

Exeter Water & Sewer Advisory Committee

Meeting Minutes

December 11, 2013

Call Meeting to Order

Chairman Bob Kelly called the meeting to order at 6:30 pm in the Nowak Room of the Exeter Town Offices building. Other members present were Vice Chairman Gene Lambert, Boyd Allen, Selectman Frank Ferraro, Jim Tanis, John Gilbert, and Paul Scafidi.

1. Review and approve draft Minutes of 11/6/13 meeting

Mr. Tanis had one amendment on Page 3. Instead of the Water Fund saying \$2.4 million, it should say \$1.1 million.

A Motion was made by Mr. Scafidi and seconded by Mr. Gilbert to accept the minutes of the November 6, 2013 meeting as amended. Motion carried – all in favor with two abstentions from Ferraro and Lambert.

2. Water/Sewer Bill Abatement Requests and/or discussions with customers

Chairman Kelly said there was an abatement request for 6 Nathaniel Way. The reason for the large bill is a leaky toilet which does not meet the committee's abatement criteria. A Motion was made by Mr. Lambert and seconded by Mr. Gilbert to deny the abatement request. Motion carried – all in favor.

3. Regular Business

a. Projects Update: Mike Jeffers

Mike Jeffers was unable to attend so Chairman Kelly gave the update that Mr. Jeffers had provided him a few days earlier. He said there are four projects to give updates on. The first one is the Water Meter Replacement Project. They are 94% complete with the residential replacements. They hope to be finished by early 2014. Regarding the commercial/industrial meters, they are 64% complete. A lot of these meters are in the Academy buildings and Mr. Jeffers is hoping to replace many of them while on holiday break.

The second update was on the Wastestream Reduction Project. Chairman Kelly said this project is coming along well. Mr. Jeffers is impressed with the contractor and progress they are making.

The third update was on the Wastewater Facilities Plan. Chairman Kelly said an engineer has been selected. Mr. Tanis said 6 firms initially responded and each one rated by members of the selection committee, with the top 3 invited to give oral presentations and to answer committee member questions. The committee voted unanimously for the Wright Pierce company.

Chairman Kelly said Wright Pierce has worked with Exeter many times before. He said this will be ongoing over the next year or so as they make their way toward a design and construction of the new Wastewater Treatment Facilities.

The fourth and final update was on administrative orders with the EPA. Chairman Kelly talked about the fourth quarter report and said Mr. Jeffers is putting together the annual report. The Committee will be able to see the draft of that at their next meeting in January.

Chairman Kelly asked if anyone had any questions on any updates, as they can enter them for the record even though Mr. Jeffers was absent. No one had any questions.

b. Financial Reports

Chairman Kelly talked about the financial reports, saying the unaudited numbers for the Water Fund are \$1.1 million and the unaudited numbers for the Sewer Fund are \$1.8 million. He talked about the one large outstanding account, saying the Board of Selectmen is in an executive discussion about the matter. Mr. Gilbert asked if there is only one account over the 90 day limit. Chairman Kelly said no, there are a few but this is the largest one.

4. Old Business

a. Exeter/Stratham Interconnection Project Status

Exeter and Stratham are in conversations about joint utility sharing of some sort. Paul Scafidi and Bob Kelly are on the negotiating team and meet twice a month with Stratham, along with Mr. Dean and a Selectman. Progress is slow as various responsibilities and costs are hashed out. Gallons per day from Stratham have been reduced to 250,000 on sewer and half of that on water. Discussions are ongoing.

Mr. Tanis asked if anything has formally been proposed as far as an impact fee. Chairman Kelly replied yes. He said they looked at the Portsmouth model. Mr. Tanis asked if they used a non-use fee also. Chairman Kelly said yes, that has been publicized for a couple of months but nothing has been decided. Selectman Ferraro asked if they should be looking at updating the fee. Chairman Kelly said yes. He said they have not adjusted their rates in three years. He said they made a recommendation in 2004 that they should be looking at the rates every year, but for some reason that has not happened.

Selectman Ferraro asked Mr. Gilbert if the technical issue has been resolved. Mr. Gilbert said he has not heard anything.

Selectman Ferraro had some questions on capacity. Mr. Tanis said that the Kleinfelder report said they need 120,000 gallons per day reduction out of Jady Hill. Another area would require 170,000 gallons per day reduction. Selectman Ferraro said it is a flow issue, not a pump and pipe issue. Chairman Kelly said if they can remove I&I then capacity is freed up. Selectman Ferraro said they need to look at what the situation is now and the question is unanswered. He asked Mr. Gilbert to take it to the next Technical Committee meeting. Mr. Gilbert said he would. Brian Griset asked in regards to capacity, if there is a set aside amount. Mr. Gilbert said they have not gotten to that point yet.

Selectman Ferraro asked if there is any schedule talked about for the next steps. Chairman Kelly said in regards to a timeline, Stratham wants to put a warrant on their docket that says they want to form this gateway district. Then, bond some projects in 2015 on their end. Chairman Kelly said Exeter, therefore, has a 6-12 month window to get things in place.

Mr. Gilbert asked if there are any other technical issues in regards to flow. Mr. Tanis went through the costs for Stratham, saying you can view all the costs on their town website.

b. Delinquent Receivable Accounts

As noted above, the Board of Selectmen are in executive session negotiations with the large delinquent user previously discussed at the Committee's meetings.

5. 2014 Draft Water and Sewer Budget follow-up

Chairman Kelly said the water fund approved budget is slightly less than \$2.5 million for 2014. There is a \$164,000 increase from 2013 which is about a 7% increase. The sewer fund approved budget is \$2.4 million which is a \$50,000 increase. He said the Water & Sewer Committee recommends that on water they would vote unanimously to allocate \$300,000 to reserves to drop the increase for 2014 as well as pay directly for vehicles so they would not be in the 2014 budget. On sewer, Mr. Dean recommended prepaying a couple of accounts off which will save \$250,000 on anticipated annual principal and interest costs.

Selectman Ferraro said the numbers still show up in the budget. He said they use fund balances to reduce the rates and the rates won't reflect an 8% increase. Brian Griset talked about rates, saying he has been requesting for years that they be looked at. He said when the rates are not done annually you get in a situation when you overcharge one group and undercharge other groups. He would like them to stick to an annual review, saying it is the only way to keep the rates fair.

6. Other Business to be brought before the Committee

No other business.

7. Committee Calendar

The next regular meeting will be tentatively scheduled for Wednesday, January 8, 2013 at 6:30 pm in the Nowak Room at the Town Office.

Chairman Kelly adjourned the meeting at 7:15 pm.

Respectively submitted,

Nicole McCormack
Recording Secretary