meter to be removed and a new meter supplied by MVD to be installed. The MVD sent the old Flintlock meter out for testing with the results showing that it was working properly. It was noted that after the District looked at the meters both buildings read the same. Both buildings are now reading as expected. The question is whether there was a fault in the meter in the beginning. The question further is how to prevent the residents of the Flintlock building from paying what they don't owe and the Turnbuckle residents for paying for water they didn't use.

It was noted that in 2011 the water bills went up little by little. In 2013 the water bills skyrocketed. Anna noted that this would indicate something was going wrong with the meters. She noted that the usage reported was not possible for the residents of the building. She questioned how the District will reimburse the residents of the Turnbuckle building. The only difference between the high and low water bills was the work on the meters.

T. Nutting noted that the meter was sent out for testing and came back working as it should. During such testing the meter is run as it is by a third party.

It was noted that nothing has changed, but now the meters are running the same. No water line breaks were found.

R. Miner noted that the difference in the bills is 66,100 cubic feet. He noted that the size of a continuous leak can be very small to use this amount of water.

It was noted that the overages just stopped; there were no water line fixes or changes by the association.

Anna noted that people have paid hundreds of dollars extra with no explanation. Where could the water have gone?

R. Miner noted that a drippy faucet may be a possibility. This could have happened in one unit.

T. Nutting noted that it does seem odd that the changing of the meters makes the water bill change. T. Pellegrino questioned the time it takes to swap the meters. R. Miner noted that this process takes one-half to three-quarters of an hour. T. Nutting noted that the District controls the water system to the meter. The District has a way to confirm if there is a meter problem.

Someone asked if the overage could be explained by a running toilet.

L. Woods questioned whether these building are on town sewer and if the sewer bills have changed. R. Miner noted that the town sewer bills are on a flat rate.

T. Pellegrino noted that the District wants to know if the meter is faulty. R. Miner noted that there was nothing wrong with the meter according to the test results. He noted he that the old meter is still in the District warehouse and if everyone agrees, he will have the Distribution Foreman get in contact with the management company and have the old meter in question reinstalled for a short period of time to see if the readings start going back up. It was noted that all thought this was a good idea.

Anna questioned compensation for the overpayment at Turnbuckle. G. Keller noted that the residents of Flintlock should reimburse the residents of Turnbuckle. He questioned any vacant units. There is one unit that is bank owned, but the bank shut off the water to this unit.

T. Nutting noted that this will be worked out.

Non-Public session

A motion was made by T. Pellegrino and seconded by L. Woods to go into non-public session per RSA 91-A:3 II(d) "...Acquisition, sale or lease of property". The motion passed 5-0-0 on a roll call vote.

After the Non-Public session

A motion was made by T. Pellegrino and seconded by L. Woods to seal the minutes of the non-public session of January 26, 2015. The motion passed 5-0-0.

2. Board of Commissioners to approve minutes from the December 15th, 2014 Public Session.

A motion was made by T. Pellegrino and seconded by J. Comer to approve the minutes from the December 15, 2014 Public session. The motion passed 5-0-0.

3. Board of Commissioners to discuss the Tennessee Gas Pipeline project.

Clay Leonard, president of Horseshoe Fish and Game, noted that the current proposed route of this pipeline is through the Horseshoe Fish and Game property. The concern is that the line will need to be buried fairly deep and this will mean there will need to be blasting. He questioned the protection that will be given to prevent the contamination of the MVD water and wells. He questioned what the MVD can do to prevent this type of damage. T. Nutting noted that the federal regulations regarding water supplies come into play in this circumstance.

R. Miner noted he met with Patty Quinn, Senior Right of Way Agent in charge of the surveys for Kinder Morgan. This person took into account all road crossing and the MVD infrastructure. Some of the proposed line runs parallel to the MVD lines. No route is currently set in stone. If the District has concerns these concerns should be expressed to the town, state, Kinder Morgan, and others. There is no letter from NHDES in opposition to this project, but NHDES will support the MVD much like they did with the Premium Outlets Mall for continued best management practices.

G. Keller questioned whether the District's hydrogeologist has given the District any advice to date. R. Miner noted that getting his advice is on a list of bulleted items to do.

T. Pellegrino questioned whether Kinder Morgan knows about MVD structures. R. Miner noted that they may know about the aquifer, but don't know about specific transmission lines.

L. Woods noted that the NH Site Evaluation Commission is the state organization to which to present objections. The Federal Energy Regulatory Commission is the federal organization to which to present objections. Either of these commissions will accept factual information which is precise and to the point. He suggested that all involved focus quickly on March 18, 2015. The Board needs to meet with J. Emery to advise staff what information is available and how to organize the information to send to whomever it needs to be sent to. The pipeline cannot go through the Wellhead Protection Area. The District needs to do due diligence.

C. Leonard noted that the Wellhead Protection Area is part of the Horseshoe Fish and Game property. It makes sense for the Horseshoe Fish and Game Club to help the District in any way possible. L. Woods noted that he spoke with a Conservation Commission member and noted that it is best to survey the property.

T. Pellegrino noted that this concern is that this pipe could blow up at any time. He suggested that all concerns be expressed in writing and sent to the appropriate commissions, etc. He noted that he does not want this pipeline anywhere near the MVD water.

Dave Menengas, past president of Horseshoe Fish and Game, noted that an easement with restrictions that would be placed over the pipeline might prevent the Horseshoe Fish and Game Club from accessing a large portion of its land. He noted that Kinder Morgan and its affiliates have a pretty poor maintenance record. Since this is a transmission line there is no requirement to scent the gas going through it.

R. Miner noted that there will be a public hearing in February 2015. L. Woods noted that the Town Manager was told that something would be set up for March 2015 involving the town, MVD, public, and Kinder Morgan. R. Miner noted the District would like to get something out soon. T. Nutting suggested that the District speak with J. Emery and UEI. C. Leonard asked that the District keep Horseshoe Fish and Game in the loop.

L. Woods noted that if this pipeline becomes a fact then the MVD should be protected from catastrophic events. There is a value attached to the water from wells 2 and 3. An escrow or cash account should be set up. If the District loses wells 2 and/or 3 the District will have to purchase water. It is imperative that Kinder Morgan is made aware of this fact. R. Miner noted that the replacement of a well costs \$2-3M. C. Leonard questioned what will happen if the aquifer is damaged.

Amanda Yonkin questioned the difference between the sanitary radius and the Wellhead Protection Area. R. Miner noted that the sanitary radius is 400 feet around the wellhead.

4. Board of Commissioners to review and consider for approval 2015-2016 Budget and Budget Memo to District voters.

The words "quality water" were changed to "potable water" in the budget memo.

R. Miner noted a change to the numbers of the budget. Account 90000 (Capital Budget Expense) will be \$68,000 rather than \$117,800 for the removal of the purchase of the dump truck (the truck will be repaired instead). Account 81900 (Engineering) will be increased by \$10,000 to \$42,000 for services from J. Emery regarding the pipeline proposal. Account 81950 (Professional Fees) will be increased by \$5,000 to \$23,000. This is a total bottom line budget of \$3,061,581. With the contingency this brings the total budget to \$3,081,581.

A motion was made by L. Woods and seconded by T. Pellegrino to approve a total budget of \$3,081,581 for 2015-2016. The motion passed 5-0-0.

(L. Woods left at this time.)