

**LACONIA WATER DEPARTMENT
BOARD OF COMMISSIONERS
FEBRUARY 6, 2020**

Chairman Dennis Bothamley called the regular meeting of the Laconia Water Department Board of Water Commissioners to order at 8:00 a.m. on Thursday, February 6, 2020 in the conference room at the Water Treatment Facility at 117 Stark Street. Present were Commissioners Dennis Bothamley, Greg Page, and Joseph Driscoll; Ex-Officio members Public Works Director Wesley Anderson and Mayor Andrew Hosmer; Acting-Superintendent Ben Crawford, Clerk Cheryl Hounsell. Also present was Patrick Mohan of MelansonHeath.

A motion was made by Wes Anderson, seconded by Greg Page, to accept the minutes of January 23, 2020. The vote was unanimous.

The Board members reviewed the minutes of the January 31, 2020 meeting. A motion was made by Wes Anderson, seconded by Joe Driscoll to accept the minutes of January 31, 2020. The vote was unanimous.

The Board members reviewed the minutes of the January 31, 2020 Non-public session. A motion was made by Wes Anderson, seconded by Joe Driscoll, to accept the minutes of the January 31, 2020 non-public session. The vote was unanimous. Upon approval the minutes were put into a sealed envelope until January 31, 2021.

A motion was made by Greg Page, seconded by Wes Anderson to approve the Accounts Payable and the Financial Statement dated February 5, 2020. The vote was unanimous.

OLD BUSINESS:

BUDGET 2021- At this point of the meeting Patrick Mohan from MelansonHeath took the floor to discuss both negative balance when budgeting and depreciation. Depreciation is a non-cash expense in the budget and due to the large dollar amount of this non-cash expense, it can result in a negative balance or net loss on the operation and maintenance portion of the budget. The depreciation when budgeted as an expense is used to cover the principle amount of a bond payment, any net income or net loss with the difference being used for the Capital budget. By budgeting the depreciation as an expense, we are putting money back into fund balance for future projects and/or purchases. Pat stated that the way we are doing our budgeting and accounting is proper. We have a healthy financial system. Some items were discussed that could impact the amount to be expensed for depreciation. Pat stated that our rates incorporate depreciation expense thus we are incorporating future improvements. The two items are interrelated. Wes Anderson left the meeting at 9:00. Pat stated that currently our cash outflows

balance with our cash inflows. Pat suggested that we may want to look into having a professional rate study done within the next 2-3 years. The board members thanked Pat for attending the meeting and helping them understand the relationship of depreciation to the budget. Pat left the meeting. After some discussion, a motion was made by Andrew Hosmer seconded by Greg Page to approve the water budget for 20/21 as presented. The vote was unanimous.

ACCREDITED LABORATORY- Ben stated that we had two interviews for the position of Lab Manager. The interview process went very well. Ben further stated that he spoke with Brian and Mary Ellen and they all decided who they want to offer the job to. Ben will call the candidate today and offer him the position and go over what the wage will be. There was some discussion concerning what the starting wage would be.

SUPERINTENDENT POSITION - Ben Crawford was asked to step out of the room for this portion of the meeting. A motion was made by Greg Page, seconded by Joe Driscoll to go into non-public session at 9:22 a.m. according to RSA 91-A:3,II(a) the compensation of any public employee. Joe-yes, Greg-yes, Andrew-yes and Dennis-yes. After coming out of non-public session at 9:45 a motion was made by Joe Driscoll, seconded by Andrew Hosmer, to seal the minutes of the non-public session for the period of one year. The vote was unanimous. While in non-public session, the Board decided to promote Ben Crawford to the Superintendent of the Laconia Water Works.

UNION AVENUE DRAINAGE SYSTEM-Ben stated that there is nothing new to report.

PLANNED PROJECTS-CLINTON STREET/PROSPECT STREET-Ben stated that he walked the site with Paul Busby and has been in touch with CDM Smith and he expects to have numbers from the contractor and the engineer so we can start getting an idea on the amount we will need for a bond by the next meeting.

FINANCIAL ALLOCATION FOR ENGINEERING-Ben stated that there is nothing new to report.

LONG BAY TANK-Ben stated that he has been in contact with GPI (Greenman & Pederson, Inc.) concerning the reinspection of the Long Bay Tank. They quoted him approximately \$1,500 per day for 4 days to do an exterior only inspection. That would calculate out to about \$6,000. We would also need to rent a lift for use in the reinspection and the cost for the rental would be \$3,000 - \$4,000. We could reinspect the interior of the tank using an underwater camera at a cost of about \$5,500. If we want divers the cost would be between \$12,000 and \$15,000. Ben stated he will have a formal proposal at our next meeting.

LOADER PURCHASE-Ben stated that we are in the process of getting final numbers for the John Deere and the Caterpillar loader with accessories that we looked at. The cost for the John Deere is about \$20,000 below what we budgeted for before we take into consideration the amount allowed for a trade-in. We are waiting on the numbers for the Caterpillar loader.

NEW BUSINESS:

ATLANTIC BROADBAND INTERNET-Ben stated that as of February 1, 2020 we are no longer receiving the internet connection for free. We have been paying \$30 for the two IP addresses and the amount for the internet connection will cost about \$137 more per month or about \$685 for this year and about \$1,700 for 20/21 budget year. As we just learned of this new expense this amount has not been included in our computer support line item in our 20/21 budget.

FLUORIDE AWARD LUNCHEON- Ben stated that the Fluoride Award luncheon will be held on Thursday, February 20, 2020.

No further business, a motion was made by Greg Page, seconded by Joe Driscoll to adjourn the meeting at 9:50 a.m. The vote was unanimous.

Cheryl Hounsell, Clerk

Authorized Signature

Date