



TOWN OF HUDSON

Municipal Utility Committee



Bernie Manor, Chairman Nancy Brucker, Selectmen Liaison

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Hudson Municipal Utility Committee Meeting Minutes

Date of Meeting: September 18, 2013

Attendees:

Bernie Manor, Chairman
Jeff Rider, Vice-Chairman
Leo Bernard
Bill Abbott
David Shaw
Robert Russell
Patrick Colburn, Town Engineer
Valerie Marquez, Water Utility Clerk
Donna Staffier-Sommers, Sewer Utility Administrative Aide

Absent:

Nancy Brucker – Selectman’s Liaison

The monthly meeting of the Town of Hudson Municipal Utility Committee was held Wednesday, September 18, 2013, at 5:00 pm, in the main meeting room of the Town of Hudson at Town Hall. Secretarial duties were provided by Donna Staffier-Sommers.

1. Acceptance of Minutes

The minutes of the August 21, 2013 Municipal Utility Committee meeting were read and approved. A motion was made by Leo Bernard to “accept the meeting minutes for meeting dated August 21, 2013.” Bob Russell seconded. The motion carried with David Shaw abstaining.

2. Financial Status – Water Utility

- A. The Cash Flow report through July 31, 2013 was reviewed by the Committee.
- B. The Expenditure report through August 31, 2013 was reviewed by the Committee. Line item 5592-252 O/M - Professional services budgeted at \$554,313.00 is already at 96% expenditure. Patrick explained to the Committee that this is the annual contract with Pennichuck and one purchase order was written for the year.

- C. The Revenue report dated August 31, 2013 was reviewed by the Committee. The revenue collected from backflow testing fees appears to be high at \$10,000 for two months when the anticipated revenue is \$30,000 for the year. Valerie stated that \$36.00 is charged per test, so perhaps there are other monies included in this revenue. This is to be checked out before the next meeting. *185 properties were billed the backflow test fee in July for a total of \$6660.00 and 97 properties were billed in August along with one retest for a total of \$3558.00. - dlss*
- D. The Pennichuck Water Works operation report for July 2013 was reviewed. The report states that 216 hydrants were painted in the month of July and the contractual requirement is 100 per year. Pat will follow up.

3. Old Business- Water Utility

- A. The Committee still intends to have a special meeting to discuss important water items. The meeting is now scheduled for October 2, 2013 at 5pm in the Board of Selectmen meeting room. The agenda will cover a review the Water Utility Policies and Procedures, the Draft Municipal Committee By-Laws, the water master plan and capital improvements along with discussion about funding these improvements.

Jeff, who authored the updates to the policies and drafted the by-laws, asked for comments and or corrections. Bill Abbott requested a definition be added for “curb stop” as mentioned on page 9 & 11 of the policies. Jeff replied that this is the valve on the service line at the property line. Bill also spotted a clerical error on page 17, first line, “*Bills*” should read “*Bills –*” to follow the format shown on other headings.

Jeff highlighted one of the major proposed changes to the policies. The owner would become responsible for all water bills and the current “billing to the tenant” would be discontinued. How this will be implemented still needs more review. Pat brought up the situation of tenants in a commercial or industrial building. Would the owner of those buildings be billed for the water? The Committee will take a close look at the different tenant/owner scenarios and the affect this proposed change would have on them.

Valerie and Patrick talked about checking the water utility policies of other Towns to see how they handle their billings. Val will check to see if the policies are on line and Patrick will speak to Pennichuck Water and look at the policies of Manchester and the Merrimack Village District.

Leo noted that paragraph C. on page 4 of the policies should be corrected from “*Water Utility Committee*” to “*Municipal Utility Committee*”. Leo also requested a correction be made to the By-Laws on page 1 under officers; second line should read in the month of “*May*” instead of “*January*”.

Bill also recommends a change in the By-Laws-page2- Agendas to read Preparation of agendas is the “*responsibility*” of the MUC instead of “*authority*”. Also in the b paragraph of Agendas, instead of “*mailed to the MUC membership*”, it should read “*forwarded to the membership, Town Engineer & Board of Selectman liaison*”. Bill further adds, paragraph 6- last page should be changed from “*show of hands*” to “*voice vote*”. Leo would like “*unless requested*” be included.

4. New Business – Water Utility

A. FY 2015 Budget-Water Utility

Steve Malizia plans to put together the budget and Patrick will work with him. Patrick recommends that \$49,000 – \$50,000 be appropriated for the water study and be included in line 5592-225 – Engineering fees. The “study” includes reviewing infrastructure, an update to the hydraulic model, evaluation of the capital improvement plan and asset management. The preference would be to get moving on this and find a place in this year’s budget to fund it. If that’s not possible, we may want to look at expending the cost in pieces over the next couple of years. There are other projects more important. Further discussion will be deferred to the next regular meeting.

- B. Bill explained the water and sewer profit and loss charts he created for the Committee. The Committee appreciated his efforts. Bill plans to send these charts electronically to Patrick.

5. Financial Status – Sewer Utility

- A. The cash flow report through July 31, 2013 was reviewed by the Committee. It was noticed that the report is missing amounts for expenditures. This may be because of the audit. It is expected that it will be updated in the next monthly report. - *It has since been found that water and sewer expenditures are now being paid out of the general fund. Reimbursement to the general fund will be in the form of single interfund checks from both the water fund and sewer fund covering multiple expenses and processed periodically.- dlss*
- B. The Expenditure report though August 31, 2013 was reviewed. The stone and sand line items in the 5562 account are already over expended because of a recent project.
- C. The Revenue report through August 31, 2013 was reviewed and it was noted that the figures are not updated. Again, possibly because of audit.

6. Old Business – Sewer Utility

- A. Balance of capacity – 37,965 gpd.

7. New Business – Sewer Utility

- A. FY2015 Budget – Sewer Utility

Some members of the Committee and staff, namely Bernie Manor, Robert Russell, Bill Abbott, Leo Bernard, Patrick Colburn and Donna Staffier-Sommers, met with some officials from the City of Nashua today to discuss their planned FY 2014 capital expenditures for the wastewater treatment plant. The Sewer Utility is responsible to share in the cost of these expenses at 12.58%. The meeting was scheduled in conjunction with our budget preparation for FY15. Whatever Nashua expends for these items in FY14, the Sewer Utility will be billed its share in FY15. New and current projects were explained and we left with a chart detailing costs and our anticipated billings. Based on that information, the Committee decided to appropriate \$360,000 to line 5564-624 – Nashua Sewer Treatment Plant. This includes approximately \$10,000 for our cost share of a study exploring a gain of additional sewer capacity.

Donna went over the 5561 – Sewer Billing & Collection budget. At the recommendation of the Finance Director, the audit expense was increased from \$2000 to \$2,200 and the interfund admin fees were increased from \$40,000 to \$44,000. Although the Investment expense line was over expended in FY13, she recommends leaving it at \$30,000.

The IT Director recommends increasing our software maintenance line from \$450 to \$1,000. There has been an increase in cost for the AutoCAD annual subscription because another license was added and we now have a better version.

The Highway Supervisor will have some sewer projects scheduled for FY 2015 to be listed under 5564 – Capital Projects. He plans to do Melendy Rd. to Central St. at a cost of \$25,500 and a section of Winnhaven Dr., near St. Mary's bank, at a cost of \$13,500. He says all other items will remain the same. We did notice that he increased the sand and stone lines moderately, along with reducing the large and small equipment lines.

The Board of Selectmen will be reviewing the Sewer and Water budgets on Tuesday, October 15, 2013 at 7pm in the BOS meeting room. Bernie and the Steve Malizia, the Town Administrator, will be the presenters.

8. Other

- A. The Committee discussed a letter received from the Town Administrator requesting that the Committee not “slow down” the movement of a large new project coming to Town. The Committee was a bit offended by the tone of the letter and feel that they normally process items given in an expedient manner.
- B. The Committee was given copies of letters sent to Water Utility customers who utilize a well but still have the use of Town water. It was discovered that these properties do not have back flow preventers installed on their wells to avoid cross contamination between private and public water supplies .
- C. Patrick will be bringing three acceptance applications to the Board of Selectmen to be heard at their next meeting. Included are both sewer and water acceptances for the second phase of the Oakridge Development and a water acceptance only for Christine Drive.

9. Closing Remarks

- Jeff inquired about the water shut offs this month. Valerie stated that the shut offs are scheduled for next week and they tend to be the same customers each month. The Committee may consider recommending an increase in the shut off fee for habitual offenders. Some good news, there has been a reduction in the number of shut offs. There were nine last month where previously there were 20 – 30.
- Jeff asked Patrick about the Route 102 to Londonderry water line project. There seems to be some rumored discontent. Patrick says that the original plan was changed to re route the line left onto West Rd instead of going straight on Route 102. Some abutters are not happy with that decision. The main factor for the re-route was cost, but this change also is easier for the builder and easier to install under the roadway.

Bernie Manor adjourned the meeting at 6:40pm. The next meeting is scheduled for October 16, 2013.

Donna Staffier-Sommers
Sewer Utility Administrative Aide