

WATER/SEWER BUDGET WORK SESSION/LISTENING SESSION

MUNICIPAL COMPLEX
DATE: WEDNESDAY, MAY 16, 2018

PORTSMOUTH, NH
TIME: 6:30 PM

PRESENT: Assistant Mayor Lazenby, Councilors Roberts, Perkins, Raynolds and Becksted

ABSENT: Mayor Blalock, Councilors Pearson, Dwyer and Denton

STAFF: John P. Bohenko, City Manager; Judie Belanger, Finance Director; Andrew Purgiel, Deputy Finance Director; Peter Rice, Public Works Director; Brian Goetz, Deputy Public Works Director; Terry Desmarais, Engineer

OTHERS: David Hyder, Consultant

Assistant Mayor Lazenby called the Work Session to order at 6:30 p.m.

City Manager Bohenko stated that Public Works Director Rice, Deputy Public Works Director Goetz and Consultant David Hyder will make a power point presentation regarding the FY19 Water, Sewer and Stormwater budget. He continued that the City implemented a rate structure to add to the net position and to help offset against large projects especially the Peirce Island WWTF upgrade. He stated there will be a 2% water rate increase which is the first in several years.

Following the presentation, Assistant Mayor Lazenby opened the floor to questions and reminded the audience that there are index cards and pens for them to write down questions to be addressed during the meeting.

Councilor Becksted stated that property taxes are not used for the water/sewer funds but now sees \$250,000 from the general fund being used.

Finance Director Belanger explained that this is the Stormwater special revenue fund which has been funded all along under the Public Works Department but is now being transferred to this section. She clarified there is no increase to this fund.

Councilor Raynolds stated he is impressed with the professional presentation and the rate stabilization program that has been in place which has eased the impact of the large project and increases on the rates.

Councilor Roberts asked about the Green Infrastructure asking what percentage of streets are involved.

Public Works Director Rice explained that it involves applicable areas which are a challenge in this region as it depends on soil types. He further stated that there is a lot of clay so we end up having to create a bathtub of crushed stone and other materials. He stated we are working with UNH on this project.

Deputy Public Works Director Goetz stated we are also tracking the integration of the green component through the GIS as the EPA want to see solutions. He stated that Sagamore Avenue recently has water/sewer line replacement and this was done on one side of the road.

Public Works Director Rice stated that there is not a one-size-fits-all formula for this program.

Assistant Mayor Lazenby asked when the increases will tail off on the rate stabilization program.

Mr. Hyder stated that the rate model goes out 10 years and will be until revenues match expenditures.

Mayor Lazenby read the questions from the audience as follows:

1. What will the City of Portsmouth do if the Peirce Island WWTF won't effectively meet the EPA's nitrogen and other limits once the plant is up and running? Will you increase size?

City Engineer Desmarais stated there is no reason to believe that we won't meet requirements.

2. How much will a .03 mg/l nitrogen limit cost Portsmouth? Could you break down the cost between Pease to Peirce Island?

City Engineer Desmarais gave a brief explanation.

3. How much do we expect to spend on/or as part of the Great Bay Coalition and when will it end?

City Engineer Desmarais stated it won't necessarily end and there will be no costs unless we decide to take certain actions.

4. How much will Lonza's projected expansion cost the taxpayers of Portsmouth due to necessary water and sewer expansions that we are/will be obligated to pay for?

City Manager Bohenko stated the taxpayers will not be on the hook as there are no additional costs other than the normal upgrade due to the age of the system.

5. Are the Portsmouth rate payers funding the Municipal Coalition Expenses and what are the 425,000 listed as legal fees?

City Manager Bohenko stated these are all addressed in the budget document which is on-line.

6. When does the Seacoast Stormwater Coalition meet?

Deputy Public Works Director Goetz stated they meet during the day during business hours and usually only with community representatives but will check if it is open to the public as well.

7. Are we building a holding tank at land behind Toyota; what will be the cost/ is there another holding tank; what is the cost?

Public Works Director Rice stated no we are not.

8. Are there grants for solar that can be used at Pease WWTF?

Public Works Director Rice stated they will look into it.

9. Is there a way to lower admin numbers in water and sewer division?

Public Works Director Rice stated they do what they can to keep expenses down but there are built-in expenses that they don't have control over.

10. What percentage of the budget supports Pease Waste water and drinking water?

Deputy Public Works Director Goetz stated it isn't broken down that way but Lonza is the largest customer.

11. Is the Superfund site next to our Madbury drinking water source lined? If not lined, what is the City doing to protect us and what is the cost?

Deputy Public Works Director Goetz stated it is not lined.

Public Works Director Rice stated that as with any Superfund Site, the Responsible Parties were responsible for making sure that there is nothing going into the water source through monitoring wells and these have been in place for many years at the Tolend Road landfill site. He stated this is a City of Dover issue.

12. Could we look at a new rate for a Fourth Tier for 5 units per month?

Mr. Hyder stated there could be, but the basis is for costs associated with the service and could have unintended consequences.

13. What would the average customer pay for storm water?

City Manager Bohenko stated that half will be from general fund and ½ will be from the sewer fund as they worked with the City Council on the fairest way to do this after the enabling legislation was passed in 2008.

14. Is it true that the City intends to try and take the "Toyota property" by eminent domain citing stormwater issues as a reason?

City Manager Bohenko stated no.

15. Where is the rest of the City Council?

Assistant Mayor Lazenby explained that there are a lot of different meetings to attend and sometimes people can't make them all, but the Council will watch the recordings to keep up to speed.

City Manager Bohenko stated that he will keep the cards and get answers to those questions that were not answered fully. Next he reviewed the remainder of the budget work session schedule.

Discussion ensued regarding the WWTF upgrade progress and the nitrogen level issue.

At 8:15 p.m., Assistant Mayor Lazenby closed the work session.