

**MINUTES**  
**Cheshire County Commissioners Meeting**  
**Wednesday January 09, 2019 09:30AM**  
**Department of Corrections**  
**825 Marlboro Road**  
**Keene, NH 03431**

**Present:** Commissioners, Charles (Chuck) Weed, John (Jack) Wozmak and Robert (Bob) Englund,

**Staff:** County Administrator Coates, Finance Director Trombly, and Assistant County Administrator Bouchard

**Guest(s):** Steve Horton, Maplewood Owners Representative, Taylor Woodward, Project Manager, DEW Construction and Mike Davey of Energy Efficiency Investments.

At 9:31AM The Chairman opened the meeting and recognized the Maplewood Reconstruction Project Owner's Representative, Steve Horton, to discuss Master Agenda Item #643: Maplewood Reconstruction Project Update.

Horton reviewed the history of the project from inception through funding and implementation of construction. He addressed the change of the construction contractor that occurred early in the project and discussed the cost of the Heating, Ventilating, and Air Conditioning (HVAC) systems, including the dry chip bio-mass boiler that was first proposed and approved. He then related the subsequent change of construction contractors and vendors that brought the bio mass system costs back into alignment with the approved budget. Part of HVAC savings included choosing a dry chip system over a green chip system due to its significantly lower initial costs.

He then addressed the bio-mass system design progress changes and reminded the Commissioners of the costs differences between a dry chip and green chip system. Horton pointed out that the Commissioners recent vote to consider the green chip bio-mass option over the previously approved dry chip option has resulted, after a through pricing and analysis, with an increase in cost of the project of approximately \$615,000.00.

Commissioner Wozmak then said that the original bond contained the funding for a dry chip system and that he is very concerned about the cost of the additional infrastructure and equipment for the green chips. Wozmak asked if the decision for green chip was already set in place and couldn't be reconsidered or changed.

Horton said that the preliminary engineering work had begun for a green chip bio mass system as directed by the Board of Commissioners, but a change back to a dry chip system would not require any new work to be completed. He said that this is due to the dry chip system having been substantially already designed as it was the system initially approved by the Commissioners before the reconsideration of the green chip system. He then outlined the payback opportunities that either system would produce saying that regardless of the bio mass option selected the payback for the system would be between about 6.5 years to 9.5 years.

Commissioner Weed revisited the issues of both green and dry chip wood suppliers and expressed a strong preference for obtaining the highest-level air quality possible. He said that an option that had discussed in the past was the installation of an electrostatic precipitator also known as an ESP.

Coates was then asked to discuss the financial impact of the green chip system saying that the cost of the added infrastructure at \$615,000.00 was a major concern. Coates stated that \$500,000.00 has been temporarily allocated from Nursing Home Pro-Share monies to address the issue of the added costs for the Green Chip installation. He added that the full Delegation would need to be convened to vote to approve utilizing the Pro-Share revenue in this manner.

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He also expressed the additional growing concern of the lack of nursing home revenue and said that the \$500,000.00 may be needed to offset the lack of income from Maplewood operations.

He addressed the issue of not wishing to use the owner's contingency funds since the project is just getting underway and there are too many financial unknowns to be able to confidently commit the \$615,000.00 needed to cover the extra capital expense without risk to the overall project.

Davey then spoke of the number of installations that his firm (EEI) has installed in the region and described in detail the pluses and minus of both dry and green chips. He said that two (2) suppliers are producing dry chips. One in Peterborough and in Henniker. A third supplier in Massachusetts that is just coming on-line and has expressed interest in supplying the nursing home.

He then said that the University of New Hampshire just convened a technical study of academics and scientists that lead UNH to choose and install a dry chip system.

Davey then said that as an information point the following fuels BTU ratings could be used in analyzing performance of different fuels:

- Green Chips 8,600,000 BTU/Ton ranges from \$40-\$65 per ton Delivered
- Dry Chips 10,900,000 BTU/Ton ranges from \$80-\$110 per ton delivered
- Pellets 16,500,000 BTU/Ton ranges from \$230-\$240 Per Ton Delivered

Further information has been obtained from multiple online sources concerning the fuel options for a bio mass boiler and the heating potential of each fuel type:

- Green Chips at 40% moisture content = 2.9 MWH/ton
- Dry chips at 30% moisture content = 3.4 MWH/ton
- Pellets at 4% moisture content = 4.7 MWH/ton

*Source: 2016 NH Wood Energy Council - [www.nhwoodenergycouncil.org](http://www.nhwoodenergycouncil.org)*

The per ton cost is only one consideration when looking at initial fuel costs. The BTU values of fuel makes a large difference in the actual cost of heating as shown below:

*Note: The British thermal unit (Btu or BTU) is a traditional unit of heat; it is defined as the amount of heat required to raise the temperature of one pound of water by one-degree Fahrenheit.*

*Source: Wikipedia, the free encyclopedia*

Paying \$200/ton for wood pellets is the same as paying:

- \$1.67 per gallon for heating oil
- \$1.18 per gallon for propane
- \$12.50 per (1,000 ft<sup>3</sup>) for natural gas
- \$0.04 per kW hr. for electricity

*Source: The Wood Pellet Heating Guidebook, Massachusetts Department of Energy*

Additionally, a major New Hampshire supplier of both green and dry chips offers the following information on their web site:

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“Refined dry chips can be used as fuel in boilers that have a significantly lower capital cost than green chip boilers. These boiler systems are ideally suited to heat loads in the 1 to 3 MMBTU/HR range. (*Innovative Wood Fuels*) IWF can deliver refined dry white pine and hardwood fuel in the \$8-10/MMBTU heat output cost range, compared to heating oil at \$18/MMBTU based on oil at \$2.00/gallon”.

*Source: Innovative Wood Fuels, LLC, Rumney, NH*

An extended discussion concerning the delegation approved bond funding and the existing builder and owner contingencies was covered. A general consensus was reached that there would be a significant concern if the approved cost of the project varied significantly from the originally voted budget that incorporated the dry system.

**Commissioner Weed moved to reconsider the previous vote for the installation of the green chip system based on the concerns of finding sufficient funding for the green chip system as \$615,000.00 of additional infrastructure cost for the green chip system is not funded. Upon vote the motion passed unanimously.**

**Commissioner Wozmak made a motion to instruct Steve Horton, the Maplewood Reconstruction Project Owners Representative to further direct the County’s HVAC vendor, Energy Efficiency Investments (EEI), the Banwell architectural engineering team, and the DEW construction team, to implement the originally designed and funded dry chip bio mass system that was approved and funded as part of the total project cost of \$35,960,015.00 by a 21-1 with 1 absent vote, on May 22, 2017 by the full delegation. Upon vote the motion passed unanimously.**

County Administrator Coates was then recognized for the Weekly Operations Report and reported out the following items:

- Coates discussed a meeting that took place last night at the Keene City Council to discuss Community Development Block Grant (CDBG) funding for the creation of a cooperative ownership structure for the Tanglewood mobile home park in Keene. A conversation about the need for the funding and discussion of the pending sale of the park for approximately \$20M began. The grant amount for the project is \$500K.
- On January 28<sup>th</sup> a meeting with the Fitzwilliam select board to discuss the County tax increase issue for 2019 will be held. Coates, Trombly and Commissioner Englund will attend. An extended discussion about taxes paid by the town taxpayers caused by cost downshifting by the state was covered.
- The Integrated Delivery Network (IDN) Advisory Council will meet on January 31st at the Common Man restaurant in Claremont from 8:00AM – 12:00PM.
- Coates then discussed a letter that was received from the City of Keene concerning easements for the Department of Corrections electrical, water and sewer systems that were not filed in 2014. Coates and Bouchard will follow-up and determine the proper course of action for each easement and will work with the City of Keene attorney’s office to bring the matter to satisfactory conclusion.

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- Matt Davis from the University of New Hampshire who has been monitoring the geothermal system at the Department of Corrections will attend the February 13th meeting to brief Commissioners on his preliminary findings.
- The New Hampshire Association of County's (NHAC) will hold a meeting on January 17<sup>th</sup> at Primex Insurance in Concord to discuss candidates for the interim Director for the organization.
- A request for information concerning a homeland security grant has been received.
- Requests have been made to the pertinent congress and senate offices concerning the impact of the federal shutdown. Some information has been received but many issues still need to be assessed.
- The System of Care team will present next week and John Manning and Keith Thibault from Southwestern Community Services will present next week on the recent developments at the Second Chance for Success housing unit.
- Matt Upton, the County's Attorney for Labor will address outstanding issues at next week's Commissioners meeting.
- The Keene City Manager will be meeting with the County Administrator and other staff to discuss homelessness in the city and county.
- Coates reported that an additional \$500.00 has been received for the Old Courthouse window rehabilitation project.

**New Business: Commissioner Wozmak asked to have the meetings changed to 8:30am instead of 9:30 going forward. It was unanimously agreed to change the time to 8:30am. This change will be implemented the third week of February.**

Old Business: The draft of a Separation agreement from the County's Labor Attorney will be further reviewed by the Commissioners.

**At 11:36AM Commissioner Wozmak moved to enter a non-meeting to discuss a union matter. Commissioner Englund seconded the motion and upon vote the motion passed unanimously.**

**At 12:24PM The Commissioners voted unanimously to return to public session.**

The Weekly Census was then reviewed.

The Weekly Manifest was then reviewed, and **Commissioner Wozmak moved to accept the Manifest as presented and was seconded by Commissioner Weed, upon vote the motion passed unanimously.**

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**The minutes of January 2, 2018 were then reviewed Commissioner Wozmak moved to accept the minutes as amended and was seconded by Commissioner Englund. Upon vote the motion passed unanimously.**

The calendar was then reviewed.

**General Discussion:** None

**At 12:01PM there being no further business to discuss, Commissioner Wozmak moved to adjourn the meeting. The motion to adjourn was seconded by Commissioner Englund and upon vote the motion passed unanimously.**

Respectfully Submitted,

R. Englund  
Clerk, Board of Commissioners