

**LACONIA WATER DEPARTMENT
BOARD OF COMMISSIONERS
MARCH 28, 2019**

Chairman Joe Driscoll called the regular meeting of the Laconia Water Department Board of Water Commissioners to order at 8:00 a.m. on Thursday, March 28, 2019 in the conference room at the Water Treatment Facility at 117 Stark Street. Present were Commissioners Gregory Page, Dennis Bothamley, and Joseph Driscoll; Ex-Officio member Public Works Director Wesley Anderson; Superintendent Seth Nuttelman, and Clerk Cheryl Hounsell. Absent was Ex-Officio member Councilman Andrew Hosmer. Also present was Patrick Mohan from Melanson Heath.

A motion was made by Wesley Anderson, seconded by Dennis Bothamley, to accept the minutes of March 14, 2019. The vote was unanimous.

A motion was made by Dennis Bothamley, seconded by Wesley Anderson, to approve the accounts payables and the financial statement dated March 27, 2019. The vote was unanimous.

OLD BUSINESS:

2018 FINANCIAL STATEMENTS-Seth introduced Patrick Mohan from Melanson Heath our auditing firm. Pat reviewed the 2018 Financial Statements with the board members and answered questions. Pat particularly explained the impact of the new Governmental Accounting Standards Board (GASB) 75 on our accrual based financial statements. He also explained Other Post-Employment Benefits (OPEB) in regards to the retirees being allowed to purchase health insurance under the Laconia Water Works' plan. The retiree pays 100% of the premium. Pat stated that the department has a low debt to income ratio due to the fact that we have been funding projects out of current year funds rather than bonding them. Pat also stated that 2018 saw revenues down and costs were up. Seth stated that when we did the rate increase we estimated that we would see an annual increase of about \$350,000; this is contingent on the consumption that is used. Pat suggested looking at what we are actually realizing for an increase on an annual basis. We may want to look at the impact from the rate increase six months out.

UNION AVENUE – STARK STREET TO ELM STREET-Seth stated that work has started on this project. We have seen a new set of plans and we did a sit down with Loureiro. There were some questions on the water quality treatment unit and we are waiting on the engineer to get back to us with the details. They are getting ready to go for the permit. Seth stated we are currently discussing office traffic issues and how to keep the customer flow going smoothly once the project has our main driveway blocked off.

PAUGUS BAY MILFOIL – Seth stated that Bob Wolfe from the State of New Hampshire has retired. The new contact person is Matt Boziak. Solitude is preparing paperwork to submit the permit for the application to treat the milfoil. We will be notified when the submittal for the permit happens.

UNION AVENUE-MAIN STREET INTERSECTION-Seth stated that Busby Construction was awarded the City bid for 2019 construction season. There has been some mix ups with the Gas Company on the Court Street Bridge project due to soil issues. They were due to start the first of April and now they are about four weeks out. Next week Busby will start on the Main Street Intersection water work. We will be shutting down the Sunrise Towers building on Thursday, April 4th and the Best Western Inn on Friday, April 5th. On the following Monday we will be tying in Court Street and South Main Street. We will be looking at the traffic issues; this is a very busy job. Busby should be done with the water pipe work by April 12th. We have notified our customers

that will be affected with water shut offs. We will give out the notices for the actual shut down days on Friday, March 29th. Seth stated that the Best Western is still under renovations so it won't affect bookings for them. Seth stated that he has drafted a memo of understanding with Busby Construction stating that they will hold their 2006 unit prices, the new schedule of values, a sketch of the work to be performed, a copy of the City's contract and the Laconia Water Works contract. Seth stated that he is negotiating the MOB number that includes 14% of the total cost of the job and traffic control. The previous number was \$8200, he will negotiate this price with Busby. There is about 430' of pipe for this project. There will be a temporary patch put on this section of road after the water portion of the job is complete due to the busy roadway.

2 MILLION GALLON TANK-Seth stated that he reviewed the contract from DN Tank, changed a few items and he is expecting it back today. We have drained the 2 MG tank and are currently working off the 1.3MG tank. We are building an access road due to the wet area. DN Tank is scheduled to arrive on Monday, April 1, 2019 to start the project. The project should be complete by Memorial Day.

COURT STREET BRIDGE-Seth stated that we were planning on using HDPE pipe on the Court Street Bridge project but due to the soil issue and the fact that the HDPE pipe is a petroleum based product we are looking at changing over to ductile iron pipe. They make a ductile iron river crossing pipe that flexes and locks together.

2020 BUDGET-Seth stated that Scott Myers is all set with our budget numbers for 2019/2020. He will let us know when we will be presenting our budget to the City Council. It will probably be in May.

MESSER STREET FROM THE RR TRACKS AT BISSON AVENUE TO UNION AVENUE- Seth stated that the Gas Company is starting on Messer Street. We will inspect the pipework at the Main Street Intersection and do the spring hydrant flushing. Once we are done with these items we will be putting up temporary lines for Messer Street from Union Avenue to the railroad tracks at Bisson Avenue during April. We are planning to be doing the Messer Street project during May and be completed by Memorial Day.

NEW BUSINESS:

JANUARY FINANCIAL ANALYSIS-Seth stated that the residential and commercial sales are over 4.7% or about \$100,000. Our current budget does not factor in the recent rate increase for the water rates. A large portion of the overage on Miscellaneous Income is due to the trade-in allowance for the backhoe. Total Income is over about 3% or \$84,000. Total salaries are under about 2.3% or \$23,000. Total Expenses are under about 2% or \$58,000. When you back out the contingency fund the net expenses are under about \$37,000. Income is over \$84,000 so we are to the good by about \$122,000.

No further business, a motion was made by Greg Page, seconded by Wes Anderson to adjourn the meeting at 9:30 a.m. The vote was unanimous.

Cheryl A Hounsell, Clerk

Authorized Signature

Date