

Town of Exeter (NH) Water & Sewer Advisory Committee (WSAC)
Nowak Room, Town Offices, Exeter, NH

DRAFT Meeting Minutes

For Meeting of September 13, 2023

1. Welcome and Introductions

The meeting was called to order by Chairman Bob Kelly on Wednesday September 13, 2023, at approximately 6:30 pm. Other Committee members present included Carl Wikstrom, Ben Mosher, Alan Mangan, and Selectboard representative Ms. Molly Cowan.

Representatives of the public were also in attendance in person and via Zoom call to discuss applicable abatement requests.

2. Water and Sewer Bill Abatement Requests

Six abatement requests were discussed by the Committee, as follows:

- a. 24 Downing Court. The customer, Rita Nydam, was in attendance. Ms. Nydam lives in Building 2 of Wheelwright Landing. Reportedly, the three units in this building all had one water meter and the property management company would split the bill and invoice each resident separately. In 2020, due to perceived high uses by adjoining tenants, Ms. Nydam paid a plumber to install a separate meter for her unit.

Ms. Nydam indicated that she was unaware that each meter had separate water and sewer service fees associated with them (she did not see the service charges on her water bill which was supplied by the property management company). She has been discussing the charges with DPW since 2020 based on email documents provided to the committee. Ms. Nydam was requesting an abatement of the separate water and sewer service fees, arguing that she would not have installed a separate meter if she had known about the charges.

The Committee discussed the aspects of the request outlined in the application and told Ms. Nydam that each meter had its own service fees since the town installed a water system. It was suggested that she get an estimate from a plumber to reinstitute the 1 meter/3 units set up as before to see what her next step would be.

- b. 1 Governors Lane, American Independence Museum. The customer's representative, Rebeccah Seely, was in attendance. She was seeking an abatement on a recent water and sewer bill for increased usage due to a cracked boiler from a cold snap this past winter. The water in the boiler escaped to the outside and did not enter the town's sewer system.

The Committee discussed the aspects of the request outlined in the application and assessed that unforeseeable, accidental usage had occurred but had been repaired. Mr. Wikstrom moved, and Mr. Mosher seconded, a motion to **recommend an ABATEMENT for 80% excess Water and 100% excess Sewer usage** of the average annual amount. This amounts to **\$1,003.00**. The motion passed 5-0 by voice vote.

- c. 89 Washington Street. The customer, David Makos, was in attendance. He was seeking an abatement on a recent sewer bill. Mr. Makos had bought a new above ground pool this past summer and filled it. He indicated he will not be draining the pool over the winter, so he did not feel like he needed to pay the sewer portion of the bill.

The Committee discussed the aspects of the request outlined in the application and assessed that not enough information was available. Mr. Makos had not indicated how much, exactly, of his recent bill was due to the pool fill. Mr. Kelly suggested that he ask DPW to compute the excess water usage due to the pool fill and return with a request for an actual amount. Mr. Kelly also indicated that the current policy does not provide for abatements for pool fills and would make no commitment as to whether an abatement request would receive a positive outcome.

- d. 11 Marlboro Street, Exeter Day School. The customer's representative, Katherine Gibson, was in attendance via Zoom conference. Ms. Gibson is the president of the board of the Day School and was seeking an abatement on their water and sewer bill for increased, on-going usage from leaking toilets, sinks, and a hot water heater. Reportedly, due to their location and administrative changes at the school, the leaks were not discovered until recently at which point they spent approximately \$9000 for various repairs including new toilets and fixtures.

The Committee discussed the aspects of the request outlined in the application and assessed that unforeseeable, accidental usage had occurred and was repaired upon discovery. Given their non-profit status, Mr. Mosher moved, and

Mr. Wikstrom seconded a motion to **recommend an ABATEMENT for 80% excess Water and Sewer usage** of the average annual amount. This amounts to **\$336.81**. The motion passed 5-0 by voice vote.

- e. 40 Hampton Road. The customer was not in attendance. The customer was seeking an abatement on a recent water and sewer bill for increased usage from a burst pipe during the February cold snap. Reportedly, the leakage filled the basement and drained out through the foundation and no water from this leak entered the Town sewer system.

The Committee discussed the aspects of the request outlined in the application and assessed that unforeseeable, accidental usage had occurred but had been repaired. Mr. Mosher moved, and Mr. Wikstrom seconded, a motion to **recommend an ABATEMENT for 80% excess Water and 100% of excess Sewer usage** of the average annual amount. This amounts to a calculated amount of **\$137.36**. The motion passed 5-0 by voice vote.

- f. 12 Hobart Street. The customer was not in attendance. They were seeking an abatement on a recent water and sewer bill for increased usage from a leaky toilet that was not discovered when they newly purchased the house this past spring. There was no usage history for this customer as they were new owners of the property. The user calculated that the excess usage from the toilet was about \$250. Rough calculations by committee members indicated that this amount was reasonable.

The Committee discussed the aspects of the request outlined in the application and assessed that unforeseeable, accidental usage had occurred but had been repaired. Mr. Kelly moved, and Mr. Wikstrom seconded, a motion to **recommend an ABATEMENT of \$250** as discussed above. The motion passed 5-0 by voice vote.

3. Regular Business

- a. Utility Operations

An update for on-going projects, including the Squamscott River siphons, was provided to the Committee.

- b. Utility Financial Reports

Mr. Kelly discussed reports that had been previously distributed to the Committee by the Town Finance Department.

4. New Business

None

5. Other Business

a. Rate Study. The Town contracted with Underwood Engineers earlier this year to complete a utility Rate Study as discussed at the last meeting. A final presentation and report were provided in August. The last time a rate study was conducted for the town was 2016. A comparison of criteria from 2016 to 2023 and beyond included:

- Town water budget rose from \$2.2M to \$4.5M.
- Town sewer budget rose from \$1.7M to \$7.4M.
- Town water usage went down from 322 million gallons per year (MGY) to 312 MGY meaning less gallonage to pay for the increased budgets.
- Anticipated capital projects in town over the next five years include \$17M on the water side and \$13M on the sewer side.

Due to these increasing costs, many brought on by changes to Federal and State regulations, UE recommended adjusting rates as follows:

- Water service fee from \$43 to a meter size ratio based on American Waterworks Association (AWWA) standards.
 - Tier 1 charge from \$9.32/1000 gallons used to \$10.07
 - Tier 2 charge from \$11.66/1000 gals used to \$12.59
 - Tier 3 charge from \$13.98/1000 gals used to \$15.10
- Sewer service fee from \$41 to a meter size ratio based on American Waterworks Association (AWWA) standards.
 - Tier 1, 2 and 3 charges remain at \$16.34/1000 gallons used, \$20.42/1000 gals used and \$24.51/1000 gals used, respectively.
- Revise System Development Charges (formerly Utility Impact Fees) based on AWWA recommendations.

Due to the fact that the adjusted rates would not go into effect until Jan. 1, 2024, UE recommended a blended rate that includes the projected 2024 increases, resulting in a Water rate increase of 20% from 2023 rates and a Sewer rate increase of 4% over 2023 rates. The Committee discussed these

recommendations and countered with a preferred 15W/4S % increase for three reasons:

- The Fire Suppression Contribution, currently at \$20,000 per year, is proposed to increase to \$100,000 for FY 24 which will provide an additional 2.1% to Water revenues.
- Post-COVID and drought events over the past three years, average consumption should increase, thus providing additional revenue over recent years.
- Due to increasing costs of producing water, adhering to federal regulations, and recent cost increases on the Siphon project, the Committee felt that the ratepayers deserved a respite on their rate increases. If deficits loomed in late 2024, a small adjustment could be made accordingly if required, but front loading the rates now for late 2024 seemed like “piling on” to recent events.

A motion was made by Mr. Kelly and seconded by Mr. Wikstrom to recommend an immediate Water rate increase of 15% and an immediate Sewer rate increase of 4%. The motion passed by a 5-0 voice vote.

6. Committee Calendar

The Committee tentatively scheduled their next meeting for mid-December. The actual date will depend on abatement request volume and members’ time constraints.

Mr. Kelly adjourned the meeting at approximately 8:20 pm.

Respectively submitted,

Bob Kelly
Chair and Recording Secretary
September 14, 2023