

Final Minutes

Exeter Budget Recommendation Committee

November 18, 2015

Call Meeting to Order

Chairman Corey Stevens called the meeting to order at 6:30 pm in the Nowak Room of the Exeter Town Offices building. Other members present were Peter Lennon, Vice Chair Bill Campbell, Bob Kelly, Don Woodward, Nikki Graney, Fran Hall, Stephanie Canty, Anthony Zwaan, Phil Johnson, Frank Ferraro, and John Gilbert. Also present were Doreen Ravell, Selectman Don Clement, Selectwoman Julie Gilman, Selectman Dan Chartrand, Jennifer Perry, Michael Jeffers, Kevin Smart, and Russell Dean.

Water/Sewer Budgets

Bob Kelly said the subcommittee met with Jennifer Perry and her staff a couple times and they sent some emails. He said there is a number of federal requirements over last year and also a lot of maintenance requirements.

Water Fund

Administration

Mr. Kelly spoke for the subcommittee, and said like 621-5200 should read "Misc. technical advice on contractual issues". He said the subcommittee recommends reducing line 621-5224 Legal Expenses by \$10,000. The subcommittee recommends reducing line 621-5560 Legal/Public Notices by \$3000, saying the funding is a guess. So the subcommittee recommends reducing Administration by \$13,000.

Billing

Mr. Kelly said the subcommittee recommends no changes.

Distribution

The Department is requesting adding a new Heavy System Operator. Higher staff has been doing this job and they would like to hire someone specifically for it. The subcommittee supports the Department's request. Ms. Perry said this position would be split 50/50 between Water and Sewer. The person would be out in the field and would be the third employee like this. She explained the duties of the position.

Mr. Kelly said line 622-4372 involves the Epping Road Water Tank. The subcommittee supports full funding here of \$116,000 which will eliminate the need for the \$147,286 CIP project.

The subcommittee recommends reducing line 622-4370 System Maintenance by \$5000.

Line 622-43xx has a \$1 placeholder. Mr. Kelly said that the Department said there is no need for hydrant placement this year, so that line can get zeroed out.

Mr. Kelly said the subcommittee had a lot of discussion on line 622-5759 Metering & Back Flow. The increased request by the Department included large meter rebuild kits and the subcommittee thought a slight reduction was in order and to phase in would be more reasonable. So they suggest reducing the line by \$5000.

Regarding line 622-5760 Pump Station and Towers, Mr. Kelly said there was no detail provided as far as problems. There is no background for how much fencing is required. The subcommittee recommends phasing it in and doing Hampton Road in 2016 and cross Road in 2017. Mr. Woodward asked if the Department had any interest in the DEC Water Protection Grant. Ms. Perry said it is a grant they have applied for and were successful and they will continue to do that.

Mr. Kelly said with the subcommittee recommendations, Distribution would come in at a \$30,000 reduction.

Treatment

Regarding line 623-5080 Supplies – Lab Equip, Mr. Kelly said the subcommittee felt that since the GWTP is new, it is not necessary for two turbidity meters, and they suggest only funding one now. So this would reduce the line by \$5000.

Mr. Kelly said the subcommittee supports line 623-5740. He said line 623-5984, Lab Testing, relates to requirements from the Federal Government. The subcommittee recommends fully funding FY16 work (three months). Then fully fund in 2017 for 2017 work.

The new Treatment total with recommended reductions would come in at a \$28,000 decrease.

Capital Outlay

The subcommittee recommended keeping line 627-7245 and deleting line 627-7449. Regarding line 7245, Mr. Kelly said they suggested buying two butterfly valves at \$10,000 each.

Mr. Kelly said the total water with subcommittee reductions would be \$87,000 less than what the Department requested.

Next, Ms. Perry rebutted to all the subcommittee recommendations. She said she appreciates the support of the Heavy System Operator. She also added that the increase in this budget is because of the percentage increase of capital improvements they've been making over the years.

Regarding line 621-5224-Legal, Ms. Perry said the Department is hoping to avoid issues with TTHM by shifting to groundwater. This would entail the use of an attorney. She said it is hard to come up with actual numbers for this, but they will need the funds.

Regarding line 621-5560, Ms. Perry said they do anticipate to continue to have violations because of the TTHMs. There is a quarterly test that has to be conducted. If they could completely stop the Surface Water Treatment Plant, they would still have violations. They have been working with Weston & Sampson. A report has been sent out to NHDES, and she said they are meeting next week. She said EPA is aware of the continued violations, so it is a significant concern.

Ms. Perry said they can live with the 622-4370 line reduction.

Ms. Perry said the Department did concur with the recommendation to approve one meter for 2016.

In regards to line 623-5200, Ms. Perry said the Department strongly recommends the original \$20,000 be preserved in the budget. This goes back to the TTHM issues. Mr. Lennon said he did feel a lot of line items had an extremely high percentage increase over last year. He said the subcommittee reduced the amount of increases. Mr. Jeffers said a lot of this is regulatory driven. He said he would like the subcommittee to reconsider the \$20,000. Mr. Zwaan said this is technical and they should defer to the Town Engineer about this. He said they did reduce the increases more than make actual cuts. Ms. Perry said these are health problems – drinking water problems. She said some modifications at the Treatment Plant would be changing what they use for chemicals, but this would not be something easily taken on. These types of changes do have associated costs. She said they are working with consultants making reasonable changes. Mr. Gilbert asked why that number is at \$20,000. Ms. Perry said it is based on what they have spent this year implementing some of their changes. She said they have had to take out of several line items for this this year. Ms. Hall asked the Department if they have purchased sites pointed out for groundwater sources. Ms. Perry said they have a “groundwater matrix” that identifies potential groundwater sources. Mr. Dean said they have had Water/Sewer working on the TTHM issue. They are just over the standard. He said one reason they built the Groundwater Plant was because they were faced with arsenic. He said they are working on different things to alleviate the TTHMs.

Ms. Perry said line 623-5984, they can start October 2016, and push out until 2017 and 2018.

Ms. Perry said the Department is agreeable to the reduction in line 6210. Mr. Ferraro asked what they use Natural Gas for in Distribution. Ms. Perry said it is used for the Pumping Station and Well Station heating.

Mr. Kelly asked the BRC if they had any comments or recommendations.

Mr. Gilbert said line 623-5200 he is uncomfortable with the reduction. He said he would prefer seeing the \$20,000 left there. Chair Stevens asked what the total YTD is with that. Ms. Perry answered \$26,300. Mr. Zwaan said the starting point was an increase of 8-10%. He said the subcommittee was faced with an increase of 8-10%. He said the reduction that is seen is a reflection of attempting to reduce the increase. Mr. Kelly said he can see the increase in Capital Outlay line 7425. He said he would rather give the staff the tools to see if they can work through the issues and fix internally. Mr. Lennon said he thinks that is a good idea. Mr. Zwaan is also comfortable with that. Ms. Perry said that works.

Mr. Woodward asked if the Water/Sewer Report gives an action plan. Ms. Perry said it does make recommendations. They are meeting with DES to go through those. Mr. Jeffers added that the DES is very good to work with.

Motion: A Motion was made by Mr. Lennon and seconded by Vice Chair Campbell to adjourn the meeting at 10:42pm. Motion carried – all in favor.

Respectfully Submitted,

Nicole Piper, Recording Secretary