

Sullivan County Executive Finance Committee Meeting Minutes
2/16/12
Commissioners Conference Room, Newport

EFC Members Present: Reps. Philip "Joe" Osgood, John Cloutier, Spec Bowers, Charlene Lovett,

EFC Members Absent: Rep. Thomas Laware

Other Delegation Members Present: Reps. Raymond Gagnon, Beverly Rodeschin

County Elected Officials and Employees Present: High Sheriff Michael Prozzo, County Administrator Greg Chanis, Facilities Director John Cressy, SCHC (Sullivan County Health Care) Administrator Ted Purdy, Commissioner John Callum

Guests Present: Tom Wilson, Wilson Engineering

Public Present: Former Claremont Rep. Larry Converse, Former Comm. Donald Clarke

The chair, Rep. Osgood, called meeting to order at 5:20pm.

Mr. Chanis brought the EFC up to date on the proposed biomass combined heat and power facility at the County Complex in Unity. First, announced that the Sullivan County Commissioners had approved the bond for the proposed facility at their January 31, 2012 meeting.

Mr. Chanis introduced Tom Wilson from Wilson Engineering who discussed the details of the proposed biomass facility, including the energy and continued savings of the proposal which would total an estimated \$290,000 per year. Claimed that the price of oil would have to drop by under \$1.00 per gallon in order for facility to be uneconomical.

Mr. Wilson added that the facility would have an estimated life of at least 25 years before major repairs would have to be made. Stated that there would be more than adequate wood chip supply to power proposed facility.

Mr. Wilson reviewed the February 16, 2012 Project Overview from the Wood Education and Revenue Center. (See attachment). This included the biomass boiler emissions comparison to existing fuel oil boilers.

Rep. Cloutier moved, Rep Lovett seconded a motion to recommend to the full County Delegation to approve the financing for the design and construction of a combined heat and power biomass steam plant. The amount of financing should not exceed \$3.2 million.

Motion approved on a 4-0 roll call vote with one absence (See attached roll call sheet).

Rep. Osgood moved, Rep. Bowers seconded a motion to approve the purchase of 12 county vehicles as outlined in the attached FY 2013 Vehicle Worksheet dated February 16, 2012.



Motion approved on a 4-0 voice vote with one absence.

Mr. Chanis then discussed the delegation's required duty to set county elected officials salaries just before the filing period for the county's elected officials opens in June 2012 and distributed a four-page written handout comparing our county's various elected officials' salaries and benefits with other New Hampshire counties from 2000-2012 (See attachment).

Rep. Lovett moved, Rep. Osgood seconded a motion to approve the January 30, 2012 Public Session EFC Meeting Minutes as amended. Motion approved unanimously by voice vote.

Rep. Cloutier moved, Rep. Bowers seconded a motion to adjourn at 5:56 pm.

John R. Cloutier
Rep. John R. Cloutier
Clerk

Date Approved: 5-11-12

Project Overview

Sullivan County, NH Unity Complex

Biomass District Energy Project



February 16, 2012



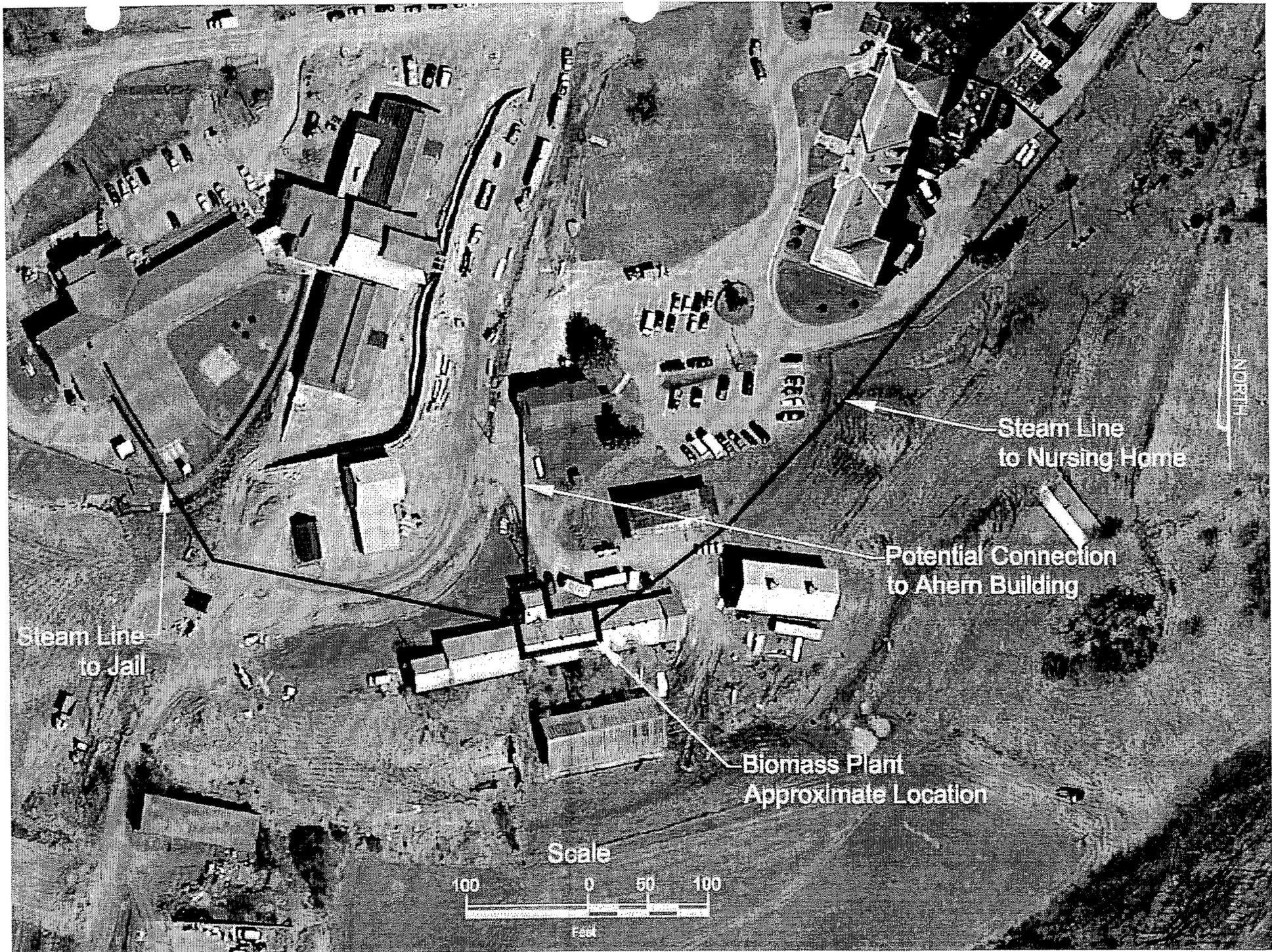
Wood Education and Resource Center

Why utilize biomass at Sullivan County's Unity Complex?

- **Social and Environmental Benefits**
 - Reduce reliance on foreign fossil fuel (125,000 gal diesel fuel/yr)
 - Net reduction of carbon emissions (1,200 tonnes/yr)
 - Markets for low-use wood, efficient use of wood resource (70-80%)
 - Educational and economic development opportunities
- **Economic Benefits**
 - Energy dollars stay local (\$80,000/yr)
 - Energy savings to owner (\$290,000/yr)
 - \$55,000 positive cash flow in first year of operations
 - Hedge against fluctuations in fossil fuel markets



Wood Education and Resource Center



Steam Line
to Jail

Steam Line
to Nursing Home

Potential Connection
to Ahern Building

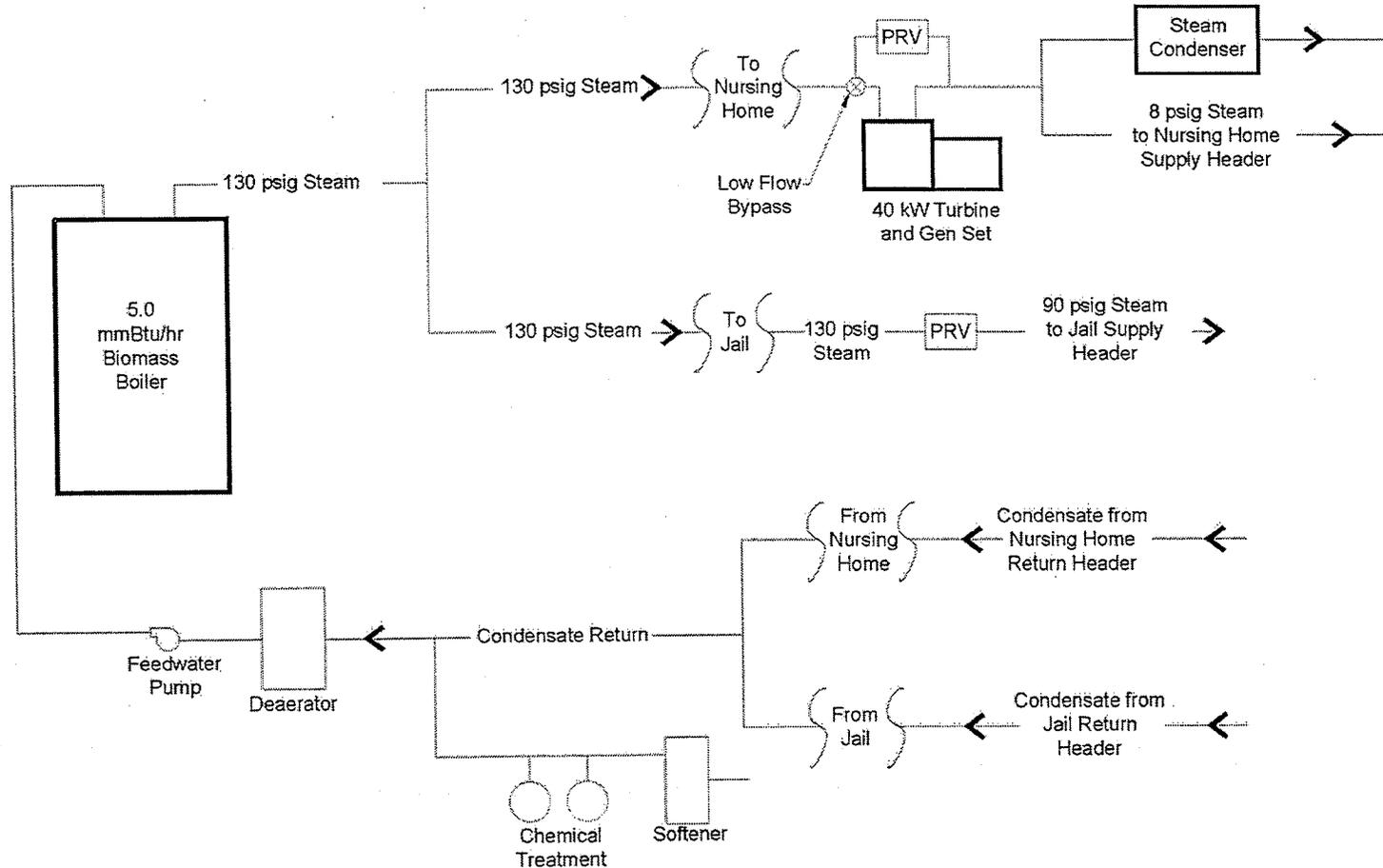
Biomass Plant
Approximate Location

Scale

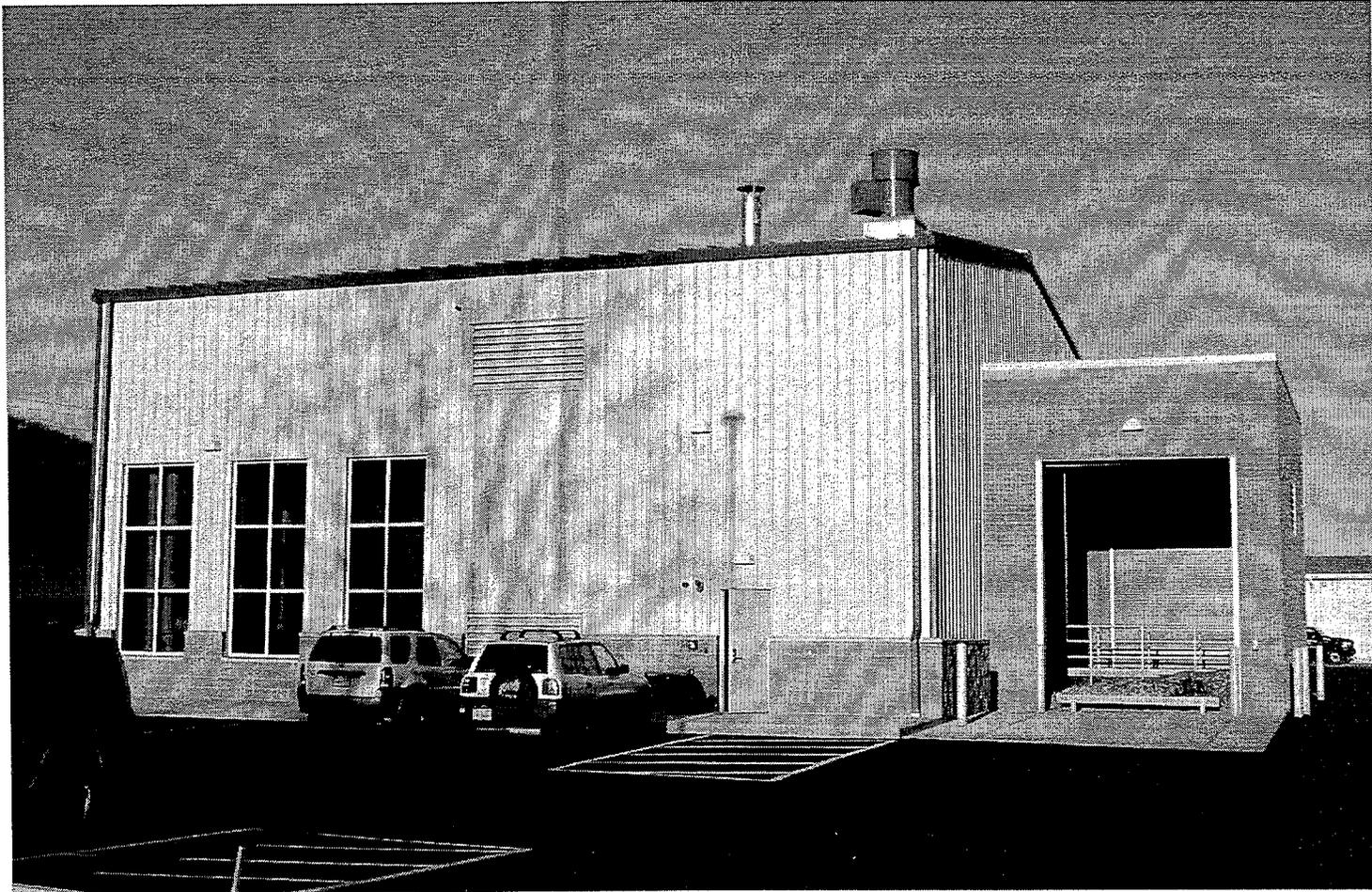


NORTH

Process Schematic



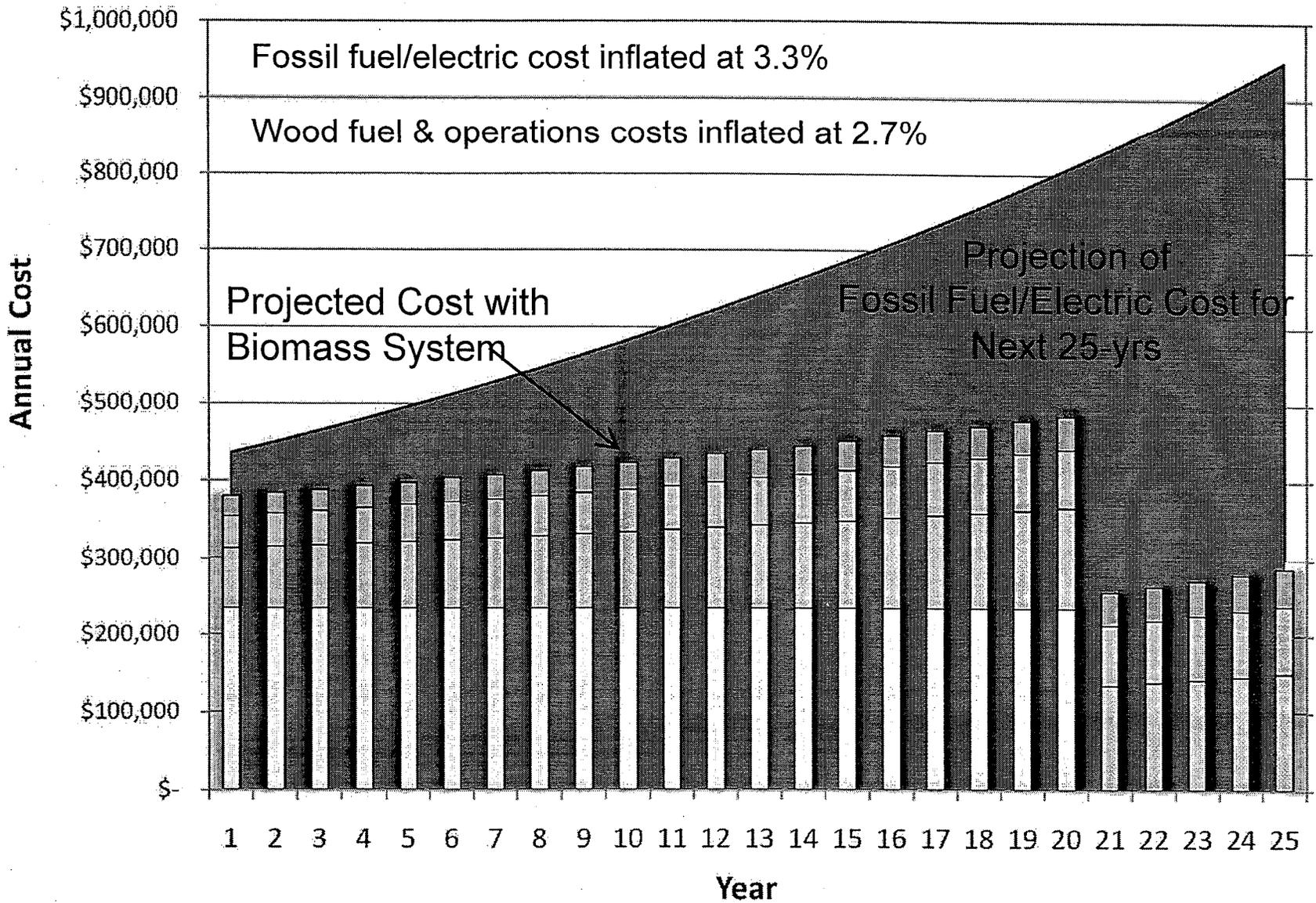
6 mmBtu/hr facility in Pennsylvania



Wood Education and Resource Center

Project Provides Positive Cash Flow in 1st Year

Fossil Fuel/Electric Cost
 Financing Payment
 Wood Chip Cost
 10% Fuel Oil Cost
 Wood Operation Cost



Robust Local Fuel Supply Infrastructure

Project will require ~1,900 tons wood chips annually
 An initial review of regional fuel suppliers identified 7 interested firms

Company	Current Annual Wood Chip Throughput, tons/year	Location
HHP, Inc.	150,000	Henniker, NH
Timberwolf Logging	50,000	Littleton, NH
D.H. Hardwick & Sons	90,000	Bennington, NH
Cousineau Forest Products	Not Disclosed	Henniker, NH
Packard Logging	Not Disclosed	Dalton, NH
King Forest Industries	180,000	Rumney, NH
HB Logging	50,000	Monroe, NH



Wood Education and Resource Center

Emission Comparison

Boiler Emission Factor Comparison (Lbs/mmBtu)

Boilers	CO ₂	PM	NOx	SOx	CO
Existing Fuel Oil Boilers	159	0.0143	0.1429	0.1882	0.0357
Proposed Biomass Boiler	Net 0	0.1700	0.100 - 0.200	0.0020	0.08 - 0.113

Note: 1- Emission factors and ranges from are from EPA AP 42 for oil boilers and actual emission tests for wood chip boilers.

2- Biomass is considered carbon neutral and generates carbon credits that can potentially be sold on voluntary markets.

Avoided Annual Emissions from Electricity

Annual Generation (MWh)	Generation Emission Avoidance Rate (Tons CO ₂ e/MWh)	Annual CO ₂ e Avoided (Tons)
137.3	0.744	102.2

Note: From www.eia.gov for power plants in Region 1 (New Hampshire)



Wood Education and Resource Center

Similar Biomass Projects at Hospitals

- Rockingham County Complex
 - Location: Brentwood, New Hampshire
 - 226 Bed Nursing Home

- Weeks Medical Center
 - Location: Lancaster, New Hampshire
 - 25 Bed Critical Care Facility

- North Country Hospital
 - Location: Newport, Vermont
 - 25 Bed Critical Care Facility

- Elk Regional Health Center
 - Location: St Mary's, Pennsylvania
 - 218 Bed General Medical and Surgical Hospital



Wood Education and Resource Center

Sullivan County Seeking Grant Funding to Enhance Project Benefits

- North Country RC&D Grant
 - ▣ \$75,000 grant opportunity

- US Forest Service – Forest Products Laboratory
 - ▣ \$250,000 grant opportunity

- NH Public Utilities Commission – Commercial & Industrial Thermal or Electric Renewable Energy Project Grant
 - ▣ \$1,000,000 in total funding available



Wood Education and Resource Center

Project Benefits Summary

□ **Social and Environmental Benefits**

- Reduce reliance on foreign fossil fuel (125,000 gal diesel fuel/yr)
- Net reduction of carbon emissions (1,200 tonnes/yr)
- Markets for low-use wood, efficient use of wood resource (70-80%)
- Educational and economic development opportunities

□ **Economic Benefits**

- Energy dollars stay local (\$80,000/yr)
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 - \$55,000 positive cash flow in first year of operations
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Wood Education and Resource Center

SULLIVAN COUNTY NH – STATE / COUNTY DELEGATION

MOTION AND VOTING SHEET

DATE: 2/16/12 TIME: 5:39

MOTION MADE: To recommend to ^{the} Full County Delegation
to approve the financing for the design and construction
of a combined heat and power biomass steam plant. The
amount of financing should not exceed \$3.2 million

MOTION MADE BY: Rep. John Cloutier

MOTION SECONDED BY: Rep. Charlene Lovett

MOTION: CARRIED [] DEFEATED [] OR, TIED []

WAS THERE DISCUSSION? YES [] NO []

TYPE OF VOTE (Either / Or of the following) Roll Call

VOICE VOTE - YES / NO []

ROLL CALL [] If roll call vote, check mark name below

REPRESENTATIVE NAME	YES	NO
Bowers, Spec	<input checked="" type="checkbox"/>	
Cloutier, John	<input checked="" type="checkbox"/>	
Cunningham, Steve		
Gagnon, Ray		
Howard, Thomas J		
LaCasse Sr., Paul		
Laware, Thomas	<u>absent</u>	
Lefebvre, Benjamin		
Lovett, Charlene Marcotte	<input checked="" type="checkbox"/>	
Osgood, Joe	<input checked="" type="checkbox"/>	
Schmidt, Andy		
Smith, Steven		
Rodeschin, Beverly		

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FY 2013 Vehicle Worksheet
2/16/2012

Vehicle type	Qty	Unit Cost	Sheriff	DOC	SCHC
Impala police (Sheriff)	7	20,410.86	142,876.02		
Express van	1	20,467.00	20,467.00		
Malibu	1	16,237.00			16,237.00
Wheelchair Van	1	45,000.00			45,000.00
Impala Police (DOC)	2	19,790.00		39,580.00	
Equipment swap			27,000.00	3,000.00	
Sub Total Gross Expense Per Department			190,343.02	42,580.00	61,237.00

Estimate

Trade values	Qty	Unit Cost	Sheriff	DOC	SCHC
2008 Impala (Sheriff's)	6	-4,300.00	-25,800.00		
2006 Explorer (Sherriff)	1	-5,000.00	-5,000.00		
2003 Taurus (SCHC)	1	-1,250.00			-1,250.00
2007 Crown Victoria (DOC)	2	-3,400.00		-6,800.00	
1999 Wheelchair Van	1	-5,000.00			-5,000.00
2000 Ford Van (DOC)	1	-1,000.00		-1,000.00	
Sub Total Gross Trade Values			-30,800.00	-7,800.00	-6,250.00
Sub Total Net Expense Per Department			159,543.02	34,780.00	54,987.00

Estimate

Adjustments for Transferred Vehicles	Sheriff	DOC	SCHC
2008 Sheriff's Van to SCHC	-10500		10500
2004 SCHC Van to DOC		2500	-2500
Net Amount Financed Per Department	149,043.02	37,280.00	62,987.00

Total Amount Financed	249,310.02		
Annual Payment @ 2.5% for 4 Years	66,317.12		
Percent of Total per Department	59.78%	14.95%	25.26%
Annual Payment Per Department FY 2013-2016	\$39,645.83	\$9,916.58	\$16,754.71

Commissioners

Calendar Year	Actual	
	\$\$\$\$	% Increase
2000	7,000	
2001	7,000	0.000%
2002	7,650	9.286%
2003	7,650	0.000%
2004	7,702	0.680%
2005	7,702	0.000%
2006	7,933	2.999%
2007	9,500	19.753%
2008	9,500	0.000%
2009	9,642	1.495%
2010	9,787	1.504%
2011	9,787	0.000%
2012	9,787	0.000%
Annualized Average Change 2000-2012		2.83%

County Comparison	
Coos	7,000
Merrimack	9,250
Cheshire	9,250
Belknap	9,354
Sullivan	9,787
Strafford	10,334
Carroll	10,500
Grafton	10,774
Hillsborough	16,500
Rockingham	19,750

Treasurer

Calendar Year	Actual	
	\$\$\$\$	% Increase
2000	3,802	
2001	3,802	0.000%
2002	3,910	2.841%
2003	3,910	0.000%
2004	3,910	0.000%
2005	4,410	12.788%
2006	4,542	2.993%
2007	4,771	5.042%
2008	4,771	0.000%
2009	4,842	1.488%
2010	4,915	1.508%
2011	4,915	0.000%
2012	4,915	0.000%
Annualized Average Change 2000-2012		2.164

County Comparison	
Coos	3,000
Merrimack	3,000
Hillsborough	3,625
Belknap	3,961
Carrol	4,725
Cheshire	4,850
Sullivan	4,915
Rockingham	6,500
Grafton	6,841
Strafford	7,507

Deeds

Calendar Year	Actual	
	\$\$\$\$	% Increase
2000	31,500	
2001	33,320	5.778%
2002	33,320	0.000%
2003	36,000	8.043%
2004	36,000	0.000%
2005	40,000	11.111%
2006	41,200	3.000%
2007	50,952	23.670%
2008	50,952	0.000%
2009	51,716	1.499%
2010	52,492	1.501%
2011	52,492	0.000%
2012	52,492	0.000%

Annualized Average Change 2000-2012	4.35%
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Other Counties

Coos	40,000
Carrol	41,580
Cheshire	49,982
Sullivan	52,492
Strafford	52,915
Hillsborough	56,100
Grafton	57,300
Rockingham	62,000
Merrimack	65,002
Belknap	68,415

Health & Dental

Plan	Employee Annual	County Annual	Employee %	NBU Employees
Single HMO Mid 10	762.24	9565.2	7.381%	10%
Single	0	462	0.000%	0%

Attorney

Calendar Year	Actual	
	\$\$\$\$	% Increase
2000	52,000	
2001	55,005	5.779%
2002	55,005	0.000%
2003	60,000	9.081%
2004	60,000	0.000%
2005	65,000	8.333%
2006	66,950	3.000%
2007	72,157	7.777%
2008	72,157	0.000%
2009	73,239	1.500%
2010	74,337	1.499%
2011	74,337	0.000%
2012	74,337	0.000%
Annualized Average Change 2000-2012		3.02%

Other Counties	
Cheshire	62,004
Carroll	70,000
Coos	70,000
Sullivan	74,337
Grafton	78,443
Strafford	80,350
Hillsborough	83,000
Rockingham	85,000
Belknap	89,164
Merrimack	90,720

Health & Dental				
Plan	Employee Annual	County Annual	Employee %	NBU Employees
Single HMO Low 15	762.24	9071.76	7.751%	10%
Single	0	462	0.000%	0%

Sheriff

Calendar Year	Actual	
	\$\$\$\$	% Increase
2000	38,500	
2001	40,725	5.779%
2002	40,725	0.000%
2003	45,000	10.497%
2004	45,000	0.000%
2005	50,000	11.111%
2006	51,500	3.000%
2007	60,949	18.348%
2008	60,949	0.000%
2009	61,863	1.500%
2010	62,791	1.500%
2011	62,791	0.000%
2012	62,791	0.000%

Annualized Average Change 2000-2012	4.17%
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County Comparison	
Cheshire	50,000
Coos	50,000
Hillsborough	60,000
Strafford	60,008
Carrol	60,375
Grafton	60,693
Sullivan	62,791
Rockingham	67,000
Merrimack	69,958
Belknap	74,304

Health & Dental				
Plan	Employee Annual	County Annual	Employee %	NBU Employees
2 Person HMO Low 15	2515.44	17151.36	12.79%	16.50%
Single	114.72	760.32	13.11%	14.20%