

August 20, 2014

A regular meeting was called to order by Chair Lucien Langlois at 12:00 noon. Commissioners present were Paul Poulin, Paul Ingersoll and Michael Caron. Absent from this meeting was ex-officio member Mayor Grenier. Also present for this meeting was Superintendent Roland Viens, Craig Carrigan, Steve Lefebvre & Lynne C. Lessard.

There were no Public or Board Comments.

It was moved by Commissioner Caron, seconded by Commissioner Poulin, with all in favor, to accept and place on file the Minutes of July 16, 2014.

The Board amended the agenda to move to New Business – a. Keith & Laura Lynch request – review of fire protection charges. At this time, Mr. & Mrs. Lynch entered the meeting. Chair Langlois read their letter dated August 14th, 2014. The letter states that their property at 122 Hillside Avenue was classified as an apartment building, (5 units); therefore, BWW had been over-charging the fire protection fee based on the City records. On the day Mr. Lynch came to our office to discuss this, the office, based on rules and regulations, had adjusted his account by \$80.00 for one year. At that time Mr. Lynch requested to meet with the Board because the period from July 01, 2001 thru May 01, 2013 had not been adjusted. Mr. Lynch requested the Board to consider his request as this would amount to an additional \$900.00. The Board said that they would send the Lynch's a letter as to their decision and Mr. & Mrs. Lynch left the meeting. After discussion, as this was a request outside our rules & regulations, it was moved by Commissioner Ingersoll, seconded by Commissioner Caron, with all in favor, it was decided out of good faith, it was decided to issue half of the funds to credit their water account and the other half to be issued by check. The Board then returned to the Agenda.

Under the Berlin Water Works Monthly Status Report dated August 15th, 2014, Superintendent Viens reviewed the following with the Board:

1. A letter dated July 15, 2014 from Primex was received regarding former temporary employee Norm Sevigny. Mr. Sevigny was injured on the job April 18, 2012. A hearing was held with the Department of Labor and the case was settled with a lump sum amount of \$98,750.00 to be disbursed between Mr. Sevigny and his Attorney.
2. In July, a new monthly water billing record was set at \$101,948k.
3. A complaint was received that someone broke their car shocks on 3rd Avenue going into his driveway. There was no further information.

4. The Notre Dame housing projects water lines in the street are connected. This new customer will be included in our monthly billing.
5. BWW made the 1994 & 1995 Principal & Interest for August in the amount of \$476,750.00. Last year the 1993 Water Bond was paid in full, with this payment the 1994 Water Bond is now paid in full. Next year the 1995 Water Bond will be paid in full. Each time BWW makes their annual payments, the news media is notified.
6. The Kelly Easement has not made it back to City Hall for review.
7. We did additional work for the High School. This week we put a new service into the Middle School from State Street.

It was moved by Commissioner Poulin, seconded by Commissioner Caron, with all in favor, to accept and place on file, the Berlin Water Works monthly Status Report dated August 15, 2014.

Under Old Business:

a. Project Status:

1. NHDOT Projects – Status: Payment number 07 was received in the amount of \$51,556.64 and Payments #08 is expected with the next few days. We have since learned the following: “The State processes invoices in a timely manner when all backup information is received and the invoices require review by the Bureau of Highway Design-Design Services, the Bureau of Construction and finally the Bureau of Finance and Contracts within the Department of Transportation before submittal to the Department of Administrative Services, Bureau of Accounts to authorize payment, then to the Department of Treasury for issuance of the check. It can sometimes be a lengthy process especially when that invoice has to travel to Berlin for Construction to review.” As of the last Pay Request to NHDOT, we contacted Dennis Laperle to have him sign the utility reports that are included as acknowledgement that the work was completed as stated in the invoice and then we mailed our pay request to NHDOT for further processing. Mr. Laperle’s office is just down the street from our office. Also

for the Wight Street Conflict, we were approved for an additional \$114,158.00 and authorized by NHDOT to proceed.

2. Hydro – Bidding – Status: We held a Pre-Bid meetings on August 12<sup>th</sup>, and the Bid opening will be August 28th, 2014 at 1:00pm.
  3. RUD – Pipeline – Closed Loan – Funds Received Status: Funds were deposited in our Account on July 28th in the amount of \$450k.
  4. As an added Status: Superintendent Viens informed the Board that we are working on Third Avenue and also on Grafton Street trying to spend down the remaining fund for RUS in the amount of \$337,189.24 Superintendent Viens showed the Board the Low Pressure Customer List. He stated that the list started with 150 low pressure customers down to 25. Of the 25, 24 are being addressed thru the Grafton Street Project.
- b. AFSCME Local 1444 Contract Status: Superintendent Viens said that he met with our Attorney last week and also met with City Manager Wheeler yesterday and discussed what the City is looking for with their Memorandum of Agreement. Superintendent Viens interpolated that they are looking to approve all major financial transactions. Superintendent Viens highlighted the section of language that is under discussion. “As of this date of the Agreement, BWW agrees to bring (i) all proposed capital improvement borrowing by BWW in the form of bonds, notes payable or otherwise, and (ii) any proposed changes to any existing dept agreements of BWW, before the City Council for review and possible approval.” They are seeking to approve all major BWW financial transactions. Superintendent then listed the financial issues to be clarified as: #01. Bonds (bond-refinancing) #02. Federal Loans/Bonds (RUD) – via NH Bond Bank. #03 State Loans – NHSRL #04 Loan re-financing #05 Line-of-Credit – short term loans & interim financing #06 Purchase agreements – full one payment purchased – equipment, real estate, easements, etc. #07 Purchase agreements & lease purchases #08 Major material purchase and #09 Major engineering & construction contracts. Superintendent also listed a variety of options. #01 Do nothing. #02 agree to current draft, #03 modify current draft #04 review only #05 review and comment only #05 review, comment, and approve or disapprove #07 When “disapproved” what is path forward? #08 If City

“approved” – more spending or less spending that BWW wants to? Where do funds come from #09 If BWW is faced with financial debt, does the City bail us out. Options raise rates to increase revenue, BWW asset value FY2013 - \$42mm, re-finance the debt – longer term. After a lengthy discussion, from the list of financial issues to be clarified, Commissioner Caron said to take #01, #02, #03 and part of #04 and put into one paragraph and BWW would be responsible for all other remaining items and if Council would like to review and comment they are welcome to. Commissioner Ingersoll agreed. Superintendent Viens stated that this letter did not include the Audit as the Mayor wants BWW to use the same company as the City. Commissioner Caron said that this falls under #05 from the list of options. Superintendent Viens said that he and Commissioner Caron should have a meeting with the City Council, to discuss these issues. Commissioner Caron will contact Mayor Grenier and Superintendent Viens will review with Attorney Michalik. It was moved by Commissioner Caron and seconded by Commissioner Ingersoll, with all in favor, to move forward on this matter.

- c. Retirement Planning Status: Superintendent Viens was considering early October however he is now rethinking early December. One reason is that the last 2&1/2 weeks he was out injured from a serious accident from being hit with a vehicle while on his motorcycle. He believes the other person's insurance will be paying for his time out and this relates to not lowering his severance package. More information will be available for next month's meeting.
- d. Burgess Biopower – Revised Rates Status: This is their highest consumption for water used to date. He is in the process of having the staff make a graph of the days of the month and gallons used to see at what point they reach the 3.5 million gallon discount.
- e. Other Old Business: Nothing to report.

Under New Business:

- a. Keith & Laura Lynch request – Review of Fire Protection Charges: This was discussed and resolved during the first part of the Board's meeting.
- b. BWW Mechanic Utility Person-in Training Grade III Bid filled Status: Superintendent Viens said that they interviewed and evaluated to qualified candidates. Matthew Carter was hired full time. Matt had

been employed as a temporary employee since July 26th, 2010. Superintendent Viens informed the Board that he just passed his Grade I for both Treatment and Distribution and is working toward his Grade II licensing.

- c. Annual Report for FY14 – Review, comment & Approve: It was moved by Commissioner Caron, seconded by Commissioner Ingersoll, with all in favor, to have the Superintendent submit the annual Berlin Water Works Report to the City for publication.
- d. Approve Payment of NHSRL #06 in the amount of \$82,046.25: It was moved by Commissioner Poulin, seconded by Commissioner Caron, with all in favor, to make the 10th of 20th payment to the state.
- e. Resolution for NHSRL Application - \$2mm and Authorization for Chairperson to sign Resolution and Application: Superintendent Viens informed the Board that BWW was number 6 on the State's listing. We should have the complete package ready to submit by next month. It was moved by Commissioner Caron, seconded by Commissioner Poulin, with all in favor except for Commissioner Ingersoll. Commissioner Ingersoll felt that all members should sign. Superintendent Viens explained the process to Commissioner Ingersoll that this is the Resolution is the first step to initiate the process where the Board allows the Chair to sign. His concerns were that the Board may be left out of the loop if only one member signs. It was moved by Commissioner Ingersoll, seconded by Commissioner Poulin to modify the Resolution. (Note: After the meeting, the members of the Board were contacted to come back to the office to sign the modified document).
- f. Maintain Line of Credit: The Board was under the impression that they need a vote to continue the line of credit. However; this item was to inform the Board that the Line of Credit which was established in 2013 at the Bank of NH to meet RUD requirements for the Godfrey Pipeline Project. The Office Manager was concerned that since the project had been closed and funds received if our line should be closed or at least renamed by the Bank. Superintendent Viens informed the Board that this is still an on-going project so no action was necessary. The date of maturity is October 28, 2016.
- g. Review, comment and approve FY14 Expenditures: The Board reviewed the expenditure report with the Board. It was moved by

Commissioner Ingersoll, seconded by Commissioner Poulin, with all in favor, to accept and place on file the Expenditure Report for the period of July 01, 2013 thru June 30, 2014.

- h. Approve other and Communications: Superintendent Viens informed the Board that he and Andy Sharpe will be making another presentation for the Granite State Rural Association, September 9th, 2014 in Sunapee NH with the topic of Berlin Water Works Transitional Management.

The Board of Water Commissioners will hold their next regularly scheduled meeting on September 24, 2014 at 12:00 noon at their 55 Willow Street location.

Under Public – Board Comments: Commissioner Ingersoll has been approached by several concerned citizens regarding the “On-Duty” personnel using the company vehicle and would like to see a written policy on vehicle use. It is essential for the On-Duty employee to have the vehicle in the event of an emergency; the driver would immediately go to the location and has the necessary tools and equipment on hand. He is also concerned about the liability if non-employees are in the vehicle. The office will contact our insurance carrier Primex to make sure that we have the proper coverage. Superintendent Viens will place this on next month’s agenda.

The Board did not enter into a non-public session.

There being no further business to come before this meeting, it was moved by Commissioner Caron, seconded by Commissioner Ingersoll, with all in favor to adjourn this meeting.

The meeting did so adjourn at 1:35pm.

A True Record:

Attest:\_\_\_\_\_

Paul Poulin, Clerk of the Board