

FINAL APPROVED

Water & Sewer Commission Minutes Wednesday, June 12, 2019, 3:00 PM

Members Present: Normand Houle, Chair, John Ireland, Vice Chair, Walter Liff, Richard White, Steve Tabbutt, DPW, Selectman Damon Frampton, Ex-Officio.

Also in attendance: Ben Jankowski, DPW, Christiane McAllister, Accountant, Bette Jane Riordan, Recording Secretary, Bill Stewart, Selectman, Dave McGuckin.

Chair Houle opened the meeting at 3:00, noting the presence of a quorum.

1. Pre-application for SRF: Selectman Stewart.

Chair Houle opened the meeting and stated that Selectman Stewart had asked for five minutes to speak to the Commission about a pre-application to the SRF (State Revolving Loan Fund) for sewer issues; specifically to deal with the problematic line on the Bridge. He noted that the deadline is approaching and Underwood Engineering has agreed to do the draft. The amount is \$650,000.00, which covers the sewer line and a study of the force main on the rest of the island, and gives us the opportunity to borrow at a low cost. By filing the pre-application it does not obligate the Town in any way. Bill recommends that the application be submitted. He asked for the Commission's opinion. The Commission was unanimous in supporting the filing of the pre-application.

Selectman Stewart asked for the Commission's input and comments upon the proposed Wholesale Water Agreement with the City of Portsmouth. Chair Houle stated the Commission was reviewing the document and would provide their comments.

2. Public Questions: None.

3. Individual Applications and Petitions:

a. Water/Sewer application of S. Eldred, 180 Portsmouth Ave.

The applicant's civil engineer Mr. Ross spoke to the application. He asked to add that he had spoken with Steve Tabbutt, and most of the area is in the flood zone, so the plans do address the anti-flotation issue.

John Ireland stated his preference would be to move the tank higher, further up from the flood zone. Mr. Ross did indicate it could be moved higher to as much as 20-25 feet, depending upon the amount of gravity slope from the building. Eventually they would probably need a pump. Dick White was concerned about DES rules compliance, given the location of the boathouse. He was also concerned about pipe size. Steve Tabbutt is mostly concerned about water tight bulkheads to prevent sea water from entering. Chair Houle read from his list of conditions, which

included, review of the water/sewer ordinance, 2 checks for \$235 each is required; description of water line needs to be sleeved in the area of the crossover; tank volume needs to be specified; and horsepower, water tight hatch needed to prevent storm surge intrusion; more information about the pipe size and the pump. He stressed that before any approvals are forthcoming from the Commission, it needs copies of the DES and DOT information.

Mr. Ross indicated he has walked the site with the Eban Lewis of DES Wetland Bureau, and has been working with the Building Inspector regarding the septic system. Any Commission approval is also conditioned upon approvals from the other local land use boards, as well as final DES approvals.(permits). A second review of this application is required by Steve Tabbutt. Chair Houle explained that this was basically a work session on the application. He provided Mr. Ross with a copy of the conditions and contingencies which need to be met for final Commission approval of the Eldred application.

b. 158 Portsmouth Ave permit to install sewer line.

Alan Weston, property owner, requests a permit to install a sewer line. It is actually a request to amend a previous approval in 2010. He is asking to abandon the septic location in the back of the lot, and installing a new septic system out front, pumping into the force main. Chair Houle has no objections but he asks for a short note or letter addressed to the Commission, stating “attached is an amendment to the previously approved plan,” with the new plan. That is all that is required of the applicant.

4. Approve Minutes of May 8, 2019.

John Ireland asked for clarification on the duties of the Town Administrative Projects Coordinator with respect to the Tap Grant and why this person could not fulfill the grant requirement. It was explained that the employee has to be full time, which is why Ben Jankowski was selected.

John also had some questions on the review of checks section under Financials, and the commitment. Christianne explained the billing commitment process, which was a request from the auditors.

Checks from the May 8th W&S meeting were approved on Motion of Dick White and seconded by John Ireland. Motion carried.

After brief discussion of edits, John Ireland made a Motion to approve the minutes of the May 8, 2019 Water and Sewer Commission meeting, as amended. Dick White seconded, and the Motion carried.

5. Financials.

a. Review, approve and sign checks.

After discussion, Dick White made a Motion to Accept the checks as written and presented. Walter Liff seconded, and the Motion carried.

b. Accountant's Report.

Christianne reported that the commitment billing for Authority 2 and 3 was \$74,707.50 for the May billings.

Water: Trust Fund balance at end of April: \$144,572.62
Checking acct. balance at end of May: \$186,192.55.

Sewer: Trust Fund balance as of end of April: \$39,635.61
Checking Acct. balance as of end of May: \$235,302.73

She reported on June 1st through June 12th in order to do the transfers to capital reserves. For water, the cash balance would be \$163,745.14. For sewer in June, the cash balance would be \$200,094.39. This allows for the \$15,000 transfer to water and \$30,000 to sewer for capital reserves.

Discussion then turned to the approval of transfers of water and sewer monies to the two new trust funds. After discussion, the Commission approved on Motion of Dick White, to transfer \$15,000.00 to the WSC Water Capital Reserve Fund. This was seconded by John Ireland. Motion carried. After discussion, Walter Liff made a Motion to Transfer \$30,000.00 to the WSC Sewer Capital Reserve Fund. John Ireland seconded, and the Motion carried unanimously.

Christiane asked about which fund would be used to pay back the revolving loan fund of \$650,000 should the Town be approved for it? Selectman Stewart had not addressed this earlier in the meeting. It was not clear, so the Commission will look into this issue. Chair Houle pointed out that if there is a complete failure of the sewer line, is it just the ratepayers who would be liable or, if viewed as a public safety issue, would it then become a taxpayer issue. Could it be split between ratepayer and taxpayer? Further discussion ensued. It was mentioned why in the 1970's it was a taxpayer issue. Ben pointed out that DES holds the Town accountable for any violations, not specifically the ratepayers.

6. Continuing Business.

a. Status of River Road pump station bulkhead installation.

Steve Tabbutt reported that they are waiting for concrete to cure. The old one has been successfully pulled and once the concrete is cured they will install the new bulkhead. Chair Houle asked if there would be any additional expenses for this project. Steve reported they are all done. Next up would be Bos'n Hill Quarterdeck

Lane which will be a big ticket item. Chair Houle said he would revisit the issue at the next meeting.

7. Selectman's Report.

Selectman Frampton reported that the bid process for the Water Project started yesterday (June 11). The Select Board also wants input from the Commission on the Wholesale Water Agreement with Portsmouth. In response to a question from the Chair about whether there are going to be multiple bidders, Selectman Frampton replied no. Apparently there is only 1 bidder so far.

8. New Business.

a. FY 19 budget review: Tabled by Chair until July meeting in order to do a thorough review of the entire year, including final June figures.

b. Transfer of funds into the WSC trust funds. Previously addressed in Agenda Item 5.b.

c. Review of proposed City of Portsmouth wholesale water agreement.

Chair Houle asked for comments from the Commission on the 10 page document and also provided his own comments. He assured the Select Board he would compile the comments and forward the information to the Board. The Commission proceeded to go through the document page by page. Chair Houle had received confirmation that Town legal counsel is reviewing the document and will issue an opinion. John Ireland commented that he feels some of the Commission's questions should be given to counsel as well, and that perhaps the Commission should look to increasing the amount budgeted for legal fees. Christiane reported that she believes the current line item is sufficient.

The following is a summation compiled by the Chair of the Commission comments:

WSC Comments re New Castle Wholesale Water Agreement

1. P. 3, II. A. 6, Measurement of Flows/Meter Readings, first sentence: Replace "quarterly" with "tri-annually (three times each year)"
 - a. Rationale: New Castle bills its customers three times per year, each period covering four months.
2. P. 3, II. A. 8: Capital Expenditures,... The WSC does not propose any change to the wording. However, we wonder if this language could potentially let Portsmouth "off the hook" for replacing the Wentworth Rd. line. Recommend our lawyers assess and suggest any appropriate change.

3. P. 4, III. A: In the first sentence, request “, meter pit” be inserted immediately following “metering devices.”
 - a. Rationale: We do not believe it a foregone conclusion that there will be no meter pit(s). The addition of these words would make it clear Portsmouth has responsibility for any that are introduced at the interface/juncture between our respective systems.
4. P. 4, III. B: Applicable to both subparagraphs 1 and 2, insert the words, “Going forward,” at the beginning of both subparagraphs.
 - a. Rationale, subparagraph 1: We don’t know what NH PUC regulations might exist regarding inspection and calibration and would request that Portsmouth inform us what these might entail. By inserting the words “going forward,” we believe this would relieve us of any need/requirement to inspect and/or calibrate meters currently in place. Going forward, we would provide Portsmouth with a copy of all documentation our PW department generates with the installation of new meters/replacement of old. [For information, we believe Portsmouth has a 10-year meter replacement program. The WSC has identified meter replacement as a desirable but lower priority project/initiative. This would be a significant cost driver of higher rates.]
 - b. Rationale, subparagraph 2, first sentence, “...inaccurate flow or metering records *for any reason* (personal emphasis)...” effectively says that it is under Portsmouth’s sole discretion to invoke an estimate of flow/metered water. We would rather replace the first sentence with, “Going forward, in the case of missing or possible inaccurate flow or metering records, Portsmouth will so inform New Castle to assess the issue and reach a mutually acceptable resolution.”
 - c. Rationale, subparagraph 2, second sentence. This sentence should be struck from the agreement. Again, this says it would be under Portsmouth’s sole discretion to have New Castle “...provide estimates and/or to repair meters...” Under the proposed agreement where we sum up all units metered to our customers then add 15% to account for units lost and not billed, how are we supposed to pinpoint an errant house meter(s)? This sentence alone provides good reason for insisting a meter at Shapleigh Island be retained in the design and execution of the water line improvement project.
5. P. 5, IV. C. Billing Cycle: We believe this monthly billing proposal would result in an accounting nightmare. We estimate that it could take some six months to reconcile estimates vs. actuals. We would request the following wording: “New Castle will be billed tri-annually (three times per year) to coincide with

its meter reading/billing of customers.” (The following was specifically submitted by Christiane.) If Portsmouth cannot accommodate our preference, then we request:

- a. That a reconciliation bill reflecting any credit or balance due be issued separate from the normal monthly bill so that monthly invoices/payments can provide an accurate and true history of billed usage/cost.
 - b. That Portsmouth specify that the calculations they are using to derive the estimated bill (historical monthly average) takes into account that historical usage already includes unbilled/lost water, historically in the range of 17-20%, and make appropriate adjustments prior to adding the additional 15%; otherwise, we will be overpaying each month.
6. P. 6, V. C. Liability for Non-Negligent Acts: This paragraph should be stricken. We have only to look at the TTHM problem (“contaminated water”) as a basis for our recommendation. There have been instances where the reading at the Shapleigh meter has exceeded the .080 mg/L standard. The sentence seems to say that Portsmouth would bear no responsibility!
7. P. 7, V. G, Indemnification and Insurance: Christiane contacted our insurer Primex, who also insures Portsmouth. Primex provided suggested modification language to more accurately reflect the Town’s coverage.
8. P. 8, VI. D, Date Effective, Supersession, and Duration: Replace the last sentence which begins with “This Agreement shall be in full force...” with the following: “This Agreement shall be in full force and effect and shall be exclusive and binding on the parties for two (2) years from the date of execution first written above, as long as New Castle and Portsmouth are in compliance with their obligations hereunder.” and delete the remainder of the paragraph.
 - a. Rationale: While the Town of New Castle has virtually no recourse to address violations by the Portsmouth, in the unlikely event that we have to pursue legal action against the city, we wish to make it clear that not only New Castle had obligations to uphold under this agreement, but Portsmouth as well.
9. P. 9, VII. C, Third Parties: The following comment is NOT specific to this agreement, but may be of interest. If/when we achieve a new line at the Wentworth-Rye bridge, would this sort of language pose a problem in any issues relating to the (Portsmouth?) service line which goes through Rye? Would the Town of Rye constitute a “third party?”

Christiane read a report from the Town's insurer, Primex, regarding indemnity and liability sections of the agreement. This has been provided to the Select Board.

9. Any other business for the Commission.

Election of Chair:

Upon Motion of John Ireland, seconded by Dick White, Norm Houle was elected Chair for the coming year. Motion carried unanimously.

Ben reported that Underwood has recommended that the Town not bleed this summer. This is regarding the TTHMS. We could have a bad reading in July, but the running average should be fine.

The Board discussed a couple potential volunteer Alternates to the Water and Sewer Commission.

There being no further business to come before the Commission, Walter Liff made a Motion to Adjourn, which was seconded by Dick White. Motion carried.

Meeting adjourned at 5:18 PM.

Respectfully submitted,

Bette Jane Riordan
Recording Secretary
Attachments:

2019 Water Quality Report New Castle Water System.

