

**MINUTES OF THE WATER & SEWER COMMISSION
WEDNESDAY, APRIL 8, 2015 -3:00 PM**

Present: Walter Liff, Chair, Ex-officio Selectman David McGuckin
Members: Normand Houle, John Ireland, Walter Glidden.
Alternates: Reg Whitehouse, Chet Fessenden
Chris Pufahl, Public Works, Deb Knowles, Town Accountant, Secretary BJ Riordan

Chair Liff convened the meeting and stated the Agenda would be changed to address the Steamboat Lane pumping station issue.

1. Review, approve, and sign checks.

Dave McGuckin stated the April billing is due to go out either this week or next. John Ireland made a Motion to Approve the checks as written. Normand Houle seconded and the Motion carried.

2. NEW BUSINESS.

4.a. Steamboat Lane Pump Station.

Chair Liff adjusted Agenda to take up the recent problem with Steamboat Lane pumping station.

Chris Pufahl from Public Works Department reported on the status of the Steamboat Lane pumping station problem. He discovered that someone has been flushing towels into the system or somehow towels entered the system, which has caused the pump failure resulting in the bolts being stripped because of the frequency of having to remove the pump from its stand. This problem will be fixed with re-threading and new bolts. Dave McGuckin asked about a mailer or a note on the bills to alert residents of the hazards of inappropriate materials causing damage to the infrastructure. Normand Houle suggested placing a notice in Island Items. John Ireland questioned the configuration of the pumps that was causing the clog. Pufahl reported that the Steamboat Lane pump has been rebuilt twice. McGuckin agreed to draft an article for publication.

Dave McGuckin raised the issue of grease in the system, and asked if that was current concern. Pufahl reported there is some in the Wentworth area but not as much as in the past. Pufahl stated that the current repair will be fixed in less than hour and would cost approximately \$1,000. Normand Houle expressed that the Town has dodged a bullet this time on the Steamboat Lane pump station.

3. Presentation by Normand Houle and Deb Knowles regarding Zero based billing.

Mr. Houle distributed a handout of his findings.

Mr. Houle began by stating that each year, if \$50,000 (depreciation) were placed in the water trust fund and \$50,000 in the sewer trust fund, 20 unit usage per trimester would be approximately \$439.58, up from \$287.00. This would be the increase to ratepayers if the Town switched to zero-based billing. Selectman McGuckin asked why the \$50,000 number

was used. Deb Knowles explained this was arrived at in order to cover replacement costs for 40 years.

Mr. Houle explained further about the enterprise trust funds. He noted that things were not done correctly in the past, that is, setting aside repair/replacement funds equivalent to depreciation, so in effect the Town would be playing catch up. Selectman McGuckin suggested reducing the figure to \$37,500 and see what impact that figure would have on the rates. He noted that Jeff Hughes, Chair of CIP has requested that funds be set aside for infrastructure.

Mr. Houle mentioned Selectman Buxton's comment about a possible surcharge on ratepayers and questioned what would be an equitable sharing of the problem. He stressed that both the Town and the ratepayers need to share fiscal responsibility.

Selectman McGuckin stated that even though one was not a sewer customer, one would have to pay a fair share. He suggested the Town could do a twenty- year bond for its portion.

Chair Liff asked if perhaps the Commission was getting overly concerned. He doesn't want the ratepayers to shoulder the cost of a bond. Mr. Houle noted that the research has revealed the sins of the past in not acting appropriately to account for various scenarios. Selectman McGuckin stated that the Commission has now identified what the problems are and how to get ahead of the curve. There is a recognition of what needs to be done. Mr. Ireland agreed that the Commission needs to take action. Selectman McGuckin posed the question: What if the amount were cut from \$50,000 to \$25,000, what would be the effect on the rate? Mr. Ireland pointed out that the \$50,000 figure is needed no matter whether the billing system is left as is or the Town goes to zero- based budgeting. He stated there are two ways to bill an asked if the Town wanted to increase depreciation? If one waits for a catastrophe, then a bond has to be floated.

Selectman McGuckin stated that there are trust funds for water and sewer and suggested that maybe a warrant article similar to the Vehicle and Equipment Trust Fund (annual contribution) should be put forth. Mr. Houle then addressed CIP, and a broader discussion ensued. Selectman McGuckin noted that CIP is evolving. After further discussion, Mr. Houle agreed to rework the numbers on depreciation and will report back to the Commission.

4. OLD BUSINESS.

a. Update – Portsmouth Conveyance.

Selectman McGuckin stated that Attorney Ciandella is the Town's representative to the City of Portsmouth on this matter. Portsmouth wants New Castle to spend \$110,000 as part of its due diligence to determine the condition of infrastructure elements like pump stations water and sewer lines and infiltration due to pipe conditions. Mr. Houle pointed out a disconnect between the cover letter and the main document regarding "mapping". The cover letter states that mapping does not have to occur now, but in the Scope of Work

section of the main document, 1.2, 1.3 and 1.4 it refers to sewer mapping. Clarification is needed.

Chair Liff asked about the number of pumping stations, their status, and repair history. Selectman McGuckin will communicate the Commission's comments regarding the conveyance to Portsmouth. Chair Liff asked about the source of the funds for the study. The sewer enterprise fund was named and Mr. Houle agreed that the study is well worth it, even if the conveyance did not go forward as it would provide valuable information for the Town. The Commission discussed the benefits of going in with Portsmouth rather than going it alone. Portsmouth has engineers, staff and talent which would benefit New Castle. Mr. Ireland also pointed out that on page 5 of the main document, referencing Section 2. Does this section mean Portsmouth or New Castle? Mr. Houle noted that New Castle has already provided "as built" information. Selectman McGuckin stated he would obtain clarification.

There being no further business to come before the Commission, Chair Liff called for a Motion to Adjourn. Mr. Ireland made the Motion to Adjourn, which was seconded by Mr. Houle. Motion carried.