

MINUTES OF THE WATER & SEWER COMMISSION MEETING
WEDNESDAY, MAY 10, 2017
3:00 P.M.

Members Present: Walter Liff, Chair, Thomas Maher, Ex-Officio Select Board, Steve Tabbutt, Supervisor of Public Works, John Ireland, Member, Richard White, Member, Normand Houle, Member, Chet Fessenden, Alternate, Reg Whitehouse, Alternate

Also Present: Christiane McAllister, Accountant, Tom Smith, Treasurer, Anne Miller, Secretary

Public Present: none

Mr. Walter Liff called the meeting to order at 3:00 p.m.

Noting the presence of Mr. Tom Smith, Mr. Walter Liff proposed and received unanimous approval to re-order the agenda to first address Mr. Smith's business.

1. Treasurer's Responsibility as Ex Officio, Non-Voting Member of the Water & Sewer Commission

Mr. Smith, Treasurer for the Town of New Castle, referred to the document, *Sewer and Water Ordinance for the Town of New Castle*, dated February 12, 1980:

It is mandatory that the town Treasurer have custody of the funds. Thus, effective March 1, 1980, the Water & Sewer Commission is increased to six members, one of which shall be a Selectman, and, the town Treasurer shall be ex officio treasurer of the public works funds and a non-voting member of the Commission.

Accordingly, Mr. Smith affirmed his fiscal responsibilities but requested guidance regarding his meeting attendance. Members indicated that historically the treasurer attended only when there was a financial concern, that regular attendance was not mandatory. Mr. Smith indicated that he would make himself available at all times, but proposed to only attend meetings if requested.

Mr. Thomas Maher and Mr. Liff voiced their agreement and no one dissented.

2. Checks and Account Balances

Mr. Liff read the checks for approval.

Mr. Steve Tabbutt described the Chris-Co Construction Services, Inc. invoice in the amount of \$1,406.00 for emergency water line repair on Main Street. Across the street, the water was shut

off so that a contractor could replace a line into a house. The action caused an old iron pipe on the town's side of the connection to break. Mr. Tabutt called Chris-Co for the emergency repair.

Mr. Richard White supposed, and Mr. Tom Maher agreed, that a Donahue, Tucker & Ciandella, PLLC (DT&C) invoice in the amount of \$3,474.40 for "negotiations" is a Water Fund, rather than a Sewer Fund, expense. Because the check was written from the Sewer Fund, Ms. Christiane McAllister will preserve the check as written, but will follow with a journal entry and bank funds transfer to appropriately debit the cost to the Water Fund.

Mr. Maher clarified that a March, 2017 invoice in the amount of \$37.00 from the law firm of Drummond Woodsome is for activity related to warrant article preparation. \$37.00 is the sewer fund portion of the overall invoice.

The Eversource invoice in the amount of \$1,006.48 is approximately \$100 higher than the average. Mr. Tabbutt suspected that the added cost was due to a Steamboat Lane pump station malfunction that caused the pump to run for 40 hours continuously. The problem has been resolved for the past one and a half weeks and the by-pass work will begin soon.

The City of Portsmouth's April sewer invoice, \$43,694.23, is about \$10,000 higher than average. Mr. Tabbutt affirmed the accuracy of the reading and observed that hotel occupancy, marina activity, seasonal restaurants, and summer residents all contribute to the substantial increase in usage.

Mr. John Ireland motioned to accept the checks as written. Mr. White seconded.

Mr. Liff noted that, following past precedent, upon receipt of the water invoice the Accountant will prepare the check. If the charge is not unusual, Mr. Liff will approve the check. No objections were stated.

Motion carried unanimously.

Ms. McAllister read the checking account balances as of April 30, 2017:

Water \$130,107.80

Sewer \$360,334.01

3. Approved Minutes from the April 5, 2017 Water & Sewer Commission Meeting

Draft minutes from the April 5, 2017 meeting were reviewed.

Mr. White moved to approve the minutes of the April 5, 2017 meeting as amended and Mr. Maher seconded. The motion carried unanimously.

4. Pre-Construction Conference for the Sewer Pump By-pass Project

Mr. Liff provided a update from the sewer pump by-pass pre-construction meeting. The intent is to begin on May 15, 2017 and be substantially complete by Memorial Day, assuming there are no delays due to weather or the presence of ledge. The contractor needs to dig two feet deeper than the pipes and is concerned about the presence of ledge under them.

In the event ledge is present, possible alternatives were discussed. Mr. White suggested pouring a concrete base onto the ledge surface and Mr. Houle suggested utilizing partially above ground manholes.

Mr. Tabbutt indicated that work on the Steamboat Lane station does not require digging, only a mechanical contractor.

Mr. White asked whether a contingency has been budgeted either as a line item within the \$132,000 contract, or in the New Castle Sewer Fund, that allocates funds to pay for the potential added cost of ledge, which he ventured could cost \$150/ cubic yard, or be charged on a time and materials basis. Mr. Normand Houle and Mr. Maher do not believe that the contract includes a contingency. Separately Ms. McAllister noted that the contract requires specified amounts be set aside in a retainage account.

Mr. Maher will check in with Select Board Member Bill Stewart to determine what, if any, contingency plans were set.

5. New Business

a. Elect Water & Sewer Commission Chair

Mr. John Ireland nominated Mr. Liff for re-appointment to the position of Chair. Mr. White seconded. Motion was approved unanimously.

Mr. Liff asked for reconsideration and proposed the position to Messrs. Ireland, Houle, and White who all respectfully declined for various reasons. Consequently, the initial motion carried.

b. Alternate Reggie Whitehouse up for Reappointment

Mr. Whitehouse's appointment expires May, 2017. He will cede his seat at the end of the fiscal year. Mr. Liff noted that resident, Craig Strehl, had previously indicated an interest in the Commission. Mr. Maher will contact Mr. Strehl to offer him the position.

c. Julie Brillhart Request - 6 Steamboat Lane

Mr. Liff distributed and read aloud a May 8, 2017 letter from Ms. Julie Brillhart to the Water & Sewer Commission requesting relief from the December 2016 through March 2017 sewer usage charges that resulted from a burst water pipe. Ms. McAllister itemized the charges for the 117 metered units at 6 Steamboat Lane:

Service charges (water & sewer):	\$128.86
Water usage charges:	\$391.95
Sewer usage charges:	<u>\$1,432.08</u>
Total:	\$1,952.89

Mr. Tabbutt confirmed that the home was vacant at the time.

Mr. Ireland motioned to forgive of the sewer usage charge (but not the service charge) for the December 2016 - March 2017 time frame for the property at 6 Steamboat Lane. Mr. Houle seconded the motion. Motion carried, unanimously. Ms. McAllister will communicate the decision to Ms. Brillhart.

6. Other Business

a. Budget

Ms. McAllister offered copies of the updates budgets. In the future, instead of reporting account balances, Ms. McAllister asked whether Members would prefer to receive a budget status report. For example, she noted that the sewer budget is currently -\$11,000, which she believes is primarily attributable to inaccurate projections on the revenue side. Currently sewer expenses are running at 94% of budget, but revenue is only at 92% of the projection. Further, the anticipated \$67,000 sewer fund surplus is an additional shortfall that is not reflected in the -\$11,000 calculation.

The water budget is in better shape, currently +\$23,000. The water expenditures are only at 82% of appropriations, while revenues are at 92% of projection.

Mr. Houle asked and Ms. McAllister agreed that future reporting include both the budget status and the account balance.

b. Rate Structure Loose Ends

Ms. McAllister reported that feedback about the rate structure change has been positive. With the new rate based billing structure, Ms. McAllister asked whether the Commission intended to establish a charge for accounts when there is no usage, primarily during seasonal home vacancies, approximately 25-30 residences.

Members discussed options. Mr. Houle believed a flat, no usage charge would create a hybrid rate structure that is unjustified and in excess of the revenue needs to recapture overhead costs. Members agreed to make no change to the rate based billing structure, agreeing to forgo any charge to customers who do not use water or sewer during a given billing period.

c. Flushing Update

Mr. Tabbutt reported that the hydrants have been flushed and the water test taken, but he has not learned the results of the test.

One hydrant is out of service because a truck knocked off the spud (fire hose connector). Mr. Tabbutt is hoping to be able to replace parts rather than the entire hydrant, which Mr. Houle estimates to be \$4,000-\$4,500 based on previous experience. The hydrant extends into the road due to the location of ledge behind it. When work is done to replace water mains, Mr. Tabbutt hopes the contractor can remove the ledge to relocate the hydrant back from the road.

d. Status of Sewer Pump Station Repair Project

Mr. Maher anticipates that Northeast Integration (NEI) will prep the project in June to begin pump station repair work on or soon after July 1, 2017. He understands that they will prioritize the Steam Boat Lane station. Ms. McAllister suggested that the start date will be more certain once a contract and payment schedule are in hand.

e. Water Main Upgrade News

Mr. Houle noted a news report that the City of Portsmouth upgrade water main along the New Castle water delivery loop from 8” to 12”. Mr. Maher clarified that the upgrade was to only a portion of the loop, at a cost of \$367,290, that required relocation, and does not portend the future of the Pierce Island to Shapleigh Island connection.

There being no further business, Mr. Houle moved to adjourn. Mr. Ireland seconded. Motion carried, unanimously.

Meeting adjourned at 4:16 p.m.