

DRAFT MINUTES

EXETER WATER/SEWER ADVISORY COMMITTEE MEETING MINUTES

Oct 12, 2011

1. Call Meeting to Order

Chairman Gene Lambert convened the Water & Sewer Advisory Committee at 6:30 pm in the Nowak Room of the Town Office Building. Other committee members present were: Mr. Bob Kelly, Mr. Jim Tanis, Ms. Colleen St. Onge, Mr. Boyd Allen, Mr. Paul Scafidi and Selectman Don Clement. Mr. Mike Jeffers, Water/Sewer Managing Engineer and Mr. Paul Roy, Water Treatment Plant Operations Supervisor were also present.

2. Review and Approval of Draft Minutes of August 10, 2011 and September 14, 2011

Boyd Allen moved to approve the draft meeting minutes of September 14, 2011 and August 10, 2011. Bob Kelly seconded. Vote: Unanimous Don Clement abstained from voting on the minutes of August 10th and Paul Scafidi abstained from voting on the minutes of September 14th.

3. Discuss Brian Griset 91A Request for Metering / W&S Billing Practices and Costs

Mr. Dean advised the committee that the Town has received a 91A request from Brian Griset requesting information about water & sewer metering and billing practices and costs. He feels that it is good practice for the water and sewer committee to be aware when such requests are received that pertain to water and sewer issues. Mr. Dean stated that this request doesn't seem to truly fit under the 91A law because it requests the creation of documents that didn't currently exist. These type of requests create issues on an ongoing basis because they require the devotion of resources to pull information together needed to respond. Mr. Jeffers said that he has responded to the request by supplying a stack of several documents including a meter price list, the hourly wages of the people involved, meter inventory information and meter change documents.

Mr. Griset explained that his simple request consisted of two questions. He asked for the per meter cost for billing & collections and if there is a breakdown of costs related to the replacement of meters. He said that he only requests documents that currently exist and refuses to have any documents created. He was surprised that there weren't any documents related to these costs and questioned how the budget is being created. He did not receive any information that answered his questions. The reason for his request was so that he could determine how the figure of \$750,000 for the proposed CIP project for meter replacement was calculated. Mr. Griset said that the committee should be aware that the water & sewer superintendent is not involved with the financials and does not have that information. Also, the documents he received indicate that there is a new policy involving deduct meters which is a violation of Town Ordinance 16:4.10. The ordinance prohibits deduct meters for irrigation or for any other purpose for commercial properties. Deductions, abatements...etc for irrigation are not allowed. Jim Tanis requested clarification on the details of the \$750,000 CIP metering article cost and whether or not this figure includes labor. Chairman Lambert requested that further discussion on this be tabled until the financial section of the agenda later on.

Mr. Clement has spent considerable time looking at documentation and regulations on state statutes regarding 91A. He read the tenets of what constitutes a 91A request. Citizens have the right to inspect all public records on the premises during business hours and to make photostatic copies. A 91A request is to inspect public records. Mr. Griset's request is a legitimate request for information but is not a true 91A request. Departments have many issues to deal with at any given time and it is important that priorities are set so that the needed work of the Town is getting done.

4. Infiltration & Inflow Case Study Q&A by Wright-Pierce

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Paul Vlasich explained that the purpose of this evening's presentation is to further discuss inflow and infiltration in the system and to talk about the Jady Hill project. He provided a quick update on Phase I of the Jady Hill project which was financed by the previous water and sewer line replacement program warrant articles passed in 2010. The department will be in front of the Selectmen this coming Monday night for award of bid to Polito & Sons for the Phase I project in the amount of \$ 1.77 million. Phase I does not tackle any private I/I issues. On October 24th they will be presenting the Phase II capital project for Jady Hill in the amount of 2.85 million to the Board of Selectmen. Tonight they are present to discuss the Phase II project so that everyone can better understand the issues and to get some direction and expertise from the committee so they can have a more productive discussion with the Selectmen.

Peter Atherton and Tim Vadney of Wright-Pierce Engineers were present once again this evening because the committee had previously requested more information about inflow and infiltration studies and efficiencies. Peter Atherton advised that committee members have been provided with the following documentation as a follow-up to their previous meeting: case study on a similar project that their firm had been involved with for a similar residential neighborhood, copy of a power point presentation given for the NH Water Coastal Control that talked about the results / process of a project and a paper written by folks in Princeton, New Jersey that talked about their I/I reduction program, removal efficiencies and how they approached removing service laterals. Chairman Lambert said that review of these documents indicates that they have met the previous request for substantiation of their numbers. In particular he felt that the holistic approach toward total involvement in the Princeton study stood out and this should be passed on to others to help make it easier to solve the problems with less anguish.

Tim Vadney presented a flow chart of different I/I options and possibilities which showed the varying costs and degrees of I/I removal (see attachment). Discussion ensued about the different options, costs and expected amounts of I/I removal. Ms. St. Onge asked if homeowners in other areas of Town are given a place to put I/I. Mr. Vlasich replied that some work has been done but there is no standard practice established yet for this. Not all houses will be able to have a drain line lateral due to elevation or other site constraints. Bob Kelly pointed that there is only about a small 4% gain in I/I removal by adding another 25% to the project cost to install the relief drains. It would cost an additional \$ 443,000 to put the relief drains in to the Jady Hill project. Mr. Vadney said that another level of complexity is that the Town is under an AO to reduce I/I. Mr. Vlasich explained that they have received requests from homeowners to have somewhere to put the I/I other than their backyard. Mr. Atherton pointed out that if the relief drains are not put in there is an assumption that 15-20% or more I/I may work its way back into the system and therefore reduce the effectiveness of the total I/I removal. Mr. Clement said that other benefits to not having this water in the streets and backyards must be considered. It freezes in the winter and becomes a hazard in the streets. Paul Vlasich clarified that \$200,000 of the total \$2.85 million cost for Jady Hill Phase II is dedicated to fixing existing drains that have deteriorated and this \$200,000 is a general fund expense.

Ms. St. Onge asked how many other areas in Town have similar issues. Mr. Vlasich responded that there are 22 other areas where I/I is higher than normal. However, it would not be cost effective to strictly go in and do projects in all of these areas for I/I only. DPW has laid out a program to take out 80% of the 43 million gallons they are measuring. I/I reduction will depend on the particular circumstances in each of these other neighborhoods. The approximate 100 homes in Jady Hill are one of the biggest sources of I/I and that is why they are looking at it first. Bob Kelly pointed out that the data indicate that if they did a 50/50 split Town pay/homeowner pay for the cost of the private laterals it would average about \$2,500 per home. Mr. Vadney said that the cost would definitely be house

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specific. Mr. Tanis asked if the residents in the Old Town, Maine study paid for 100% of the work done on their property through sewer rate increases. Mr. Atherton explained that in the final agreement the city paid for the private service up to 5 feet from the foundation and the homeowner paid a private plumber to take it the rest of the way into the home and do whatever private plumbing was necessary inside the home. The plumber had to sign off on the work and a certified letter was sent to the city. Average cost was around \$ 200 to \$500 per home.

Bob Kelly asked what the plan was for going forward with the other areas in Town (about 800 homes) that have I/I issues. Mr. Vlasich said that it is hard to formulate that plan right now. He believes that they need to get through this first I/I project, start getting questions answered and policies understood. A capital plan on how to address I/I would be forthcoming at a future date. Another big issue would be to finish the Phase 3 I/I study that Underwood Engineers has been doing. Once they finalize the report with the I/I study it will be handed over to the EPA. This report will outline how the Town plans to tackle CSO's in Town.

Bob Kelly stated that one of the main goals would be to take this out of the treatment plant and reduce loadings during storm events. Paul Vlasich said that it would also reduce the capital costs of a new treatment plant. Bob Kelly did not feel that there would be any appreciable savings in cost for building a new treatment plant because it is new nitrogen regulations and the technology needed to meet them that is largely driving the need for the new highly technically advanced plant. He said that in theory with all of this I/I in there the nitrogen loading into the plant on certain occasions may presumably be less. Paul Vlasich said that larger tankage is needed to take care of this. Tim Vadney explained that when it rains the nitrogen load to the plant is more dilute but the overall pounds loading is still the same. The effluent permit is always based on the pounds limit so the I/I doesn't make the nitrogen problem better. At the same time nitrogen removal is based on contact time which is directly driven by flow and tank size so the more flow coming in the more tankage that is needed. Peter Atherton said that the savings would primarily be in treatment efficiency and O&M savings. Peak hourly flow rates drive much of the infrastructure costs. When you keep the nitrogen as concentrated as you reasonably can, some of the reactions drive a lot faster and you have more efficient treatment. Mr. Clement would like to see the potential rate increase needed to fund this 2.65 million dollar project.

Bob Kelly said he feels that the committee is charged with providing a recommendation to the Board of Selectmen on an approach as to who pays for the service laterals. Discussion ensued about this and Chairman Lambert encouraged input from all committee members. Boyd Allen said that there was a lot of meshing of forces in the Old Town study to get people to come to the table and agree on something. In the end the Town picked up the majority of the cost in order to get people to comply. He feels that they need to evaluate this and also how enforcement would be handled. Mr. Allen questioned what level of compliance they would get if they go with something like a 50/50 split. Peter Atherton said that Old Town was a good success story and everyone complied. That town made the decision to fund all the way up to 5 feet from the foundation. The only flow measured the following year was the sanitary sewer flow. Bob Kelly felt that a number somewhere in the middle would be equitable. There should be some buy-in by the residents of Jady Hill so there is some accountability. He suggested asking homeowners to pay \$1,000 each and the Town would pay the rest. Mr. Scafidi said that everyone's rates will go up regardless and felt that the 50/50 option was reasonable. Colleen St. Onge stated that she would like to see the Town put in the relief drains so the homeowners have somewhere to put the water. Jim Tanis felt that they had a good case history with the Maine study and suggested following that. The Town would go up to 5 feet of the foundation and it would be the homeowner's responsibility to connect it from there with a licensed plumber.

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The committee recessed at 7:52 pm and reconvened at 7:59 pm.

Chairman Lambert asked for input from committee members to identify what they would like to formally recommend to the Board of Selectmen.

Boyd Allen moved that as a committee they recommend that for the Jady Hill Phase II project the Town pursue replacement of the sewer and drain lateral portions. Bob Kelly seconded. Vote: Unanimous Don Clement abstained.

Chairman Lambert asked who is responsible for the cost of the storm drain portions of any pipes put into Town roads. Paul Vlasich stated that the new relief drain lines would be paid for by the sewer enterprise fund. Mr. Clement explained that typically storm drain work would be paid out of the General Fund, but Mr. Vlasich is making the case here that they wouldn't be doing these if they weren't part of the bigger project. Mr. Dean said that the 2012 CIP breaks the funding for this project out to be funded with 2.65 million coming from the sewer fund and \$ 200,000 from the General Fund.

Bob Kelly moved to recommend to the Board of Selectmen that homeowners would pay a maximum of a \$1,000 cap towards the lateral portion of the project and that \$1,000 would not include any interior plumbing that needs to be done. In addition to having a plumber certify that the connection was made properly, all of the homes would have to hire a plumber to seal off the existing connection and this must be certified. Paul Scafidi seconded for discussion.

Bob Kelly felt that the homeowner portion on a 50/50 share would be too high. Those homes that didn't need to be upgraded would be exempt. If a home doesn't have a relief lateral and the owner would like to have one put in they could opt to do this at their cost. Financing could be worked out over the next several months. Mr. Vlasich said it would be his preference for trackability and timing that the sewer laterals be part of the bid and all done by the same contractor. There would be economies of scale with doing it this way as well as assurance that the work is done properly and uniformly. Paul Scafidi disagreed and felt the homeowner should be able to bring in a certified contractor of their choice. Don Clement suggested using a percentage instead of a flat dollar number cost.

Chairman Lambert asked Bob Kelly to modify his original motion to go up to a \$1,500 max instead of \$1,000. Bob Kelly denied his request.

Vote: Unanimous Don Clement abstained. Motion in its original form carries.

Don Clement asked Chairman Lambert to formally document the committee's recommendations for the Board of Selectmen prior to October 24th.

5. Discussion / Action Items

a. New Business

1. Budget Committee / W&S Advisory Committee Crossover

Chairman Lambert referenced an email that was sent to all committee members (see copy attached) requesting one or two volunteers to work with the Town Budget Committee on the 2012 budget. Bob Kelly is currently a member of both the Budget Committee and the Water & Sewer Advisory Committee. Don Clement said that part of the Water & Sewer Committee's charge is to make recommendations to the Budget Committee and the Board of Selectmen on the Water & Sewer 2012 Budget and CIP. It is up to the committee how they choose to do this. One option would be to create a subcommittee or the committee as a whole could review the budget and CIP articles. Bob Kelly

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suggested that a committee volunteer and himself could meet with the two gentlemen helping him from the Town Budget Committee and the DPW, make a preliminary assessment and then report back to the entire Water & Sewer Advisory Committee. Bob Kelly did not think it was most efficient to have two committees working on parallel tracks and was concerned about having Town staff spend too much time in meetings.

There was discussion about the options. Jim Tanis said that in the past the full committee reviewed the budget and it worked well. Colleen St. Onge thought that the entire committee should review it since it was one of their committee charges. Don Clement said that this year the Budget Committee Chair Don Brabant has asked that the budget review process be a combined coordinated effort between the Budget Committee and the Board of Selectmen. Boyd Allen agreed that there would be value in Bob Kelly's suggestion to have a subgroup do a preliminary review. He suggested that if everyone is feeling that they want to look at the budget they could all do their homework and then have a cap on the time devoted to discussing it at the next meeting. October 26th is an all day Budget Committee session at which time Bob Kelly's Budget Committee subgroup will make a presentation on their portion of the Water & Sewer budget. He suggested that at the Water & Sewer Committee's next meeting in November they could take what comes out of the Budget Committee's October 26th meeting and allocate a block of time to discuss it. The other committee members agreed to review the Water and Sewer Operating Budgets and CIP projects at the November meeting with the input from the Budget Committee. All committee members have copies of the budget for their review and anyone wishing to attend the all day Budget Committee session on the 26th is welcome to do so.

b. Old Business

1. Public Awareness of PC605 Dry Air Issue

Chairman Lambert read an email sent from a committee member to Mike Jeffers regarding a certain chemical product in order to make the public aware of the suggestion made (see copy attached).

2. Water & Sewer Advisory Committee Periodic Report

The committee has prepared a summary report of their activities for the Board of Selectmen and is requesting to be put on the Board of Selectmen agenda to present it at some point in the future. Please see copy of report attached.

6. Regular Business

a. Water / Sewer Abatements

Mike Jeffers stated that there are 4 water and sewer abatements up for consideration this evening: 1) \$9,000 requested by 97 Portsmouth Avenue 2) \$2,619.10 requested by Exeter-Hampton MHP Coop 3) \$ 2,472.87 requested by Exeter River Landing 4) \$2,084.80 requested by 151 Portsmouth Ave.

Mr. Jeffers explained that DPW does not recommend abatement for 97 Portsmouth Avenue. This is a business which did not have a problem with their meter. They are requesting an abatement because one of their competitor's meters was misread due to one of the 10X meter multiplier errors. The Town has caught up with the multiplier error and that competitor has since paid their bill. The business on 97 Portsmouth Avenue is claiming that they lost business to their competitor who was under-billed by ten percent of their bill for a period of time. Mike Jeffers said that there may be an issue here but he doesn't feel that it can be addressed through an abatement. The Town's abatement policy criteria do not cover this situation. It was felt that this was not a viable abatement request.

Paul Scafidi moved to deny this request for abatement. Bob Kelly seconded. Vote: Unanimous Don Clement abstained.

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With regard to the abatement request for Exeter-Hampton Mobile Home Park Coop, Mike Jeffers said that the Town did find a leak underneath a unit there during a meter installation which has since been repaired. A new unit was installed without a meter and this has been fixed. This park has been making great efforts to repair leaks and sources of sewage infiltration. Leak surveys have been done by the Granite State Water Association on a couple of occasions. DPW has been working with them to replace several of their older meters with modern meters. DPW recommends that the abatement be granted in the amount of \$2,619.10. This park has a master meter and each of the individual 48 units also has their own meter.

Jeannie Wright, the Coop Treasurer, explained that they are a resident owned community. They have been seeing huge water overages for years and explained how they have been working with the Town to try to find sources of leaks. They have applied for a CDBG grant for a whole new water infrastructure update and should hear on that next week. Bob Kelly asked her if she understands that this is a one in ten year abatement and Ms. Wright confirmed that she understood.

Brian Griset wanted to point out two things for information purposes. With regard to the Selectmen abatement policy amended /enacted in May 2008, it was intended to establish a one in ten year abatement policy to address leaks “due to an accidental unpreventable water release.” The customer should be held responsible for the entire bill in cases of negligence, such as failure to maintain internal plumbing in good repair or prevent freezing. He feels that there has been a divergence in the way that abatements have been granted in the recent past.

Mr. Griset referred to Water & Sewer Committee meeting minutes in 2006 & 2007 in which there was a discussion about this Coop. There was a condition on the approval for putting in the individual meters because it was known that the interior mains were known to be substandard and leaky. This is why the master meter account was retained and it was agreed that the Coop would maintain responsibility for the variation between the charges because it was known leakage. It was a known overage when those meters were installed. Chairman Lambert asked if all leaks have been taken care of in the past and if this leak is a new one. Ms. Wright said that they have fixed all leaks themselves that have been found. Mike Jeffers said that in the quarter prior to the one that they are going for the abatement on they had almost a 1 to 1 ratio.

There was discussion about this abatement request. Mike Jeffers said that master meters in parks is the way to go in many states and whatever happens inside the park is the park’s problem. Mobile home parks traditionally have very poor plumbing installed. Many other municipalities refuse to bill individual units and will only bill the park via a master meter. Bob Kelly questioned why this is considered an accidental water release that could not be reasonably prevented. Mr. Dean explained that the policy was modified in 2008 to give some latitude for the odd situation related to leakages. Previous to the modification abatements were rare. The change was partly in response to the fact that ratepayers are billed on a quarterly basis and may not necessarily know about a leak for many days until receipt of a very high bill. There is currently no mechanism in place for ratepayers to measure usage in their home.

Paul Scafidi moved to approve the abatement recommendation. Colleen St. Onge seconded. Vote: 4-1 Jim Tanis opposed. Don Clement abstained.

Mike Jeffers said that DPW does recommend granting a one time abatement to Exeter River Landing for sewer usage only in the amount of \$2,472.87. They had 6 leaks which did not go to the sewer. This is

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one of the parks that buys water from the Town on an occasional basis. They are paying for the water and only requesting an abatement on the sewer portion. Mike has toured the park and looked at some of the places where they had the leaks which have been fixed. Their sewer collection systems do not look bad and Mr. Jeffers is confident that the water did not go to the sewer. The reason for the leaks was frozen plumbing due to the fact that people left in the winter. Bob Kelly thought this would be negligence. It is a property management issue and would not be considered unavoidable. Gene Lambert pointed out that the policy holds the property owner responsible for the whole bill in cases of negligence. Boyd Allen further pointed out that the policy specifically states that frozen plumbing constitutes negligence.

Bob Kelly moved to deny the abatement. Colleen St. Onge seconded. Vote: Unanimous Don Clement abstained.

Mike Jeffers said that the last abatement request is for an irrigation system problem at 151 Portsmouth Avenue which is McFarland Ford. The irrigation system had either a broken pipe or a solenoid valve that let the water go through continuously. They have agreed to pay for the water and are requesting an abatement for the sewer portion only in the amount of \$2,084.80. Joe from McFarland Ford explained that their irrigation system is a soak system that is below the sod. It is not a typical system that sprays and so they were completely unaware of the problem until they got their bill. He said that the clock timer was set incorrectly and it ran too long. They are going to put in the deduct meters to alleviate the problem next year. Bob Kelly asked if there is a database anywhere that tracks abatements. Mike Jeffers said that the data must exist somewhere and Paul Scafidi said that one could refer back to meeting minutes. As discussion ensued about the abatement request, questions arose about how the calculations were done and it appeared that there may be some errors in the numbers.

Paul Scafidi moved to table this request until the next meeting so that DPW staff can revisit this abatement. Don Clement seconded. Vote: Unanimous

b. Financial Report

Mr. Dean provided committee members with water & sewer revenue and expense reports through September 30, 2011. Things are going along pretty consistently. There are two issues that have come up with water. The first is the issue with the boilers in need of replacement at the plant. Also, Mr. Jeffers has alerted them of a projected overage in the chemicals line due to the manganese issues this year which required the purchase of more chemicals.

Jim Tanis questioned the details of the \$750,000 cost for the proposed meter replacement CIP article. He asked how many meters this is for and whether or not labor is included. Mr. Dean said that they will provide him with a budget breakdown. Mr. Jeffers said that the cost is for all materials but does not include labor. There are approximately 1,750 meters that are up to 30-40 years old and this would completely replace those. There are another 1,750 meters which would require the replacement of the register portion with a data logger. When they were done all 3,500 plus meters would be data logging and radio read. This would allow them to read weekly, bi-weekly or however they would like and they could bill monthly. About \$100,000 of the total is contingency cost which could be used for overtime expenses if people do not let DPW staff in during normal working hours or for the larger commercial meter replacements that have not yet been changed. Ms. St. Onge asked if homeowners due for a change under this have been notified. Mr. Jeffers said that everyone would get some change under this. Currently homeowners are only notified when their meter has come to a complete halt.

Chairman Lambert referred to previous discussion about this CIP project requesting to show return on

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investment for this. He said that in the original CIP description it described how in the past the Town has lost \$508,000 due to improper metering. It would be important to show people the return on investment received for spending \$ 750,000. Mike Jeffers explained that they can offer monthly billing and read the meters more frequently so some of it would be convenience. People would be able to see their usage and this would be valuable, although difficult to put an exact number on. Chairman Lambert said that someone needs to come back with a full return on investment description. Bob Kelly did not feel that the numbers bear out that additional staff would not be needed to install all of these meters. He suggested purchasing however many meters they can afford this year and getting these replaced over a period of perhaps 5 years or however long it takes. Bob Kelly said he felt it should be their initiative and a number for whatever they can afford this year should be put into the general budget instead of a having people vote on a warrant article. Mr. Dean said that they know there are slow meters in the system which are contributing to a decrease in revenue and they should pursue this.

c. Discussion of W&S Rate Group Meeting

Chairman Lambert asked for a report from the Water and Sewer subgroup which was charged at the last meeting with the task of coming up with a plan as to how the committee is going to make a rate recommendation to the Board of Selectmen. Mr. Tanis said that they have taken Mr. Dean's graph of different towns and rates and have updated it to see where Exeter is at compared to other towns in terms of their rates and fees. All costs have been converted to dollars per 100 cubic feet because most towns are charging per 100 cubic feet of water. Exeter is pretty much in line but a little on the high side in water rates. This has much to do with the fact that Exeter uses almost entirely surface water which is more expensive to treat, versus many other towns which are on wells that are less expensive. With regard to sewer, Exeter comes out usually on the low side. Exeter is not alone with the service charges and in fact most other towns have it to some extent to cover debt service or other indirect costs. In summary he feels that Exeter has a pretty good system which is in line with others in New Hampshire and he doesn't see any great need to change it.

Chairman Lambert asked how they were going to come up with a plan to make a recommendation for next year's rates which would also include a public meeting. Mr. Tanis did not feel that they had the time or financial resources to do this and felt that they should review Mr. Dean's recommendation and give their opinions on that. Mr. Clement said that rate setting is difficult when total 2012 expenses and revenue are not yet known. Mr. Dean said that there is definitely a timing issue with all of this since the rates should cover the budget. There is generally at least a year lag on bond issues so there is some time to plan on those. Mr. Dean will come up with some rate recommendations that can cover the proposed FY12 budget. He will go over his plan with Jim Tanis and Colleen St. Onge in the interim and the committee will do a full review of this at their next meeting.

d. Task List Updates

1. All committee members should review the 2012 Budget

7. Review Committee Calendar

a. Future Meeting Dates

The next meeting of the Water and Sewer Advisory Committee will be on Wednesday, November 9th at 6:30 pm.

8. Adjournment

Don Clement moved to adjourn, seconded by Bob Kelly. Vote: Unanimous

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The meeting stood adjourned at 10:12 pm.

Respectfully submitted,

Jennifer Mancinelli
Recording Secretary

ATTACHMENTS

TO: Water and Sewer Advisory Committee

DATE: October 4, 2011

FROM: Eugene Lambert

Subject: Water & Sewer Budget work group

To the Water and Sewer Advisory Committee;

Our Committee's Charge is to review with the Department of Public Works their budget recommendations and CIP requests. We are to make appropriate recommendations to the Planning Board and Board of Selectmen. A copy of the W & S Department's Budget is now available at the Town offices for pickup.

Before the current W & S Committee's existence, the Town Budget Committee did all the W & S budget reviews and recommendations. The Town Budget Committee is now in the process of reviewing next year's budget with the purpose of making recommendations to the Board of Selectmen. As one of the Budget Committee's members stated, this year is somewhat of a transition year for both Committees. The Budget Committee is currently scheduling work sessions with the Department of Public Works to review their budget.

It is my suggestion that Bob Kelly, who is both a W & S Committee member and a Budget Committee member, coordinate this transition with one other W & S Committee member volunteer and report back to the whole Committee for further action. In an effort to keep the work groups manageable, I am suggesting only a total of two W & S Committee members work with the Town Budget Committee work group.

By way of this e-mail, if any W & S Committee member is interested in joining Bob in this budget work group activity please contact Bob directly as soon as possible.

Gene Lambert
Chairman

Notice:

It is anticipated that a copy of this e-mail is to be posted as an action item with the Oct. 12th meeting's agenda.

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Email sent to Mike Jeffers from Jim Tanis apparently in September, 2011

TO: Mike Jeffers FROM James N. Tanis

Mike, Our PAC vendor should supply a MSDS sheet dealing with the safety concerns of this product while filling, storing and pumping this chemical into the system. Just offhand I don't know why you need to add water to the product prior to pumping into the system as a "neat " liquid product. If you do have to dilute do you have a "soft" or deionized water supply near that you could use? - this could prevent the precipitation you are experiencing in the feed tank. The dessicant recommendation is most likely to prevent moisture in the air to combine with Chloride from the PAC to form HCl in the vapor within the storage tank which is an irritant and highly corrosive. Jim

EUGENE L. LAMBERT

2 Exeter Farms Road
Exeter, NH 03833

TO: Board of Selectmen
Town of Exeter, NH

DATE: October 11, 2011
CC: Distribution List

FROM: Eugene L. Lambert, PE, Chairman

SUBJECT: Water & Sewer Advisory Committee Periodic Report

This is the first periodic Committee Report to be sent to the Board of Selectmen from the Water & Sewer Advisory Committee with the primary purpose of maintaining communication between the Board of Selectmen and the W & S Committee Members, as well as, providing a tool to encourage an open, continuous, and at times, verbal dialog between the Selectmen and the Committee.

The Water & Sewer Advisory Committee is not an operational committee but an extension arm of the Selectmen with the goal of providing advice, guidance and recommendations regarding the Town of Exeter's Water and Sewer Systems. There are seven (7) ongoing committee duties adopted by the Board of Selectmen on March 28, 2011. These ongoing duties are attached to this report as Attachment "A".

As of the date of this Report there have been five Committee meetings. Mr. Don Clement convened the initial meeting and provided both operational and RSA 91a "Right to Know" law guidance. The first meeting elected a Vice Chair which was Bob Kelly and the second meeting elected the Chairman, Eugene Lambert. These televised meetings were held on

- May 11, 2011
- June 8, 2011
- July 13, 2011
- August 10, 2011
- September 14, 2011 (Informational)
- October 12th Next meeting

The detailed meeting minutes have been posted on the Town's Website and are available for all to review. At the July 13th meeting, the Committee identified the desire to create and issue this Report with the request that it be placed on the Board of Selectman's meeting agenda. The Sept 14th meeting was an information meeting only due to a delay in the proper posting of the meeting's agenda notice.

Although some members were members of past year Water & Sewer Advisory Committees, the existing committee collectively had limited background and history to be able to provide the tasked guidance. With the help of Russ Dean, Jennifer Perry and her staff, the committee is being brought up to a level of knowledge so that knowledgeable advisory recommendations can be provided and supported. Ms. Perry was also asked to identify specific areas in which the committee can assist the Water & Sewer Departments.

A quick summary of this education included:

- An ongoing “major” projects overview was provided by Ms. Jennifer Perry:
 1. Jady Hill I & I Project both Phase 1 and Phase 2
 2. Groundwater Treatment
 3. CSO Administrative Order (I/I) - issues,
 4. Water Street Interceptor,
 5. Wastewater Treatment Plant Draft Permit - issues, and
 6. Exeter/Stratham Study on Water and Wastewater by both Towns (on hold)
- Educational facility tours of the Water Treatment Plant and Wastewater Treatment Plant were conducted. These tours occurred on:
 1. June 21st - Waste Water Treatment Plant tour
 2. June 23rd – Water Treatment Plant tour
 3. August 2nd plant tours for those who could not make the earlier tours

Subsequent meetings focused on obtaining detailed understanding of each Ongoing Project and is now progressing into performing the operational duties of the Committee. Project education consisted of presentations by Jennifer Perry, PE, DPW Director, Paul Vlasich, PE, Town Engineer, Mike Jeffers, W/S Managing Engineer, and Paul Roy, PE, Water Treatment Plant Operations Supervisor. Ms. Perry also invited engineering company representatives to present the current status of their work to the Committee. A significant amount of time and effort by the whole DPW has gone into this education and is very much appreciated. This information received is the foundation of and will influence the Committee’s actions and decisions. Some presentation highlights are attachment to this report.

- Groundwater Project Review - Brian Goetz, Weston & Sampson – 7/13/11
Presented a summary and update of the Groundwater System program, referencing two issued reports:
 - Water Supply Alternatives Study – January 2010
 - Water Efficiency and Management Plan May 2011(Draft)
- Inflow & Infiltration Town of Exeter Study – Underwood Engineers, Keith Pratt, President and Cole Melendy, Project Engineer – 8/10/11
This is the study portion of the Jady Hill capital project to help solve the I/I issue. Highlights are in Attachment “B”.
- Inflow & Infiltration Capital Project design details for the Jady Hill Area – Tim Vadney, Wright-Pierce Project Engineer - 8/10/11
A summary of the cost analysis for the Jady Hill Area I/I reduction design
Highlights are in Attachment “C”.

- Jady Hill area Utility Improvement Program – Wright-Pierce, Peter Atherton, Tim Vadney - 9/14/11

Storm Water and Sewer Improvement Program currently identified as Phase II of the Jady Hill Area I/I reduction design. Highlights are in Attachment “C”.

Following the Committee’s Charge, the Committee also worked on other specific individual tasks.

Annual Consumer Confidence Report (CCR)

Mr. Roy, Water Treatment Plant Supervisor and author of the CCR presented the Annual CCR report to the Committee. The overall feedback to Mr. Roy was that the Report was well done and provided a lot of good information. The Committee also suggested that a method should be created to inform the water customers of the Department’s positive results such as: the DES has released the Town from its Letter of Deficiency and the fact that Exeter is in full compliance with the law

Sewer Ordinance Revision

At the second Committee meeting, the Sewer Ordinance Revisions were reviewed prior to the Selectmen’s second reading on June 20th. Some input was provided to Mr. Jeffers but actual input from the Committee was limited. Of significant interest and discussion were the issue of violations to the Sewer Ordinance and its lack of current violation enforcement by the Town. Many of the members identified that this lack of enforcement is a significant issue in many of the current problems facing the Sewer Department to include the I & I issues and the resistance received to the Jady Hill Project. It was agreed that a reasonable Violation Fee Schedule is to be created and submitted to the Selectmen for approval to help the Town enforce the Sewer Ordinance.

Financial

Mr. Dean has spent a significant amount of time at the Committee meetings explaining and identifying the financial methods used by the Town to run the Water and Sewer operation. He also identified the billing issues and collection issues which have a strong influence on the operation’s cash flow. The patience exhibited and the time spent by Mr. Dean at the meetings explaining and educating the Committee on these financial details is very much appreciated.

At each meeting, Mr. Dean provided operational financial data and comparative reports. Using these reports, he has explained and answered questions by the Committee as we are becoming more knowledgeable of the Water and Sewer Department’s financial status and the Town’s needs.

Mr. Tanis, a past Committee member, presented a brief explanation of the process used in 2006 to develop rates and why a 3-tier structure was introduced. One of the tools used was a software program called Ratemaker 4.1. The software has the ability for communities such as Exeter with

fixed costs to develop a separate service charge so that the overhead costs could be monitored separately instead of being included with the variable rate. Using the software program, it showed that the small users were subsidizing the larger users. This subsidizing inequality was the reason for the development of the current 3-tier structure

According to Mr. Dean, Exeter does not currently use a program such as Ratemaker to develop the Rates but uses Munismart. Munismart is designed to produce similar data by tiers at a District level of resolution and not down to individual users.

Metering

Mike Jeffers described the current method of using the water meters to recover the water and waste water treatment costs for these services. The Department has about 3,400 accounts and half have older style manual meters and half have radio read meters. The radio reading device goes back to the DPW offices and is then placed into an Equinox communication docking station. By using a software called Equinox which mates with the town's Munismart, bills can be generated. Invoices are not printed in-house but are sent electronically to a vendor who prints and mails the bills to the customers. A side note; the Department is switching to a different type of software that is more tailored directly to utility billings. Munismart is a good software for taxes but is not intended for utility billing.

Capital Improvement Program (CIP)

In July, Ms. Perry provided a summary of the overall CIP process to the Committee. Mr. Clement identified the current CIP approval process and how it is different from the past years.

At the Sept 14th meeting the 2012 CIP projects were presented to the Committee by Ms. Perry and Mr. Jeffers. The Sept 14th meeting was an information meeting and not a regular meeting. Thus the CIP presentation was an educational presentation with no recommendations. There were defined paybacks (Return on Investment) attached to some specific projects. It was suggested that the Department define both the payback amount and identify how the payback will be measured and confirmed. This payback information should be prominently identified to the Public with the warrant information. The three projects that had a significant return on investment were the Ground Water Treatment Facility, the Water Meter Replacement Program, and the Water Treatment Plant Waste Stream Reduction project.

Rate Group Work Meetings

At the May meeting, Mr. Dean identified that he had initiated a Water and Sewer Rate Work Group. He requested a couple of Committee members to attend as representatives. Ms. St. Onge and Mr. Tanis were the volunteered members. An initial meeting was scheduled on July 14th during the day but then was postponed to August 18th. This Work Group also consisted of members from the Finance Department and the Water & Sewer Department. This was a good start to help the Committee work on developing the 2012 Rates. The Work Group also researched the issue of returning the back-billed collected money back to the customer ratepayers in an equitable fashion. Due to scheduling issues, not all of the meetings resulted in attendance by the Committee members.

Ms. St. Onge did report to the W & S Advisory Committee the results of the Water and Sewer Rate Group meeting. See the Sept. 14th meeting minutes for report details. The W & S Advisory Committee's members did not provide significant input into the Work Group's meetings nor were the Group's recommendations fully agreed to by the W & S Advisory Committee. There was inadequate time to perform the 2012 Rate Review and this Work Group has since been disbanded.

A new Work Group, initiated at the Sept 14th meeting and consisting of Ms. St. Onge and Mr. Tanis, is now working on the anticipated 2012 rate structure for Water and Sewer Charges. It does not look like a public rate hearing can be held by November 1st but the Committee is attempting to make a recommendation to the Selection in time for a decision by January 1st, 2012.

Water / Sewer Abatements

The Committee was informed of the Selectmen's Policy on Water/Sewer Adjustments as they were changed in 2008 (08-30). Ms. Perry identified that the Adjustment Policy is now more uniform and easier to Practice. The Abatement Requests presented to the Committee with the results are included in Attachment "D".

The Committee is requesting that this Report from the Water and Sewer Advisory Committee be placed on a Board of Selectman's meeting agenda at the Selectmen's pleasure.

Attachments:

ATTACHMENT A - W & S Advisory Committee Duties

ATTACHMENT B - I/I Study – Underwood Engineers

ATTACHMENT C - Phase I & II - Underwood Engineers

ATTACHMENT D - Abatement Summery

ATTACHMENT A

WATER AND SEWER ADVISORY COMMITTEE CHARGE

There is hereby established by the Board of Selectmen a seven member Water & Sewer Advisory Committee. A member of the Board of Selectmen shall serve on the committee ex-officio as the Selectmen's Representative. Other members shall serve three-year staggered terms. Initial appointments shall be made for 1, 2 and 3 year terms and thereafter be 3 year terms.

The Water and Sewer Advisory Committee shall provide advice to the Board of Selectmen regarding the Water and Sewer systems for the Town of Exeter. Their duties shall include the following:

1. The Water and Sewer Advisory Committee will review with the Department of Public Works, and recommend to the Board of Selectmen items to be included in the enterprise systems for the water and sewer systems;
2. The Water and Sewer Advisory Committee will review all applications for abatement of water and sewer charges and forward their recommendation to the Town Manager and Board of Selectmen for review and action;
3. The Water and Sewer Advisory Committee will review the Department of Public Work's recommendations and provide input with regard to inclusion of items in the annual capital budget and Capital Improvements Program of the Town, and make appropriate recommendations to the Planning Board and Board of Selectmen;
4. The Water and Sewer Advisory Committee will review with the Department of Public Works, from time to time, the Town's water and sewer ordinances and make recommendations to the Board of Selectmen regarding any amendments.
5. The Water and Sewer Advisory Committee will review with the Department of Public Works, from time to time, the rate structure for water and sewer charges, and make recommendations regarding same to the Board of Selectmen. These recommendations may include service and user charges, and metering methods (single versus multiple meters).
6. The Water and Sewer Advisory Committee will hold at least one public water rate hearing and one public sewer rate hearing each year. These hearings may be held concurrently, and shall be noticed to the public and to the Board of Selectmen. At the hearings, all pertinent information regarding establishment of water and sewer rates will be presented by Town administration. The Water and Sewer Advisory Committee will then advise the Board of Selectmen as to their recommendation regarding water and sewer rates for the upcoming year. These hearings, and the recommendation of the Water & Sewer Advisory Committee, shall be timed so as to provide information to the Board of Selectmen prior to the adoption of the coming year's budget. For the calendar year fiscal year, this means not later than the first week in November.
7. The Water and Sewer Advisory Committee will provide other advice and input to the Board of Selectmen regarding the water and sewer systems.

Reviewed and adopted by the Board of Selectmen
March 28, 2011
References: Articles 19 and 20, 2011 Town Warrant

ATTACHMENT B

Inflow & Infiltration Town of Exeter Study – Underwood Engineers, Keith Pratt, President and Cole Melendy, Project Engineer – 8/10/11

This is an ongoing study to help solve the Town's I/I issue.

Highlights

- Excessive storm water and sewer water is sent to the holding pond and then at low flow periods is pumped to the Wastewater Treatment Plant
- The Treatment Plant has an average 3 million gallons per day (MGD) treatment capacity and with a 7 MGD peak capacity.
- Combined Sewer Overflows (CSO) generally occur when sewer water exceed 6-7 MGD.
- Actual sanitary flow from users connected to the system is about 1.5 MGD

Additional Findings

- Exeter I/I is found in everything (sewers, manholes and services.)
- 25% of homes were found to have sump pumps connected to the sewer
- During rain events, 800 to 2,500 GPD I/I found in services
- Some services were 5,000 to 11,000 GPD
- A relationship between CSOs and High-Tide was noted.
- Several large fish have been picked up in the weir screens
- Majority of I/I was found in private service laterals thus the town is doing a good job taking care of the public system pipes
- At this time, no progress has been made to stop inflow from a number of large single sources which includes some PEA sites and the old Linden St. High School.
- For the past 20 years, no sewer violations (roof drains and sump pumps) have ever been enforced.
- A list of the 23 identified targeted I/I areas was provided to Committee Members

ATTACHMENT C

Inflow / Infiltration Capital Project design details for the Jady Hill Area – Tim Vadney, Wright-Pierce Project Engineer - 8/10/11

A summary of the cost analysis for the Jady Hill Area I/I reduction design was presented.

Highlights

- The cost analysis which was performed for the Jady Hill area utility replacement project was presented.
- Goal is to decrease I/I and eliminate CSO's
- Annual amount of Jady Hill I/I volume is estimated to be around 43 Million gallons.
- Based on \$0.0014 per gallon to pump and treat waste water this is a current operating cost of about \$60K per year. This cost number does not include any additional future capital costs.

Jady Hill area Utility Improvement Program Phase II – Wright-Pierce, Peter Atherton, Tim Vadney - 9/14/11

The Storm Water and Sewer Improvement Program currently identified as Phase II of the Jady Hill Area I/I reduction design was presented.

Highlights

- This program addresses collection system issues in priority I/I areas identified in the 2009 town-wide study and also combined the work with other CIP needs.
- Following the plan of including private lateral improvements and providing a place to properly discharge sump pumps and roof drains may reduce I/I as much as 90% from the Jady Hill area.
- Wright-Pierce is to provide case history documentation to substantiate their I/I forecasted reduction numbers.
- Wright-Pierce used a simple formula expansion for their 20 year plan and did not include the Present Value cost of monies to justify their comparisons and costs.
- Wright-Pierce did not know of any case studies or history of I/I reductions due to sewer ordinance enforcement.

ATTACHMENT D

Water / Sewer Abatements

The Abatements reviewed as of 9/14/11 with the Committee's recommendation results are:

- E&H Mobile Home Park(C14) – Denied
- 65 Park Street – Denied
- 9 Cullen Way – Denied
- Exeter River Landing math error – Credit Correction Noted
- 70 Main St. – Denied
- 26 Highland St. – Denied
- 8 Fox Chapel Court – Denied
- 31 Prentiss Way – Denied
- 1 Exeter Falls Drive – Denied
- 70 Main St. – Denied

DISTRIBUTION LIST:

Russ Dean, Town Manager

Jennifer Perry, PE, Public Works Director

Michael Jeffers, W/S Managing Engineer

Scott Butler, Senior WWTP Operator

Paul Roy, PE, Water Treatment Plant Operations Supervisor

Committee Members

Bob Kelly, PE, Vice-Chair

Boyd Allen, Member

Paul Scafidi, Member

Colleen St. Onge, Member

Jim Tanis, Member

Don Clement, Selectmen's Rep.

Frank Ferraro, Alt. Selectmen's Rep.

Jady Hill Phase II – 43 MG/YR

