

FINAL MINUTES

EXETER WATER/SEWER ADVISORY COMMITTEE MEETING MINUTES

July 13, 2011

1. Call Meeting to Order

Chairman Gene Lambert convened the Water & Sewer Advisory Committee at 6:32 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 and Mr. Don Clement. Mr. Paul Scafidi was absent. Ms. Jennifer Perry, DPW Director, Mr. Mike Jeffers, Water/Sewer Managing Engineer and Mr. Paul Roy, Water Treatment Plant Operations Supervisor were also present.

2. Review and Approve Draft Minutes of June 8, 2011

Gene Lambert moved to accept the meeting minutes of June 8, 2011 as presented, seconded by Mr. Clement. Vote: Unanimous Jim Tanis was out of the room for the vote.

3. Water and Sewer Abatements

Mike Jeffers advised that there were two water and sewer abatement requests to be considered tonight. One of them is really just a credit for an overcharge so there is one true abatement to discuss. Gene Lambert commented that he really liked the memo format that Mr. Jeffers was using to summarize and communicate the abatement request details.

Exeter River Landing had a math error on their account that resulted in an overcharge of \$ 5,850. DPW has been unable to date to get Munismart to issue credit statements for customers so they have requested to abate this amount. This is something that they hope to have fixed in the software later on. The true abatement request is for an apartment house at 70 Main Street. The owners requested a leak test because they got a high water and sewer bill. The leak test found several leaking toilets and evidence of other repairs. The water and sewer technician doing the leak test was told by one of the tenants that an angry tenant had left the water running to get even with the landlords. The building owners were pleasant when they spoke to Mike Jeffers but felt that the Town should be reading the meter more frequently than every 90 days. Mike Jeffers doesn't recommend abatement because the landlords knew they had leak problems, didn't correct them and didn't tell DPW about the leak problems when they requested the abatement.

Pam Klink, Community / Office Manager for Exeter River Landing, was present regarding a corrective bill that they just received for \$ 46,000 because there was a glitch in the multiplier. She asked for clarification on this. Mike Jeffers explained that a recent DPW review had identified several accounts which had errors in the billing software that had caused the usage to be off by a factor of ten. Exeter River Landing had two such meters with multiplier errors. These accounts were recently sent corrective bills by DPW. There was a math error in Exeter River Landing's corrective bill that caused them to be overcharged by \$ 5,850. The abatement being discussed tonight will correct their bill and reduce the amount owed by \$5,850. Mr. Clement provided some additional detail on the recent corrective billings that DPW had undertaken and explained that the Exeter River Landing abatement is not a normal abatement. Boyd Allen asked and received confirmation from Mike Jeffers that this abatement is simply a mechanism to correct a math error.

Pam Klink appealed to the Board for some relief on the large corrective bill, which is still around \$40,000 after the overcharge is corrected. She explained that Exeter River Landing has its own private well and does not normally use much Town water. They have an ability to switch over to using Town

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water when they choose to. The switched to Town water last June and stayed on it until February because they were making repairs to their well and water system. During that time they did receive bills that were much higher than they are used to but they really didn't have anything to gauge it by because they are not normally on Town water very much. A lot of the people in the community that they serve are on fixed incomes and find it hard to make ends meet. She is asking them to forgive some of this bill so that they can try to catch up and not put this burden on the senior citizens down there. She said that they did have a leak which has recently been rectified. They had suspected a leak in the winter, but couldn't do anything about it while the snow was present since it was underground. Once Spring arrived, they located the leak and fixed it.

After a brief discussion, Chairman Lambert advised her that if Exeter River Landing believes they have a true abatement based on usage they should go back to Mr. Jeffers and file an abatement request accordingly. It will go through the normal abatement process. Tonight's action is a correction and not a formal abatement.

Boyd Allen moved to accept the recommendations of Mr. Jeffers based on the memo of July 13th. Bob Kelly seconded for discussion.

There were some questions about the first abatement to correct the overcharge on Exeter River Landing's account and clarification of aspects of it. **Chairman Lambert then called for a vote: Unanimous. Jim Tanis was out of the room for the vote.**

4. Groundwater Project Review with Brian Goetz, Weston & Sampson

Brian Goetz of Weston & Sampson was present to provide an update on the Groundwater Supply Project. Weston & Sampson has been working with the Town for about 5 years now on the groundwater supply project, water supply alternatives and various other studies related to the water system. Mr. Goetz gave a power point presentation entitled "Groundwater System Update" (see attached copy) which provided many details about the current status of Exeter's water supply as well as historical information and plans for the future.

There were questions and discussion focused on the Gilman Park, Lary Lane and Stadium wells. The Gilman Park and Stadium wells essentially were taken off line in the 1970's because they were pumped very hard and iron and manganese was not treated. They had the option of drawing surface water in the 1970's and so that was the choice that the Town made at the time. The Lary Lane well is still in service, but its use is limited due to recent changes in arsenic concentration rules. Paul Roy said that if the hours per day and daily usage of the Lary Lane well is limited, they do keep the arsenic limit down below the 10 parts per billion level. If they have an extended period of time where they have to run it for 24 hours straight the number does tend to creep up. Jim Tanis asked if they had identified a certain pumping rate that keeps the level below the 10 parts per billion and Paul Roy replied that it seems to be around 210 gallons per minute which is a 0.3 mg demand. The rehabilitation done on the well was for 350 gallons per minute which is about a half million gallons per day. They are currently keeping it at about two-thirds of that amount. If groundwater treatment was afforded for that particular well facility they could probably use a half million gallons per day safe yield.

In 2008 the Town decided to pursue rehabilitation of the Gilman Park and Stadium wells. This work was done by Layne Christiansen. The Stadium well was solid and in very good shape despite the fact that the building was not so good. The Gilman Park well needed a lot of repairs but the building was in pretty good shape. The project did not go as far as putting the facilities in to equip and pump these wells

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yet. That's what the project for this year's warrant article was. Pumping tests and a PILOT Treatment study of these wells was done in 2009. There were 7 days of staggered test-pumping and monitoring. Concurrently they did a PILOT study of the ground water treatment. The flows of the wells were fairly well known and were verified through the pumping test. What was not totally known was the ground water treatment method that would be necessary. It is basically pressure filtration with iron and manganese. They tested four different processes. It was all quite successful. Blue Leaf, which does Pilot Study work all over the Northeast and even out West, said that many places would die for water that was as easy to treat as this. The backwash waste was also checked and the loading numbers were identified so they have these numbers as a comparative with surface water. The Pilot then moved out to the Lary Lane well and they proved that they could co-precipitate out the arsenic with ferric. The Lary Lane well has good quality but does not have high iron or manganese. It is intended that when all of these wells are blended together that they will be able to get all of the arsenic out as well. If all these wells are manifold together, it is not thought that it would be necessary to add ferric. It would just all blend together and there would be all of this coprecipitation. The arsenic would get bound and get caught in the filters. Iron and manganese generally remained at the same levels over the course of the test and were fairly in line with history.

Mr. Goetz said that there is a lot of paperwork required by DES in order to reactivate the wells. The final report was submitted in September 2010. NHDES did grant approval to reactivate both of those wells on November 1, 2010. It is a four year approval but it is not a huge risk because the Town can apply for an extension if needed. TMS Architects has created preliminary designs for the proposed facilities at the well sites. Colleen St. Onge asked if the deed has gone over to the Town yet for the Gilman Park location. Mr. Clement said that they are still waiting on that. Ms. St. Onge said that there is concern about putting a groundwater treatment facility in a residential area. Mr. Clement pointed out that these design are for the pump stations for the wells. A well already exists in Gilman Park and the Town has an easement to do this.

Mr. Goetz spoke about the proposal for a new groundwater treatment facility which would be a green facility. It would use pressure filtration and have four filters capable of treating 1.44 million gallons per day. It would have a backwash recycling tank and everything would be high efficiency. The plans contain provisions for future expansion. One of the proposed sites for this is Gilman Park which he feels would be the more efficient site because it is closer to the wells and the core system. There has also been a lot of discussion lately about the Lary Lane site which is a good second choice. They are working on designing Water Efficiency Integrated Management Tools with the assistance of Ms. Perry and Mr. Roy to look at how they would manage this system.

This year's warrant article # 12 was to move forward with the final design, bidding and building of this groundwater treatment facility. It had great support at the hearing and unfortunately just barely failed by a few votes. The reason why it was decided to have the warrant article be for the entire project instead of approaching it in phases over several years is that this project ranked very high for SRF funding. If it had been approved the Town would have gotten between \$ 750,000 and \$ 1.25 million dollars forgiven off of the loan that they got. The intent is to try again. There has been an application put in for the July 1st deadline.

There was discussion about the groundwater treatment facility and different options that might be possible for the overall system. Mr. Clement said that having diverse water supplies is a good idea and treatment of groundwater is definitely much cheaper than surface water. Boyd Allen said that if Exeter ends up with a higher functioning ground water system they might be able to downsize and have a more efficient surface water system. Gene Lambert noted that according to the Water Efficiency Management

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Plan recently issued, there are about 3,330 customers. About 200 of these account for the 25 top users. Growth would be very slow because the system is not moving into the areas that are currently being built. The cost of running the plant is directly related to how much water they are putting out and how much it costs to treat that water and the waste. The pricing is starting to get extreme especially if Exeter has to build a new waste water treatment plant to comply with new nitrogen limits. If there are more customers then they can spread out the costs. Conservation is important, but it also reduces the water usage. The only way to help keep the costs down is to get more customers. He mentioned bringing on line the Southeast well site and posed the question of what would be a reasonable number of increase in customers / usage that would still keep Exeter heading in the same direction. Can Exeter increase safely if it does the improvements that are currently being talking about?

Brian Goetz said that the thought of the fourth Southeast well site would essentially be enough water for the current system to just be groundwater. The surface water plant could be taken off line. Future customers are with the bordering towns and that is an option that has been brought up. Wholesale to another entity brings a revenue stream or partner to share in the capital costs. Regional systems happen all of the time. Mr. Allen said that if Exeter can build a flexible system and expand the ratepayer base they can reduce the overall costs to the rate payers. Chairman Lambert thanked Mr. Goetz for his presentation and said that Exeter is fortunate to be working with him as he possesses a lot of both operational and technical knowledge.

5. Capital Improvement Plan (CIP) Overview

Jennifer Perry said that the 2012-2017 planning period for CIP is just getting rolling and she is prepared tonight to present a broad overview of water and sewer projects that they are talking about. CIP overview sheets were provided to the committee members. Ms. Perry said that they have just started to present this to the Town Manager and will finish presenting it to the Town Manager and Town Planner next Monday. The draft CIP will be out there at that point. She summarized the details of the CIP process which will be a little different this year. Mr. Clement said that a big difference this year is that there will not be a CIP subcommittee doing an intricate ranking and rating system. The Budget Committee is going to get involved in the process earlier on.

Ms. Perry said that they are currently in the process of putting together the CIP worksheets for each specific project which detail the estimated costs, schedule and project rationale. Bob Kelly expressed concern that all of the different committees be working together in the most efficient manner and not be working at cross purposes. Chairman Lambert wanted to be sure that they were following the directives of the committee to provide input and make appropriate recommendations on water and sewer issues in order to help DPW do its job. There was some brief discussion on this between members of the committee and Jennifer Perry.

The committee recessed at 8:09 pm and reconvened at 8:16 pm.

6. Annual Consumer Confidence Report (CCR)

Paul Roy, Water Treatment Plant Supervisor and author of the Consumer Confidence Report (CCR), was present to answer questions about the annual CCR report. Paul Roy said that the format author is Matt Berube and this report started several years ago. The committee members thought that the report was well done and provided a lot of good information. Mr. Lambert suggested to highlight the word “annual” and Mr. Roy said that he would incorporate it in next year’s report. Mr. Roy said that out of all of the testing that was done in 2010 they had no positive results at all for unregulated contaminant

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monitoring for 25 different items. Exeter does have fairly reliable and relatively consistent source water that they can treat.

Bob Kelly asked if there was any type of mini report available on the website or as a link that would provide ongoing updated information on perhaps something like a quarterly basis. Mr. Roy said there wasn't at this time but that it was something they could look into. Letters have been sent out to customers when violations occur. When a letter of deficiency is received it carries for several quarters. There was some discussion about sending out notices to customers when there is good news to report. They were recently released by DES from deficiency regarding the Lary Lane well. When they brought the Lary Lane contaminant level down below the 10 parts per billion for 4 consecutive quarters, DES released the letter of deficiency and Exeter was now in compliance with the law. These notices could perhaps be included with their quarterly billings. Ms. St. Onge thought that people would find it interesting to hear that Exeter has gotten a good review especially after receiving a letter of deficiency. It would make people feel better about their drinking water.

7. Discussion / Action Items

a. New Business

i. Monthly Reports by Mike Jeffers

Mr. Lambert thanked Mr. Jeffers for sending the committee members copies of his May and June detailed monthly reports and would like to see this be included as a regular business item on the meeting agendas in the future.

ii. Committee Communications and the 91a Right to Know Law

Chairman Lambert wants to be sure that all communication that committee members have is proper. It is important that everyone understand the 91a Right to Know Law and how it impacts committee functioning and communication. Mr. Clement provided an explanation of the 91a Right to Know Law. A discussion ensued about how this impacts communication between committee members as well as other Boards, individuals and entities. It was noted that the tour of the waste water treatment plant scheduled for August 2nd is considered a committee meeting and therefore will need to be publicly posted. There was concern that the committee be able to communicate on a regular basis with the Board of Selectman and DPW in order to accomplish its mission. Bob Kelly suggested that they create a summary of the committee's first 4 months of activity and seek to be put on the Board of Selectmen's meeting agenda to present it at some point in August. This suggestion met with general approval from the other committee members.

b. Old Business

Chairman Lambert thanked DPW for the waste water treatment plant tour on June 21st and the water treatment plant tour on June 23rd. The tours were impressive and he was appreciative of the DPW employees who took time out of their day to take them on the tour and answer questions.

8. Regular Business

a. Water / Sewer Abatements

Water and Sewer abatement requests were discussed earlier this evening out of courtesy to customers present for that purpose (see item # 3 above). Chairman Lambert wished to discuss the communication flow to be used between DPW, this committee and the Board of Selectmen regarding water and sewer

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abatements. It was decided that Mr. Jeffers will continue to do a memo with a summary page of information on the water and sewer abatements which will also contain DPW's recommendation. This is the same memo that he submits to the Board of Selectmen. After the Water & Sewer Advisory Committee has reviewed them, he will add a line at the bottom of the memo with their disposition recommendation so all information is in one place. This can be considered the carrying document. Chairman Lambert asked if customers requesting abatements are informed of the Water & Sewer Advisory meetings so they can attend if they want to. Mr. Jeffers said that those for tonight were and it has been practice in the past for them to attend and provide their input. It may make sense to move this permanently up on the agenda.

b. Financial Report

Mike Jeffers referred to the report on year to date expenditures in the water and sewer funds from Mr. Dean. Jim Tanis noted that it looks like they are almost at their max in the equipment maintenance line and asked for an explanation. Mr. Jeffers said that they are so expended because he is correcting critical things as he goes along. He doesn't try to spend 1/12th of the budgeted amount each month. Jim Tanis is concerned that there be a good maintenance program in the Water and Sewer Department. It takes money to keep old plants functioning. He expressed concern about not properly planning for maintenance because breakdown maintenance costs twice as much.

Mike Jeffers said that at budget time last year he was under pressure to create a level funded budget and make any cuts possible. Bob Kelly, who was a Budget Committee member last year, said that it is hard to budget for unexpected expenses. He confirmed that the direction last year was to maintain a level funded budget. Mr. Clement also pointed out that the overall budget was voted down at the town meeting which kicked in the default which was even less. Bob Kelly said that the enterprise funds give them the ability to build up reserves. Boyd Allen noted that reserves should be listed as a separate line item and not be the difference between revenue and expenses. It was noted that this would be a discussion for another time with Russ Dean. Mr. Jeffers said that he and Jennifer Perry do not usually get revenue reports.

Mr. Clement would like to see the Water and Sewer Rates Subcommittee working with the Water and Sewer Dept to determine what is a good sound reserve amount to carry in the Water and Sewer Funds. If the Water and Sewer Subcommittee thinks this is good way to go they can make that recommendation. Jim Tanis got information from other towns when they came out with the new rate system which was based on the Missouri Department of Natural Resources. This model specifically called for keeping debt, capital, operational and maintenance reserves at certain percentages of revenue. They indicated at that time that these reserves should be formally labeled and given line items. Gene Lambert suggested that an alternative would be to discuss this at the next meeting. Jim Tanis agreed to describe this program and educate the other committee members about it at the next meeting. The committee can then decide what the next step is. Mr. Jeffers said they are talking about making this run more like a professional utility with depreciation accounts, which is an idea that he supports.

c. Task List Update - None

9. Review Committee Calendar

a. Future Meeting Dates

The next meeting of the Water and Sewer Advisory Committee will be on Wednesday, August 10th at 6:30 pm.

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b. Water / Sewer Rate Workgroup July 14th at 2 pm

Chairman Lambert reminded everyone that there is a water and sewer rate group meeting tomorrow at 2 pm.

c. Waste Water Treatment Plant Tour August 2nd at 7 am

Mike Jeffers will see that public notice is done for the waste water treatment plant tour scheduled for August 2nd at 7 am.

10. Adjournment

Boyd Allen moved to adjourn, seconded by Jim Tanis. Vote: Unanimous

The meeting stood adjourned at 9:11 pm.

Respectfully submitted,

Jennifer Mancinelli
Recording Secretary