

# ***Exeter, NH Budget Recommendations Committee***

## **Water and Sewer Subcommittee Budget Narrative**

**FY 2023**

**November 15, 2022**

The Water and Sewer Departments have been beset by numerous challenges over the past year. Increasingly stringent regulations for both water supply and sewerage discharges, post-COVID labor shortages and supplies increases, as well as continued management of aged systems, some of which average over 25 years old, pose numerous challenges on a daily basis.

The recent limitations on lead in aged water piping, arsenic in water supplies, and the evolving science of the health effects of PFAs (*per and polyfluoroalkyl* substances (pronounced P-Fas) is the short name for a class of human-made chemicals, often called “forever chemicals”, because they do not easily degrade in the environment or in the body, so they accumulate in both over time. There are over 9,000 types of PFAS chemicals and are harmful to human health ranging to parts per billion) are just some of the specific challenges our relatively small Department of Public Works faces.

Discussions of certain budget line items are presented below to support the spreadsheet report.

### **WATER DEPARTMENT BUDGET**

#### **Administration**

51110. FT Salary. See fly leaf (page “29” of 28 in Tab 3 of the GF budget). Federal and state regulatory agencies routinely require documentation of specific pipe and facility conditions, as well as metering points and recent damaged areas, as a way to monitor impacts to human health and safety. The DPW routinely updates their system drawings with field notes and measurements, however, the extent of this information in recent years requires work beyond redrawing or modifying old drawings. A Geographic Information System (GIS) manager who will disseminate collected data and provide a continually current database has been requested for all divisions by DPW.

The 2023 full wage and benefit impact is anticipated to be \$47,479 with a 2024 full time impact of \$94,958. This request will be split 60% DPW General, and 20% each for the Water and Sewer Departments. The subcommittee supports this request.

55055 Consulting Services. By October 2024, the USEPA requires public water supplies to document lead piping within their systems and develop a plan for remediation/removal of such sources of lead in drinking water. The proposed cost is \$80,000 for a study in 2023 in order to assure compliance with the due date. DPW has indicated that the town is in line for a \$50,000 grant for this work. The remaining \$10,000 is recommended to be reduced to \$5,000 to match historical expenditures.

The subcommittee recommends a total of \$35,000 for this line item.

55228. Insurance. Increase due to continued aging of some facilities and equipment and associated cost of replacement.

## **Distribution**

55252 Road Repairs. On-going staff limitations require outside contractors to be used, generally at a premium for the timeframes required. DPW requests an additional \$15,000 for a 2023 budget of \$25,000. The subcommittee supports this request.

55296 System Maintenance. Notes denoting dollars were added from last year's request of \$52,000 but budget not carried through. Request of the additional \$32,000 shown in the 2023 note for a total of \$84,000. The subcommittee supports this request.

55059 Tank Maintenance. Contract with *Suez* (now called *Veolia*) is in third year of balloon style payment. Next year will be \$64,000.

55545 Fire Alarm Communication. Prior to 2021, paid for by Fire Department.

55188 Meters and Backflow. Meter replacement program began in 2015 with a bond issue to replace about half (~1800) of the meters with updated technology. Plan was to replace the rest over a 10 year period on an as needed basis, or approximately 200 per year. Currently however, there are still approximately 1,000 meters older than 10 years old.

Per note, budget should be \$163,000 not \$140,000 in order to moderately catch up on our technology updates. The subcommittee supports this request.

## **Treatment**

55368 Lagoon cleaning. DPW worked out a cheaper solution with NHDES. Modify budget to \$5,000.

55105 Equipment Maintenance. Clearwell intake work exceeded 2022 budget.

55294 Lab Supplies. Increased chemical and equipment costs. This year will exceed \$25,000 budget.

55161 Lab testing. NHDES focus on lead and PFAs. (See lead piping assessment).

55034 Chemicals. YTD \$140,000 of a 2022 budget of \$135,000. Some chemicals have gone up 30% in 2022 and fuel surcharges have been imposed by vendors.

## Capital Outlay

57015 Water System Capital. Issues with town contractor *Suez* (now known as *Veolia*) with start date and contract terms for refurbishment of Portsmouth Ave. Surface Water Plant clarifiers and filters. DPW negotiated better contract with *Underwater Solutions* to start early November 2022.

Additional work outlined in notes shows replacement of critical equipment.

The subcommittee recommends level funding this line at \$460,000.

## Warrant Articles

DPW Garage/Facility (GF/W/S), CIP page 1. Currently have general layouts of what a new facility could look like on town-owned land adjacent to the current facility. A \$50K article to continue study of scope and layout was defeated in March 2022 vote. Structural and HVAC deficiency issues have not gone away since this project was first proposed in 2019. Has generally taken a back seat to other projects such as the library, Rec, Fire Truck #5, W&S projects, and the current Public Safety Complex. Recommend this article including BRC work with FAC and decide appropriate scope and ultimate cost of an upgraded facility.

School Street design (\$405,000), page 20 of CIP book, is deferred in house.

Westside Drive (GF/W/S), page 26 of CIP book. Estimated Water portion construction cost is \$2.48M with \$265,000 of construction engineering services for a total WAR of \$2.745M. The subcommittee recommends this project.

Groundwater Development project, page 31 of CIP book, is referenced as deferred in house to focus on details associated with the Public Safety Complex. At issue is time of well development, testing, and permitting, which are estimated to take several years. The subcommittee agreed that a full funding of the project is premature given that over \$800k from this year's warrant article is still available for tasks to be completed early in 2023. After discussions with DPW and Underwood Engineers, however, the subcommittee determined that contingency funding to maintain the momentum of the four year project

that began this year is warranted. This funding would be used for site design work if well test data is accepted by NHDES next year, a long term agreement with the landowner is reached, and preliminary design work for the aged Lary Lane well building. Therefore, a WAR of \$500,000 is recommended by the subcommittee as a continuation of groundwater source investigations begun last year. After next year's data collection, a full program funding target will become clearer.

## **Vehicles**

Truck 13, page 56 of CIP book (Water and Sewer use). Replace aged Crown Vic car (on third hand-me-down through town departments) with a multi-purpose truck with maintenance and snow plowing capabilities.

## **SEWER DEPARTMENT BUDGET**

### **Administration**

51110. FT Salary. A Geographic Information System (GIS) manager who will disseminate collected data and provide a continually current database has been requested by DPW. The 2023 full wage and benefit impact is anticipated to be \$47,479 with a 2024 full time impact of \$94,958. The Sewer Dept. portion is 20% of this amount. The subcommittee supports this request.

55228. Insurance. Increase due to continued aging of some facilities and equipment and associated cost of replacement.

### **Collection**

55252 Road Repairs. Staff limitations require outside contractors to be used, generally at a premium for the timeframes required. Department requests budget of \$20,000.

55153 I/I Abatement. Current activities in house have been successful in limiting I/I. The subcommittee recommends level funding this section at \$20,000.

55369 Pipe Relining. Current activities in house have been successful in limiting I/I. The subcommittee recommends level funding this section at \$40,000.

In general, the subcommittee recommends assessing staff shortages vis-à-vis salaries before these budget lines get significantly increased.

## **Treatment**

55105 Equipment Maintenance. 3<sup>rd</sup> year in for new facility, multiple maintenance items in Operation and Management Plan from 2019. New ultraviolet disinfection bulbs this year at \$50,000.

55204 Outfall Dredging. Required every other year by permit. The subcommittee recommends a budget of \$3,000 in line with recent historical spending.

55154 Industrial Pretreatment Program. Program allows town (via a contractor) to monitor and charge five industries for their non-residential discharges. The 2022 budget has been spent. New regulations associated with new facility and Great Bay permit require more testing. There is a revenue offset to this line.

55161 Lab testing. Budget notes are self-explanatory. Cost of doing business on Great Bay.

55034 Chemicals. Budget notes are self-explanatory. Cost of doing business on Great Bay.

55373 Solids Handling. Sludge from new WWTP disposed of at Turnkey landfill. Contract increase by Waste Management.

## **Capital Outlay**

57015 Sewer System Capital. Plan and budget (\$200K) for 2022 was to conduct WWTP ultraviolet (UV) disinfection tank and flume wall coating work. Spent \$25k, determined contractor work was deficient, and halted project. Of the \$175K remaining, will use \$125K to upgrade our septage receiving facility (revenue offset estimated at \$300K/yr). Combine remaining \$50k this year and proposed \$50k in 2023 to work with operators and Wright Pierce Engineers to assess and potentially determine wall coating plan.

## **Warrant Articles**

DPW Garage/Facility (GF/W/S), CIP page 1. Currently have general layouts of what a new facility could look like on town-owned land adjacent to the current facility. A \$50K article to continue study of scope and layout was defeated in March 2022 vote. Structural and HVAC deficiency issues have not gone away since this project was first proposed in 2019. Has generally taken a back seat to other projects such as the library, Rec, Fire Truck #5, W&S projects, and the current Public Safety Complex. Recommend this article including BRC work with FAC and decide appropriate scope and ultimate cost of an upgraded facility.

School Street design (\$405,000), page 20 of CIP book, is deferred in house.

Westside Drive (GF/W/S), page 26 of CIP book. Estimated Sewer portion construction cost is \$770,000 with \$90,000 of construction engineering services for a total WAR of \$860,000. The subcommittee recommends this project.

Court St. Pump Station Upgrades, page 27 of CIP book. Equipment over 20 years old; building last updated in mid 2000s. At this point, this facility cannot handle “planned” Economic Development projects or how Mobile Home Parks are developed. The subcommittee recommends an in-house review to square planned development with infrastructure capacity prior to expending money on this facility.

Sewer System Capacity Analysis, page 28 of CIP book. The subcommittee recommends an in-house review to square planned development with infrastructure capacity prior to expending money on this project.

## **Vehicles**

Truck 13, page 56 of CIP book (Water and Sewer use). Replace aged Crown Vic car (on third hand-me-down through town departments) with a multi-purpose truck with maintenance and snow plowing capabilities.

Sewer Vactor pump truck, p. 58 of CIP book (financing on p. 68). Current truck is 8 years old, just at the end of its estimated useful life. Maintenance costs have been low to average, although some indications of tank wear have been observed. Lead time for new vehicle is 12-18 months. The subcommittee recommends deferring this purchase.

The subcommittee would like to thank Jen Perry, Public Works Director and Matt Berube, Water and Sewer Managing Engineer for taking the time to meet, provide information and answer questions as part of developing this narrative.

Respectfully submitted by the subcommittee,

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