

## EXECUTIVE COMMITTEE MEETING

Administration Building  
3855 Dartmouth College Highway  
North Haverhill, NH  
Monday January 24, 2010

PRESENT: Representatives Bulis, Aguiar, Sova, Gionet, Almy, White, Brosseau, Townsend and Ladd, Commissioners Cryans and Ahern, Executive Director Clough and Secretary Martino.

OTHERS: Rep. Harding and Robert Blechl

Rep. Bulis called the meeting to order at 10:06 AM and Rep. Sova called the role. All members were present and a quorum was declared.

Rep. Bulis asked that everyone stand for the pledge of allegiance led by Rep. Brosseau.

Mark Scarano and Bill Webb from Grafton County Economic Development Council (GCEDC) were present to speak with the committee and to update them on the projects of GCEDC.

M. Scarano introduced President Bill Webb saying that he is also the owner of the Inn On Golden Pond. M. Scarano brought along the Annual Report and gave a brief overview of GCEDC and how it began out of a conglomeration of a number of similar agencies. They are one of ten RDC's in New Hampshire covering Grafton County. They are not in competition with the private sector but act more as a compliment. Over the twelve years in service they have provided \$2.8M in loans to Grafton County companies which ultimately resulted in over 400 jobs either created or retained.

GCEDC: Supports entrepreneurship, works to establish incubator projects such as the one at Dartmouth and a new startup in Plymouth working with PSU, and has created an intern program for high school students to work with local businesses in the North Country in the hopes of retaining the youth in the state.

Rep. Almy said she appreciated the block grant in Enfield and M. Scarano said that funds from that business will support them while they are in the incubator at Dartmouth and was done because Lebanon had expended their CDBG funds. He said it would still be beneficial to the Enfield area though.

Rep. Bulis said he appreciated the youth program and then asked if loans are revolving so that money could be used over again and M. Scarano said they were.

Rep. Brosseau asked if Plymouth High School was involved in the youth program and M. Scarano said that right now they are only in the northern area but they have developed manuals to work from and the program could be taken anywhere. B. Webb said that the

impetus for the program came from New England Wire so if there was a business that wanted to start this program that would be a good beginning.

Rep. Ladd asked if there were any tax incentives for towns and M. Scarano said that they are limited as far as incentives go but there are such things as tax increment financing.

Mark Scarano and Bill Webb were thanked for their update and their time for coming in.

Maintenance Superintendent Oakes was asked to come and give an update and informational talk on the water tank project. Supt. Oakes had a handout for the committee which outlined where the County stood regarding the water system study that was requested by the Delegation.

Supt. Oakes began with a comprehensive overview, beginning with the barn fire in 2006 which led to the decision to find a way to be able to have enough water flow to the County in the event that something more drastic happened. The decision was made to build a water tank, which then led to exploring options for potable water for the rest of the complex, including the new Jail. After various ideas were discussed the end result was to have the water tank built across the road and to have it be a potable water source for the Jail in the future.

In working with Woodsville Water & Light (WWL) a verbal agreement was made that WW&L would assume ownership of the tank once it was constructed. With that in mind, WW&L required that the County use their engineer, Dufresne & Assoc. to design the tank. Once the tank was built, WW&L was not willing to take ownership or responsibility of the tank. Coupled with that disappointing news, the tank did not perform as was expected by the County in that it did not turn the water over properly to keep bacterium from growing. The tank also sits a bit higher than WW&L's water system.

Supt. Oakes has taken measures to keep the water moving in the tank but this is not a permanent solution and it involves paying WW&L to open and close a valve on a regular basis. Recommendations from another Engineer suggests putting a butterfly valve in the line at a cost of close to \$90K, which was added to the budget last year. At that point and at last year's budget vote the Delegation asked that the Commissioners explore other options and requested a study be done. The handout from Supt. Oakes explained where the County stood and was a summary of the full study done by Horizon Engineering, which was given to the Executive Committee at a prior meeting.

It is the recommendation of the Superintendent to have a geophysical survey and to drill a test well to see if there may be a source of viable potable water and to create an independent water system for the County. Approximate cost to the County to do this would be \$40K. The Horizon Engineering Study cost \$11,463 and \$62,236 remains of what was put aside in the budget for the butterfly valve.

Of the possible methods to do a geophysical survey the one that Supt. Oakes would like to consider can not be done until there is no longer any snow on the ground.

Rep. Bulis asked if the County would be in this same position if the tank worked as it was supposed to and Supt. Oakes replied no.

Rep. Brosseau asked if the main reason that this is being considered is because the water is now not only for fire protection but for consumption as well and Supt. Oakes said basically that's true but added that there were concerns from the builder in the beginning as to why the tank was only a one pipe system and that when the builder addressed it, the Engineer, Dufresne & Assoc held fast to their conviction that it should be built as specified. Supt. Oakes said that as he has gained more knowledge there are things that have come to light that in hindsight were incorrect.

Rep. Brosseau asked why potable water was determined to be necessary and Supt. Oakes replied that at the time it seemed logical since the Jail will be coming online and that existing county complex sprinkler and drinking water systems are supplied by the same source..

Rep. White asked if the water tank elevation was the main problem and Supt. Oakes said that elevation and the size of the tank according the Horizon Engineering.

Rep. White asked how much was spent on the tank and the study and Supt. Oakes replied \$1M on the tank, \$11.5K on the study and more on a report by Hoffer but he didn't have the amount.

Supt. Oakes said that there are new EPA regulations that will be coming out in 2013 and he believes that the cost to be on WW&L's water system will rise dramatically as the costs will be passed down to the users.

Rep. Brosseau asked if there was a performance bond on the project and Supt. Oakes said there was. Rep. Brosseau then asked if the \$90K valve would be covered in that instance and Supt. Oakes said there has been no decision to pursue litigation regarding this matter.

There was further discussion about the turnover and whether or not there may be another issue with bacteria in the summer.

Rep. Almy asked when the system could be up and running if the County did decide to create their own water system and Supt. Oakes replied that it would be two to three years given the time it takes for permitting. She asked if the temporary solution of opening and closing the valve would get them through in the meantime and Supt. replied that he thought it would.

Rep. Gionet said he felt that the County should be looking at their own water system and to get away from WW&L.

Rep. Bulis said that very simply the tank needs to work and that because it doesn't the Commissioners should be exploring liability.

Rep. White said that if the County raises \$30K to put the valve in, it will solve the problem and they won't have to wait two to three years to solve this. Supt. Oakes said that he feels that things need to be looked at for the long term and noted that there could also be grants available for the water project

Rep. Gionet disagreed with Rep. White and thought that the \$40K should be used to move forward with the proposed recommendation of a County water system and that it was important to rid themselves of WW&L.

Rep. Aguiar asked about the rising rates of WW&L and Supt. Oakes said they have increased about 5% each year but noted there will be required EPA changes in 2013. Going back to the question of liability, Rep. Aguiar stated that litigation could be a nightmare and very costly.

Rep. Bulis asked about the two pipe system as an option and Supt. Oakes said that to go back and try to retrofit would be far too expensive an option.

Rep. Bulis asked if anyone would like to hear from WW&L regarding this issue. Rep. White said he would like to know what was done in regards to negotiations. He added that having an independent water system doesn't preclude having other problems in the long run. He said he would like to be able to speak with the WW&L Commissioners. Commissioner Cryans said they have met with them at their meeting and suggested there were bigger issues.

He said right now there doesn't seem to be a consensus of the Board of Commissioners as to which way to go with this. He said that the initial goal was to provide water for fire suppression and there has been further exploration, although the Commissioners have not explored litigation. He said there is no consensus at this point as to which way to go. Commissioner Cryans said there remain a number of possible choices.

Rep. Gionet said that dealing with WW&L has shown no results and have been a waste of time. He stated that the County should go forward with its own water system and it is foolish to think that the County can keep WW&L as a partner.

Supt. Oakes said if the well is not drilled then there can be nothing gained and the answer as to whether or not a county water system using this tank for storage is achievable will always be unknown. He said he felt they should go forward.

Rep. Almy asked about the DES rules and if being in a larger pool of recipients with WW&L would be less of a problem. She also noted the possibility of wells going dry and said she would like to see the long term costs of staying with WW&L

Supt. Oakes asked if perhaps the committee might be interested in speaking with Horizon Engineering regarding the study.

Rep. Ladd said that he has dealt with WW&L Commissioners and doesn't expect to get any real information by bringing them into a meeting. He said they are big business people and he suggested leaving that talk to the administrators. He also noted that he has not seen anything in writing from H. Hatch regarding coming on to a water system if one were available and the County has already gotten itself in trouble with the verbal agreement with WW&L in the beginning.

Rep. Townsend asked about disinfectants used on a well system. Supt. Oakes said that there would be very little chlorine used though treating for minerals could be costly.

Rep. White said that the assumptions in the cost estimates need to be better reviewed, such as the population of the Jail and the operational and maintenance costs of the water system. He questioned whether or not a future Maintenance Supt. would need to be skilled in water operation and how easy it would be to find someone with those skills. He stressed that taking this on could be very costly and voiced his concern about the future costs to taxpayers.

Rep. Gionet said that he didn't think that filling that position would be that difficult if it came down to it and stressed again that he would like to see this move forward and get the questions answered.

Rep. Aguiar said that they needed to keep in mind that this is not an area that is under the control of the Executive Committee to make a decision on. He said their purpose is to deal with financial recommendations only. He said that it is important to keep in mind that the Committee deals with the budget only.

Rep. Bulis asked what the Commissioners would like to see and Commissioner Cryans replied that he would like to go forward and to see if there is a possibility of creating an independent water source for the County.

Supt. Oakes said he would like to have an engineer go over the process.

Rep. Gionet moved to encourage the Commissioners to move forward with the plan presented and to develop options, which was seconded by Rep. Brosseau.

#### DISCUSSION:

Rep. Almy asked if the motion precludes the option of looking at the possibility of putting in the water valve. Rep. Ladd said he would like to see all the options properly examined.

Rep. White said that if Horizon Engineering proposed the valve the assumption was that it would work properly. The motion only states to go ahead with the well and not to see if the valve will work. He said he still felt that the most financially responsible thing to do was to also be sure that the automatic valve would in fact work and exploring both options. To say one thing over the other in the motion means that they will be going down only one path and that path would be the most expensive.

There was further discussion as to how the motion would be stated.

When the vote was taken, 7 (Reps. Bulis, Aguiar, Gionet, Almy, Brosseau, Townsend and Ladd) were in favor and 2 (Reps. Sova and White) were opposed.  
Motion passes.

12:19 PM Rep. Bulis called for a short recess

12:25 PM Rep. Bulis called the meeting back to order

Rep. Townsend moved to accept the minutes of December 12, 2011 which was seconded by Rep. Ladd. All were in favor.

#### TREASURER'S REPORT:

Treasurer Elliott began by informing the committee that \$17,907,773 has been collected in taxes though they are still waiting for payment from the town of Benton. \$2M in TANs has been repaid along with \$2,616 in interest and \$1,381 in legal fees for work done to secure funds.

\$3M has been deposited into a 6 month CD at Mascoma Savings Bank as per votes of the Commissioners and Executive Committee and the remaining balance was put into Woodsville Guaranty Savings Bank earning .6% which is no longer a sweeper account but an investment account.

Letters were sent out for investments of funds to see if there were any better interest rates out there. Three banks didn't bid, three didn't respond and the other four produced rates that did not exceed .5% so the decision was made to keep the money at Woodsville.

Rep. Aguiar asked if there may be any better rates outside the County and Treasurer Elliott said Laconia, Mascoma and Citizen's Bank are all outside the County and some are national and the rates are still quite low.

Rep. Almy asked if the interest rates for the Jail bond will be a problem as the municipal bond market is very shaky.. Commissioner Cryans said they have an appointment with the Financial Advisor soon who indicated that rates will be similar to what there were with the first bond.

Rep. Bulis asked about having to borrow for the next fiscal year and Treasurer Elliott said they probably won't have to borrow again until perhaps August.

Rep. Gionet said it was good to have a Treasurer on board again.

Rep. Gionet moved to accept the Treasurer's Report which was seconded by Rep. Brosseau. All were in favor.

#### COMMISSIONERS' REPORT:

Commissioner Cryans began by saying that all the County Elected Officials were sworn in on January 5<sup>th</sup> and the Board of Commissioners reorganized as Commissioner Cryans Chairman, Commissioner Ahern Vice Chairman and Commissioner Burton Clerk.

Budget packets have been distributed to the Dept. Heads to begin the process. Budget meetings with Dept. Heads will begin on the 3<sup>rd</sup> of March and the tentative public hearing on the budget will be in mid May. The Commissioners have asked that the Dept. Heads be as frugal as possible.

Commissioner Cryans said there was a variance in the opinions on the Board regarding the budget and he asked Commissioner Ahern to voice his opinion.

Commissioner Ahern said that he wanted to see Dept. Heads work toward a 10% reduction of the budget and to identify mandates and requirements of state and federal regulations that they were bound by. He said that he is looking out for the taxpayers and thought the Dept. Heads should begin their budgets at a 10% decrease.

- A GED graduation was held at the Jail on the 19<sup>th</sup> and so far over 80 inmates have received their GEDs.
- The Annual Report is complete and the Commissioners will hold their dedication ceremony next Tuesday.
- It was reported to the Commissioners by NHA Bolander that the Nursing Home is *not* in immediate jeopardy and can continue with their LNA program. NHA Bolander is working to get the fine removed.
- There will likely be a tour of the new Jail scheduled for either March or April for the Executive Committee.

Rep. Brosseau commended Commissioner Ahern on his efforts to reduce the budget.

Rep. Gionet questioned why NHA Bolander suggested that the Executive Committee needed more education after they toured the Nursing Home in December and Commissioner Cryans said he did not know and NHA Bolander would have to be asked that question.

Rep. Gionet read a letter that was sent to the town of Lincoln regarding the 2011 Dispatch fees and then read a letter of response from the town stating their opposition to what the letter inferred. He also noted that the letter from Dispatch suggested that the information was under review by the Delegation and yet none of them had any knowledge of it.

\*(see attached letters)

Commissioner Cryans said that Dispatch would like to change their billing to fiscal year and they are reviewing various ways of billing. He said that nothing has been presented to them yet.

Rep. Ladd asked about Vermont users and Commissioner Cryans reiterated that nothing had been presented and that it is a process that has to be played out.

Rep. Gionet said that it appears that it looks like taxpayers are going to be asked to pay for services.

Rep. Bulis asked that the Delegation not be mentioned in such a way in letters unless they are actually aware of what is going on so as not to appear uninformed by constituents who may have questions.

There was a discussion about the Northern Pass and Rep. Ladd said that the issue is of concern to a lot of people and asked if the Commissioners could assist the towns in finding out where this is all going by speaking with North Country Council. There was further discussion about this and whether or not information or facts were available.

Rep. White moved to accept the Commissioners' Report which was seconded by Rep. Brosseau. All were in favor.

#### EXECUTIVE DIRECTOR'S REPORT FINANCIAL REPORT

Director Clough began with the Nursing Home census at 132 and the Jail census at 88 with 46 out of the facility, 6 on electric monitoring and 19 in Drug Court.

#### Monthly Variance Report

Revenue: Interest will likely be off at the end of the year and interest on the bond is current.

Expenses: there is nothing too alarming. The Farm is a little over expended but grain prices have increased

Prorated Report The County is six months thru the year. There was a discussion about how Human Services pays their bills. It was noted that HSA Bishop believed that Grafton County will not reach their cap and there is some concern as to how the state is going to handle that.

Director Clough passed out some handouts which reviewed the percentage of total County tax per individual in a town and the total apportionment paid by the town for County taxes which is determined by DRA.

Rep. Sova said when it comes to the smaller towns such as his, the percentages don't amount to much and that it's the actual money that matters. He said he would like to see



the comparisons of what the towns have paid over the last few years. Director Clough said she could get that information for him.

Director Clough said that there is a Jail report available on the County website and there will be quarterly updates with the next one being in April.

The Jail project is moving a little slower in this weather but still on schedule.

Rep. Gionet asked how salaries at the County are established and Director Clough said that a wage consulting firm was used and they do the research using comparisons and market data.

Rep. Almy moved to accept the Executive Director's Report which was seconded by Rep. Brosseau. All were in favor.

### OTHER BUSINESS

Rep. Ladd said the rules committee which consists of Reps. Ladd, Townsend and Almy are working on a draft using a variety of sources. Their next meeting will be January 31<sup>st</sup> at the Lebanon Library at 10:00 AM.

Rep. Bulis discussed having a subcommittee to put together information on the performance audit for the County and discussed what is expected from the audit and the hopes of learning better ways of doing things more productively. He said that it is not an uncommon practice to have one of these done and many non-profits take advantage of them.

Rep. Almy said that Coos had one done and after speaking with some others involved, feels better about agreeing to have one done. She said it doesn't necessarily mean that the County is not performing properly.

Rep. Ladd moved to establish a performance audit sub-committee and appoint Reps. Gionet, Aguiar and Bulis as members. Said committee is authorized to interview qualified performance audit firms and to recommend a firm to the Executive committee as soon as possible, which was seconded by Rep. Sova.

### DISCUSSION

Commissioner Cryans said he had not heard of other non-profits doing this type of thing and would like to check with the Coos Commissioners to see how they felt about it.

Rep. Bulis asked Commissioner Cryans how he felt about it and he said he didn't have an opinion either way.

Rep. Gionet said he had spoken to people from Coos and they felt they got a lot out of it.

Director Clough suggested this request for an audit firm needed to go out to bid and didn't think the committee could just pick firms to interview. Rep. Bulis said he would take care of that.

When the vote was taken, all were in favor.

The next meeting will be held on February 28, 2011 at 10:00 AM

1:40 PM Rep. Aguiar moved to adjourn, which was seconded by Rep. Brosseau.  
All were in favor.

Respectfully submitted,

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Charles Sova, Clerk