

FINAL MINUTES

BOARD OF SELECTMEN MEETING

MINUTES

September 8, 2015

SPECIAL MEETING WITH WATER/SEWER ADVISORY COMMITTEE

1. Call Meeting to Order

Chairwoman Gilman convened the Board of Selectmen at 6:30 p.m. in the Nowak Room of the Town Offices. Also present were Selectwoman Anne Surman, Selectman Dan Chartrand, Vice Chair Selectman Don Clement, and Selectwoman Nancy Belanger. Town Manager Russell Dean was also present. The Water Sewer Advisory Committee was represented at the meeting by Paul Scafidi, Gene Lambert, Bob Kelly, and Dave Michaelsen.

Chairwoman Gilman opened the meeting by describing this was a joint meeting between the two groups to hopefully come to a consensus about moving ahead with a new wastewater facility. Many options have been studied and now is the time to move forward.

Ed Leonard from Wright-Pierce was present and reviewed the various options again with the Board. The two latest options were option 3, a 'build now' option which was 4.6 million dollars greater in cost than option 6, a phased option where a third tank would be built at a future date.

Mr. Kelly described how the water sewer committee includes engineers and part of their reasoning revolved around having tanks in option 3 that would not be used.

Mr. Scafidi said 15 years from now no one knows what will be needed. It would be good to save ratepayers money now.

Mr. Lambert commented on his history working at the Mill with their wastewater plant. He discussed gallon reductions that were accomplished that equaled cost savings. He doesn't see additional maintenance and operating costs as something the Town should take on now given the project cost.

Chairwoman Gilman asked for public comments.

Brian Griset commented that the savings would be in both principal and interest. He estimates an immediate reduction of \$200,000 in proposed rates plus yearly interest. This capacity won't be used for ten or fifteen years. We are paying interest on a capital project for ten years for capacity that wouldn't be used. Eight years would mean \$800,000 in savings. Fifteen years would be 1.5 million that could be added to future additional costs. He hopes the Board supports option 6 because it would save 2 million dollars.

Selectman Chartrand had reservations about option 6 but now is understanding our permitted capacity would not be reduced. He has talked with Mr. Kelly and now backs option 6. The fiscal steward says option 6 is it.

Selectman Clement asked Ed Leonard about operating costs. Mr. Leonard described the differences in O&M cost at the 20th year versus today. There would be a lower O&M cost today versus the 20th year. The difference between year 1 and year 20 for either option is about \$170,000 per year in savings. Labor is fixed, debt service is fixed. Heating bills are variable based on weather. Each option is

FINAL MINUTES

estimated at being within 20-25K of each other. The cost of running the third tank is not factored in to the operating costs but could have an impact if not used.

Selectman Clement has also talked with Mr. Kelly and others and at this point he is ready to pursue option 6 the phased approach.

Selectwoman Belanger said the things tonight have reinforced her opinion that option 6 is preferred.

Selectwoman Surman asked about risks of option 6 versus option 3. Mr. Leonard discussed that if you build less than what you are rated for it could have an impact. EPA was contacted and asked to provide feedback and gave a pretty positive response. In the five to ten year horizon, it will allow things with EPA to play out. As long as there are not significant changes in staffing at DES and EPA, it is a reasonable approach. The risk is there may be some argument around the 2023 time frame about capacity. You may have to build the third tank sooner than you would like.

Selectwoman Surman asked the Board about paying for the project solely out of sewer rates. Mr. Kelly added that the Water Sewer Committee had talked about it, and their recommendation into the facilities plan was to potentially include taxpayers as part of paying for the plant. The new plant benefits the whole town, not just the ratepayers. They recommend not taking anything off the table. Selectman Clement suggests this is a separate discussion, this is a big decision tonight on the plant.

Chairwoman Gilman states she is in agreement with all regarding the option 6. She feels this has been a good process and can move ahead.

Selectman Chartrand moved that the Exeter Selectboard instruct the town manager and the Department of Public Works to move forward with option 6 the phased approach for the building of a new wastewater plant. Selectwoman Belanger seconded. The motion carried unanimously.

Selectman Clement mentioned now we move ahead to public relations.

2. Adjournment

Selectman Chartrand moved to adjourn. Selectwoman Surman seconded. Motion carried. The Board stood adjourned at 6:55 p.m..

Respectfully submitted,



Russell Dean
Town Manager