

SPECIAL PERSONNEL/ADMINISTRATIVE AFFAIRS COMMITTEE

JANUARY 21, 2021

A special meeting of the Personnel/Administrative Affairs Committee was held Thursday, January 21, 2021, at 7:00 p.m. in via teleconference.

Chairwoman Caron

As Chairman of the Personnel/Administrative Affairs Committee, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

We are utilizing Zoom and the meeting link can be found on the agenda as well as on the City's website.

You can also join by telephone by dialing: 1-929-205-6099; Meeting ID: 838 3894 6680 and Passcode: 801891. The Public may also view this meeting on Comcast Channel 16.

We previously gave notice to the public of the necessary information for accessing the meeting, through public postings. Instructions have also been provided on the City of Nashua's website at www.nashuanh.gov and publicly noticed at City Hall and the Nashua Public Library.

If anyone has a problem accessing the meeting via phone or Channel 16, please call 603-821-2049 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that all votes that are taken during this meeting shall be done by roll call vote.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

Alderman Kelly called the roll and asked them to state the reason he or she could not attend, confirmed that they could hear the proceedings, and stated who was present with him or her. The roll call was taken with 3 members of the Personnel/Administrative Affairs Committee present:

Chairman June M. Caron presided.

Members of the Committee present: Alderman-at-Large Ben Clemons, Vice Chair
Alderman-at-Large Shoshanna Kelly
Alderman Tom Lopez (arrived after roll call)

Members not in Attendance: Alderman Skip Cleaver

Also in Attendance:

Mayor Jim Donchess
Alderman Richard A. Dowd
Alderman-at-Large Lori Wilshire
Alderman Ernest Jette
Alderman Patricia Klee
Lisa Fauteux, Director of Public Works
Tim Cummings, Director of Economic Development
David G. Fredette, Treasurer/Tax Collector
Patricia Barry, Deputy Treasurer/Tax Collector
David Boucher, Wastewater Superintendent
John Griffin, CFO/Comptroller
Carolyn O'Connor, Finance Manager
Noelle Osborne, Plant Operations Supervisor

ROLL CALL

Alderman Clemons

Yes, I am sorry, can you hear me?

Alderwoman Kelly

I can.

Alderman Clemons

I had to disconnect and rejoin with my phone and the computer because I had a bad internet connection. So I am here, I am by myself and I can hear everyone.

Alderwoman Kelly

Thank you, Alderman Clemons. And myself, I am here, I am alone and I can hear everyone. Just making sure I didn't miss anyone. I am calling again to make sure I didn't miss Alderman Lopez or Alderman Cleaver.

Chairman Caron

And you missed me.

Alderwoman Kelly

I am going to ask you next, and I know our Chair is here. Is that quorum, there is just three of us?

Alderman Clemons

Yes.

Chairman Caron

Yes it should be. Alderman Caron is here, I am alone and I can hear everyone. Alderman Cleaver let me know that he was going to be unable to attend tonight's meeting. So we should be all set. Thank you.

Alderman Kelly

We have three members present, yes.

Chairman Caron

And we have some other members of the Board?

Alderman Kelly

We sure do; I see Alderman Dowd is with us, I thought I saw Alderman Wilshire. Aldermen Jette is here as well, Alderman Klee. That's it for Aldermen and then also in attendance we have Director Fauteux I see. I see Director Cummings; I am missing people I know.

Chairman Caron

Treasurer Fredette.

Alderman Kelly

Yep, see that now, Treasurer Fredette. Did I miss anyone?

Chairman Caron

David Boucher.

Alderman Kelly

It's so much easier when we are in a room.

Chairman Caron

I know.

Alderman Kelly

David Boucher and I believe the Mayor is also in attendance.

Chairman Caron

John Griffin?

Alderman Kelly

Oh there's so many people here.

Carolyn O'Connor, Finance Manager

Hi, this is Carolyn O'Connor, I'm the Finance Manager and John Griffin is having some trouble connecting.

Chairman Caron

Ok, thank you.

Alderman Kelly

Ok, thank you. I said Dan Hudson, right? I think that's everybody.

Chairman Caron

Alright so if we miss anyone they will tell us. OK now we will do public comment. Is there anyone out there that would like to speak concerning the two items that we will be bringing up this evening? Nobody?

Alderman Kelly

I don't see anyone, June.

PUBLIC COMMENT - None

COMMUNICATIONS

From: David G. Fredette, Treasurer/Tax Collector
Re: Deputy Treasurer/Deputy Tax Collector Appointment

There being no objection, Chairman Caron accepted the communication and placed it on file.

Without objection, Chairman Caron allowed for suspension of rules for a communication from CFO Griffin that was received after the agenda was prepared.

From: John Griffin, CFO/Comptroller
Re: Wastewater Rate Increase Questions

There being no objection, Chairman Caron accepted the communication and placed it on file.

INTERVIEWS

Office of Deputy Treasurer/Deputy Tax Collector

Patricia L. Barry
17 Spruce Street
Hudson, New Hampshire

Chairman Caron

Mr. Fredette our Treasurer/Tax Collector is here. So we will give him the microphone.

David Fredette, Treasurer/Tax Collector

Thank you, Madam Chair. Can you hear me?

Chairman Caron

Yes, we can.

Mr. Fredette

As many of you probably know Ruth Raswyk who is the Treasurer Deputy Tax Collector is retiring at the end of February after 45 years with the City. She is going to be greatly missed, of course. But she certainly deserves the next step in her life. A few months ago we advertised for the position. We created a team for the interviews; myself, John Griffin, CFO, Rose Evans, the Senior Financial Accountant Manager and Ruth Raswyck. We received around 18 or 20 applications; we interviewed quite a few people. We narrowed it down to three. We met all three in person; all the other interviews were done through Zoom. And it was unanimous selection of Patty Barry from the Town of Hudson. I think you have her resume. Patty has been the Town Clerk/Tax Collector in Hudson for over 14 years. She has a lot of good experience and I am personally very happy that she decided to take the position. We all are. And Patty is with us tonight to answer any questions that the Personnel Committee might have. But I'll stop it right there unless somebody has questions for me.

Chairman Caron

OK so why don't we have Ms. Barry speak, give us a little background and then if the Committee has any questions we will let them ask at that point in time. Ms. Barry?

Patricia L. Barry

Good evening and thank you for having me tonight. As David said I have been the Town Clerk Tax Collector for Hudson for 14 years. I was employed by Hudson for 18 total. I've always loved my job as Town Clerk / Tax Collector. I always loved the tax collection financial side of it more than the Town Clerk side. This position gives me the opportunity to move away from elections and focus on the part of the job that I love doing the most. And I am very appreciative of David's offer.

Chairman Caron

OK thank you. Any of the Committee Members have any questions for Ms. Barry?

Mr. Fredette

Madam Chair, I should mention that the Mayor has met Patty also.

Chairman Caron

OK thank you for that. Anyone? Any Alderman that's not on the Committee that has a question?

Alderman Clemons

Madam Chair?

Alderman Shoshanna Kelly

I'm sorry I might have missed Ben, did you have your hand raised?

Alderman Clemons

Yes, I do. I'm sorry.

Chairman Caron

Alderman Clemons.

Alderman Clemons

So I just want to make a comment. I really appreciate the fact that you applied for the position. I read your resume and you certainly have a great background, lots of municipal experience and going over from really both sides so you understand how Government works from an election standpoint, from a record keeping standpoint and so I think that will help you even in this position. You come with the best person to recommend you for a job like this, Mr. Fredette. So I have full confidence, if he's giving you a thumbs up, you're getting a thumbs up from me too. So congratulations and I certainly will support your appointment.

Ms. Barry

Thank you, I appreciate that.

Chairman Caron

Thank you, Alderman Clemons. Anyone else? I would like to echo – oh I'm sorry go ahead.

Alderwoman Kelly

I was just making sure I didn't miss anyone and I was going to make a comment; but you go first please.

Chairman Caron

OK I just wanted to say I echo Alderman Clemons' comments to you, Ms. Barry because if you have gotten the thumbs up from both Mr. Fredette and Ms. Raswyck then you are going to be a big asset to the City of Nashua in the Tax Collector's Office. So we want to hopefully welcome you aboard. Obviously we will take up your nomination later on in this meeting. But thank you for coming in and we look forward to working with you.

Ms. Barry

Thank you very much.

Chairman Caron

Alderwoman Kelly.

Alderwoman Kelly

You covered It all, Alderman Caron. I just wanted to say congratulations. Coming to the forefront of 18 people and obviously everyone here is excited to bring you into the Nashua Government and I look forward to seeing you there.

Ms. Barry

Thank you. Thank you. You know, I recognize that Ruth being there for 45 years, that's some big shoes to fill and I am excited to tackle that challenge. So I appreciate it, thank you.

Chairman Caron

You're welcome. If there's nothing else, Madam Clerk, we will go on to Applications to License, Hawkers, Peddlers, Vendor's License?

APPLICATION TO LICENSE HAWKER'S, PEDDLER'S, ITINERANT VENDOR'S LICENSE - NoneAPPOINTMENTS BY THE BOARD OF ALDERMEN**MOTION BY ALDERMAN CLEMONS TO RECOMMEND THE FOLLOWING CONFIRMATION NEW APPOINTMENT PATRICIA L. BARRY TO THE OFFICE OF DEPUTY TREASURER/DEPUTY TAX COLLECTOR WITH AN INDEFINITE TERM TO NOT EXPIRE, BY ROLL CALL.**

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Caron, Alderman Clemons, Alderwoman Kelly	3
Nay:	0

MOTION CARRIEDUNFINISHED BUSINESS - NoneNEW BUSINESS – RESOLUTIONS - NoneNEW BUSINESS – ORDINANCES - NoneTABLED IN COMMITTEE**R-20-021**

Endorsers: Mayor Jim Donchess
Alderman-at-Large Michael B. O'Brien
Alderman Patricia Klee
Alderman Thomas Lopez
Alderman-at-Large David C. Tencza
Alderman Jan Schmidt
Alderman Skip Cleaver
Alderwoman Linda Harriott-Gathright

ESTABLISHING AN INFORMATION TECHNOLOGY STUDY COMMITTEE

- tabled at 6-1-20 mtg

O-20-010

Endorsers: Alderman-at-Large David C. Tencza
Alderman Thomas Lopez
Alderman Patricia Klee
Alderman-at-Large Lori Wilshire

CLARIFYING THAT COIN DEALERS ARE NOT SECONDHAND DEALERS

- tabled at 3-2-20 mtg

O-20-032

Endorsers: Alderman-at-Large Brandon Laws
Alderman Thomas Lopez
Alderman Jan Schmidt
Alderman Skip Cleaver
Alderwoman-at-Large Shoshanna Kelly
Alderwoman Elizabeth Lu

REDUCING THE FINE FOR OVERNIGHT PARKING VIOLATIONS

- Tabled at 10/28/20 meeting held jointly with Cte on Infrastructure
O-20-40
 Endorser: Mayor Jim Donchess
INCREASING SEWER USE FEES RATES AND CHARGES
- Tabled at 01/04/21 meeting for further discussion

MOTION BY ALDERWOMAN KELLY TO TAKE FROM THE TABLE O-20-040 BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea:	Alderman Caron, Alderman Clemons, Alderman Kelly	3
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Nay:		0
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MOTION CARRIED

O-20-40

Endorser: Mayor Jim Donchess

INCREASING SEWER USE FEES RATES AND CHARGES

MOTION BY ALDERWOMAN KELLY TO RECOMMEND FINAL PASSAGE BY ROLL CALL

ON THE QUESTION

Mr. Fredette

Madam Chair?

Chairman Caron

I'm sorry, yeah?

Mr. Fredette

It's Dave Fredette, if you don't mind, I think Patty and I will skip the part on the Sewer Fee Increase.

Chairman Caron

Yes, you may, I'm sorry.

Mr. Fredette

That's OK. Thank you very much for your time.

Chairman Caron

You're welcome, thank you.

Ms. Barry

Thank you.

Chairman Caron

OK so I know there are several people from DPW there and Mayor I understand you are there, did you want to speak first concerning the questions that the Committee has?

Mayor Donchess

Yes, Madam Chair. I thought I would briefly give you an overview of the subject and then let Director Fauteux begin with a presentation.

Chairman Caron

OK thank you. Go ahead Mayor.

Mayor Donchess

Well the Wastewater Fund, as you know helps, it pays for the Sewage Treatment Plant, its operations, improvements required and also the entire sewer system. The sewers we have all over the City, their replacements, their repair and everything associated with that. Now we currently are in – “we” the City, Public Works, the Wastewater Treatment Plant, is in the process of trying to finalize a permit for the operation of the Sewer Plant, the Wastewater Plant. And, of course, that has been pending for over 2 years now, about 2 ½ years. And as these discussions have continued, we had hoped to get the final permit long before now. But as these discussions have continued, the EPA and DES, the State Department of Environmental Services, have increasingly raised issues which the City is trying to address.

But we are certainly under pressure from them to make certain improvements. Now just as background, some years ago, way before Director Fauteux or me and most of the members here, the City made the decision to try to avoid separation of storm and sewers in the inner neighborhoods of the City where we have a combined system by developing a so-called “wet water approach” which basically stores storm water and a huge holding tank and then waits for the storm to be over and releases it more gradually into the river so that it can be treated. It may have been a mistake to try to undertake this because this was a project that cost tens of millions of dollars and in the end we may be under pressure to separate anyway. But that still remains to be seen.

Manchester did make the decision to separate and there could be problems related to separation which we could discuss that would not be created by the approach we took. So it’s kind of, you know, it’s unclear whether the City really made the right decision or not. But we are clearly under pressure from the EPA regarding these issues. So we need to, and we have a lot of improvements that are going to be required to be made and that are being made, mandated by our permit, by a consent decree with the EPA, mandated by the potential of another EPA Enforcement Action. I mean there are various things that could happen but we need to continue to make substantial improvements.

Now Mr. Boucher has done a great job in the time that he’s been at the plant; he knows a lot about it. He’s doing a very good running it but it was allowed to fall into a very sad state of disrepair, that was discovered during Mayor Lozeau’s administration and she and some Aldermen acted very aggressively to begin the repairs. But the repairs are on-going and expensive. Now DES, the State Environmental Agency has pointed out something that they feel is a serious deficiency with respect to our efforts. They believe that our sewer fees are far too low and they point out that, and you’ll see this in the presentation, they point out that they are far, far less than other communities around Southern New Hampshire. And they believe if we are going to make the improvements that they are going to require, that the current sewer rates will not be sufficient to meet their expectations.

Number two – there is a Federal Law which as we understand it includes a recommendation, not a mandate, but still a Law that makes the recommendation, that a certain level of reserves be on hand in any Wastewater Enterprise Fund such as ours. The number is definitely way into the millions, meaning that we should have that much on hand which we do not have in case there is a big emergency. So there is the proposal to increase the sewer fees to get closer but not equal to the other communities that the DES and EPA have pointed out have more adequate fees in their view. This would get us part-way there. And also to meet the needs or the improvements that are required to be made. And Mr. Boucher is going to be detailing much of that and telling you about, you know, more I think understandable way than you heard last time about what the various improvements are and how much they might cost.

So if we didn't pass this, the whole system would go into deficit which is not where you want your sewer system to be. If this ever stopped working or was somehow, it's functionality was impaired either through a disaster or some kind or through EPA action or something like that, the entire City would shut down without a sewer system. So this is clearly something we need to take good care of. With that, I will give you, I think that gives you an overview, some of these points will be elaborated upon by our presentation. But with that, I will give your Director Fauteux, who is going to take you through the presentation and also Mr. Boucher and others that are knowledgeable about various aspects of it.

Lisa Fauteux, Director of Public Works

Thank you Mayor. Good evening, Mayor, President Wilshire, Madam Chair and Committee Members. With me this evening is Dave Boucher, our Wastewater Superintendent; Noelle Osborne, our Plant Operations Supervisor, Dan Hudson, our City Engineer, Frank Ayotte, who is our consultant from Hazen and Sawyer and John Griffin, CFO and Carolyn O'Connor our Finance & Administration Manager.

We have a presentation for you this evening that we believe will answer your questions and address your concerns. And with that I am going to turn it over to Dave Boucher who will begin the presentation.

David Boucher, Wastewater Superintendent

OK Good Evening everybody. I am David Boucher, the Wastewater Superintendent. In the first part of the presentation I will be giving a general overview of the Wastewater Department which will include a picture tour through the treatment process. And also on some of the slides we have included dates of last upgrades and also project costs. So as we go through these slides, I'll be describing the pictures that are in them. So we will go the next slide.

So the Wastewater Facility sits on 28 acres located off Sawmill Road. The purpose is to collect and treat wastewater. We serve approximately 89,000 residents in the City of Nashua and we also service the Town of Hudson, parts of Merrimack, Tyngsboro, Mass. Our goal is to deliver clean, clear water into the Merrimack. Also outside the treatment facility we also maintain the collection system which includes 446 miles of sewer mains and interceptors. We have 13 pump stations we manage; 9 combined sewer overflow structures and 8 syphon chambers. Go to the next slide.

So these are two pump stations we recently upgraded on National Street and Watson Street. So we are near completion on six of the pump stations; we still have 7 left to upgrade. Some of the upgrades include relocating pumps above ground when possible, we have also updated controls and alarms and added second pumps for redundancies to avoid sewage backing up into the streets and possibly homes. Go to the next slide.

So this is just history of major expansions at the Wastewater Treatment Facility. So in 1959 the first Wastewater Tanks were installed. In 1974 the Facility expanded after the implementation of the Clean Water Act in 1972. In 1989 a secondary treatment process was built to meet more stringent discharge regulations and that would be the large circular tanks and rectangular tanks at the bottom of the picture. In 2001 an anaerobic digestion complex was installed, the method to treat and reduce the volume of sludge that would be located in the upper right hand corner of the picture. In 2009 the Wet Weather

Facility was built to treat additional storm water flows and it activates when the main facility reaches the maximum flow of 50 million gallons. So this Facility can treat up to 60 million gallons. The Main Facility has a design flow of 16 million gallons per day and our overall facility, which includes the Wet Weather Facility, has a peak design flow of 110 million gallons a day. Currently, our average flow is around 12 million gallons a day. The total flow is 4,611 billion gallons per year. We also take in 800,000 gallons roughly per year of septic tank waste from Nashua and Hudson residents.

So this is the beginning of the tour through the treatment process. All of the flow from the City passes through these mechanical bar screens here in the picture. So this equipment removes large debris from Wastewater two stories below grade and brings it to ground level for disposal. This process is essential, it protects downstream equipment and it maintains flow through the facility. Go to the next slide.

So once the flow passes through the screens, it is pumped to a higher elevation through raw sewage pumps for further processing. So a failure of these pumps would cause sewage to back up into the City so it is essential that these remain well-maintained. Go to the next slide.

The flow then passes through the grit process, where sand and other inorganics are removed, they are washed through the automated system pictured on the right and then it is shipped off site. Next slide? So after the grit removal process, the flow passes through the primary clarifiers where some organic sludge and grease is removed for further processing. So this upgrade is near completion and it consists of bringing electrical controls above ground, replacing all the aged mechanical infrastructure and all the tanks and making structural tank modifications for improved treatment. Next slide.

The next process is aeration where microbiological life further treats the wastewater. So this process requires a constant supply of air using high efficiency blowers and a sophisticated computer programming control system. Go to the next slide. And after aeration, the solids settle out and the secondary clarifiers, these tanks here, and are removed for further processing. So in the background of this picture is our pump building which has two stories below ground, it houses 7 sludge pumps and 7 chlorine disinfection pumps as well. Go to the next slide.

So the clear liquid that leaves the secondary clarifier flows to the chlorine contact chambers where chlorine is added for disinfection and sodium bisulfate is added to remove the residual chlorine prior to discharging to the Merrimack River which is kind of located beyond the tree line in the background. The building to the right is the sodium bisulfate storage and pumping building. And the little blue building is where we sample to meet regulations before it is discharged to the river. Ok, the next slide?

So all the sludge collected from previous processes are sent to the anaerobic digester, which it is mixed and heated at 100 degrees Fahrenheit. So a byproduct of this product is methane gas or biogas which is stored in a tank pictured to the right. We recently did a project, we coated the inside and the outside of this tank and we replaced the rubber diaphragm on the inside of the tank. Any excess gas is burned off in the flare shown in the picture and we do have an air permit for the release of the emissions from this flare. Go to the next slide.

Our energy recovery facility upgrade is also near completion. This facility will blend the natural gas we receive from the street and biogas created on site through the blending skid seen on the picture on the left. And it will fuel the generators seen in the picture on the right. So when this is complete, this project will result in energy cost savings and will power the entire digester complex. Next slide?

So once the sludge leaves the digester complex, it is sent through these incline screw presses to remove any excess water before it is trucked off site for beneficial reuse on farm land. So when the sludge leaves the facility it is leaving as a certified class B Biosolid. Next slide?

The Water Booster Station houses and controls, I'm sorry it houses pumps and controls. It boosts the City Water Pressure to levels that all our processes within the facility require. So this is also a recent project that we had. It brought all of the equipment from below ground to above ground in a precast

climate controlled building. This was done to resolve past equipment failures and corrosion issues. So this was also done to stay in compliance with water regulations as well. Next slide.

So as mentioned earlier, the Wet Weather Facility can treat up to 60 million gallons. A recent upgrade in this facility was the addition of two mechanical bar screens and one of them is shown in the right hand side. So these operate similar to the ones I showed at the beginning of the presentation. The investment into this equipment will maximize the flows through this facility and in turn minimize the potential discharge for CSO discharge points out in the streets. Next slide.

So this is a picture of our screening disinfection facility; it is located off Bancroft Street. It's also known as our CSO Site Number 14. This is one of our more sophisticated CSO Sites that we maintain. The building includes automated controls, pumps and chemical storage. So that was kind of a quick snapshot of a lot of our assets. At this point, I am going to turn it over to our Operation Supervisor, Noelle Osborne, she'll take the next few slides.

Noelle Osborne, Operation Supervisor, Wastewater

Thanks Dave. I am Noelle Osborne, Operation Supervisor for Wastewater. What you will notice from my few slides is the complexity of the plant that we just saw through Dave's presentation is definitely mirrored by the complexity of the regulations that we are under. I am going to take you through the permits first. The first one is the NPDES Permit, that's the National Pollutant Discharge Elimination System. This one is issued by the United States EPA but includes State standards as New Hampshire has limitations that are stricter than the EPA's. This is our all-encompassing permit, it reflects site-specific conditions, so it is specific to Nashua and allows us to discharge into the Merrimack River. It regulates the process through the facility what we discharge from the facility as well as the biosolid produced; the management of the collection system and the discharges from our combined sewer overflows.

The next one is the New Hampshire SQC, that's the Sludge Quality Certification and while the NPDES Permit does regulate the basics of our biosolid production, we applied for and were granted additional qualifications for our biosolids, giving us that Class B Status that Dave mentioned earlier. This means that we have additional processes that we have to undergo and testing requirements. But in the end it grants us the ability to beneficially re-use the product in land application. That allows us to reclaim the non-renewable resources in the biosolids such as phosphorus and it is a benefit to the landowners. The Mass AOS, Massachusetts Application of Suitability is essentially the same as the New Hampshire SQC but allows us to also land apply in Massachusetts. So they are two separate regulations.

Air permit – Through the New Hampshire Department of Environmental Services, we have onsite three large emergency generators as the facility must continue to run even when there's no facility from the main grid; two energy recovery generators which are still under construction but we hope to have operational soon; and multiple odors control units that help to remove pollutants called (inaudible) from the air; as well as that flame that you saw earlier from Dave's presentation. All of the discharges from these, all the emissions are regulated through this air permit and require monthly and annual inspections; testing report and a lot of upkeep and maintenance. AST and UST Certifications, it is above and underground storage tank. Each of the three emergency generators require large quantities of fuel to be on hand at all time. These are stored in both the above and underground storage tanks onsite and those require regular inspections and maintenance.

The MSGP, Multi-Sector General Permit – The Wastewater facility, due to the nature of the equipment that we have onsite and the large footprint is considered an industrial site through that MSGP, that permit. It has its own storm water collection system as well as three outflows and those are all regulated under this MSGP Permit and require testing, inspection and reporting. MS4, NPDES Phase II that is the Municipal Separate Storm Sewer System; so this is the permit that regulates the storm water collection system throughout the City of Nashua. It includes things like reducing inflow and infiltration as well as storm water treatment, testing and reporting.

And then the Hazardous Waste SQG and RCRA, Small Quantity Generator and Resource Conservation and Recovery Act. So the facility does produce a small amount of hazardous waste in the laboratory as biproducts to test perform and this Certification just lets the State know that we produce this. We have the training to manage it and we report it to them.

The Governing Documents – So within the permits are requirements to create governing documents. These documents are written for the City of Nashua either internally or through a consultant and are specific to our needs and abilities to accomplish tasks. The first one is the Collection System O&M through the CMOM the Capacity Management Operation and Maintenance section of the NHDES Permit. We are required to determine specific achievable goals for the management of the collection system. For example, how many linear feet we intend to video of the sewers annually. What is our Standard Operation Procedure for cleaning the sewer and a potential replacement schedule for areas that have been failing. Again, we write this so we can tailor it to what we believe to be economically feasible. However, the EPA and DES have final approvals on whether or not they believe it to be enough.

The Long-term Control Plan/Integrated Plan is through the CMOM, the NHDES Permit and the MS4 permit and this looks ahead; what are we going to do moving forward for long-term control of CSO's as well as storm water management. The Consent Decree through NHDES but separate it is a legal document issued by the EPA specifically requiring us to take additional steps towards long-term control of the CSO's. Our last Consent Decree was from 2003 and was the specific driver for projects like the screening and disinfection facility, the wet weather treatment facility, the Harbor Ave. sewer separation as well as many others. We expect to see another following the completion of this one. Post construction monitoring plan, PCMP – this is one of the final stages of that existing Consent Decree. It was written by Nashua as a way to measure the effectiveness of the projects completed for the CSO long-term control. And we have been waiting to kick off the PCMP following the completion of several city-wide projects.

Storm water Management Plan is a requirement of MS4 Permit and it is a plan for the mitigation of storm water pollution. It looks forward at different projects, cleaning schedules on catch basins and other structures, green infrastructure and more. The Illicit Discharge Detection and Elimination program is another MS4 requirement providing a plan for looking for illegal connections of storm water to our system and removing them. NOI is the Notice of Intent; these are just documents used to declare Nashua's intention to comply to the specific general permits such as the MS4 and MSGP. The S Study or PPP – Storm Water Pollution Prevention Plan. This is through the MSGP and is written for the Wastewater Facility Site. It includes inspection requirements, testing, education, and training requirements. And then the SPCC, the Spill Prevention Control & Countermeasure plans, this is through the ASTUST Certifications as well as USEPA Requirements and is necessary of any facility that has the capability of leaking large quantities of oil or fuel to the storm water system and eventually to the river. Because of the quantity of the fuel onsite for the emergency generators, we fall into this category. This, again, has inspections, reports, tests and maintenance requirements.

So what I want to look at next is that letter that Director Fauteux received from Director O'Donovan, he's the Water Director at NH DES. And we wanted to highlight a couple of lines from his letter for you. One of the most important things a utility can do is to ensure its long-term financial and infrastructure sustainability. Nashua still has much work to do to address its remaining CSO's which will prompt EPA to issue new enforcement action. Nashua will receive a new NHDES Permit in the next few years potentially requiring additional upgrades to Nashua's Wastewater Treatment Facility to ensure the reduction of pollutants entering the Merrimack River. New Hampshire DES's rates and sustainability performance dashboard clearly shows that Nashua's current sewer rates are significantly lower, in fact, almost 50% than the State average and median. Nashua is in the red, meaning that Nashua's current rates are not sufficient to cover the cost of operations. Next slide, thank you.

Nashua's current rates are significantly lower than one would expect for a community of Nashua's size and infrastructure. New Hampshire DES realizes it is never a good time to raise rates but it is less expensive to invest in infrastructure today than it will be tomorrow. At this point, I am going to turn the presentation over to Frank Ayotte of Hazen & Sawyer.

Alderwoman Kelly

Mr. Ayotte, you are on mute.

Frank Ayotte, Hazen & Sawyer Sorry about that, can you hear me now?

Alderwoman Kelly

Yes.

Mr. Ayotte OK, thank you. Over the next 6 slides, I am going to talk a little bit about the planned future major capital expenditures required to protect public health in the City. Then we are going to compare Nashua's residential sewer rates with select cities and see how they compare. I am going to go over the proposed increases from 2021 through 2023; discuss the affordability metrics as outlined by Environmental Protection Agency for the lowest quintile of household in the City of Nashua. And lastly discuss what planning efforts the City will be undertaking to plan for future capital investments and the development through an integrated planning framework and the development of a dynamic sewer rate model.

With that, let's get right into it. I had presented this slide on previous presentations and I've updated it a little bit. In a prior presentation we had about \$52 million of upcoming capital investments over the next 5 years. And since then we have identified additional projects that'll be happening over the next 5 to 15 years depending on how these are scheduled. But it's over \$85 million dollars in upcoming capital investments. And they are all bolded as you can see on the slide. There are significant investments in the City's Wastewater Infrastructure and I can't express enough that these projects, these expenditures are required to replace the aging equipment and infrastructure and keep the City in compliance with the Environmental permits and avoid costly fines for permit violations as a result of failed infrastructure. Any permit violations, if you don't keep up with this planned infrastructure, you run the risk of fines and that is just throwing cash out the windows. Next slide please.

So how does Nashua's residential rates compare with its neighboring cities? In comparison based on 2020 rates based on an average water consumption of 20CCF, you can see that the household quarterly bill for Nashua as compared to Manchester, Concord, Keene, Portsmouth, Salem, NH and even Lowell, Massachusetts is significantly lower than those peer cities. The average quarterly bill for all the cities not including Nashua; \$142.93; and the 2018 NH State Average quarterly bill, \$169.61. Next slide please. So the proposed sewer increases through 2021 through 2023, it sounds like a large increase when we say a 20% increase and followed by a 15% increase. But the incremental dollar values are not that significant. If you look at the 2020 quarterly bill it is \$79.14; for 2021 that would increase to \$94.97, about \$15.00 or so. From there on \$94.98 to \$109.22 and then no increase in 2023. Again I have some notes at the bottom of the slide that the quarterly bill for comparison cities is much higher than that in 2020 as compared to the 2023 rate at \$109.22 that Nashua is proposing. It is still well below the 2018 rate.

So let's consider it affordable. The EPA considers affordability or has an affordability metric of 2% of the household income as regarded in the lowest quintile of residents. So as you can see, the lowest household income earners in the 20th percentile you see in the 2020 is in dark blue, 2021 is in teal, 2022 and 2023 is in green and orange. And you can see even in the 2022 and 2023 at 1.4% is still lower than the 2% affordability metric that the EPA uses as a metric in the lowest household income earners. Next slide please?

So I believe Alderman Dowd had asked this question about planning in our last meeting. So what is the City doing to plan future improvements and how is that going to work in the future? Well Nashua has currently developed what is called an Integrated Planning Framework and a Dynamic Sewer Rate Model to comply with its Consent Decree with the USEPA. And what that does is the Integrated Planning Framework is an approved planning framework by the EPA that allows the City to prioritize its capital projects that best address its most pressing system needs as determined by Nashua using City-developed criteria. So it will include the Wastewater Projects, Long-term Controlled Planning Capital Projects that are yet to be determined, it'll be linked to a Dynamic Sewer Rate Model that is being developed by the City with our assistance. And it will allow the City to defer capital projects that are determined to confer fewer benefits for similar investment costs.

So the idea would be to spread these future capital projects, do the ones that are the most pressing, most bang for the bucks up front and spread the others out over time so that you are not seeing large fluctuations in the sewer rate from year to year. The idea is to smooth that cost curve such that you could say apply a cost of living on a year to year basis and hopefully be able to fund all your capital projects well into the future. Next slide please.

So just to conclude what I've said, planned rate increases cover the cost to finance the capital investments that are required to comply by these regulatory permits and avoid costly fines due to violations. With respect to the City's rates, the sewer charges in 2023 are still significantly lower than the peer utility charges in 2020 and are well below the 2018 NH State Average. By the EPA's metric's Nashua's rates are still considered affordable by the 2% affordability metric rule. And with respect to planning, Nashua is developing this integrated planning framework to further reduce rate impacts on its constituents. And this planning initiative will include all the capital projects relating to the Wastewater Infrastructure and long-term control planning process into a dynamic sewer rate model to accurately forecast future rates. Thanks.

Chairman Caron

OK, anyone else of the group that has anything else to say?

Director Fauteux

Yes, Alderman Caron. I believe CFO Griffin has a couple of slides to present as well.

Chairman Caron

OK, thank you. CFO Griffin? I think he's muted. Is there anyone there that can speak on behalf of Mr. Griffin?

Director Fauteux

Carolyn O'Connor do you feel comfortable speaking to his?

Ms. O'Connor

Yeah I was muted sorry. You need to unmute him, can you try unmuting him; otherwise I could speak to this.

John Griffin, CFO

Hello?

Chairman Caron

Yes, we can hear you.

Mr. Griffin

Technology, sorry, I apologize Madam Chairman. My hotspot I was not able to connect but if you can hear me I can proceed, thank you very much.

Chairman Caron

You're welcome.

Mr. Griffin

So as we discussed the last time and it was kind of hard to kind of visualize, I developed three options. One would be a January 1st increase; second would be the April 1st increase; and the third would be the July 1st increase. As you can see, Fiscal '21 end of year, the only that provides a positive balance is option one and it's about a \$718,000.00 difference between each option. So if we take the \$1.4 million expected in Fiscal '21 we'd end up with a \$470,000.00 balance if everything worked according to this plan. If you put it in in April, it would be \$247,000.00 and then in July it would \$965 negative balance.

As Mr. Ayotte indicated, and others, the difference in magnitude on the annual bill is \$15.83. So that's the first analysis and if we want to put up the second analysis I can go through that as well. I'm not seeing it on the screen, I actually have it through my internet.

Chairman Caron

We see it on the screen.

Mr. Griffin

So the second one, the larger analysis.

Chairman Caron

Yeah.

Mr. Griffin

Wastewater Fund Balance Analysis to Target?

Chairman Caron

Yes.

Mr. Griffin

As was described, it generally is a balance that is retained in the Wastewater Fund and the source of America's Water Infrastructure Act dated October 2018 that calls for four months of operating expenditures, 25% of capital costs. So as you can see in Fiscal '21 for the balance of slightly less than a half a million, we are about \$11 million shy of that target. It's not meant to be absolute but it does show that our methodology of increasing rates when we actually need them, in this case, we are very close to zero, which would leave us \$12 million dollar shy of the target.

As you go forward to the right the 20% increase in January of 2021 and the 15% increase in January '22 that is going to shave that deficit in half, bringing the number down of about \$6 million, \$5.965. And as Alderman Clemons indicated the last time pursuing maybe an annual increase. I am showing with no increase the degradation of the balance for '23, '24, '25. I've done some modeling and what would be needed is 6% in '23; 4% in '24 and 4% in '25 to get those numbers close to the target. I'm not sure if there's an appetite for that, but that's basically how the model would work. And as I mentioned, we haven't gone below zero since '08/'09. But there should be more than \$1 million in the fund balance as we had towards sustainability and stability. And that's what I have at this point. And I answered some of the questions in collaboration with others, so if there's any questions on the question responses, I'd be more than happy to talk to it. Thank you.

Chairman Caron

OK so would I assume that's the end of the presentation?

Director Fauteux

Yes, it is.

Chairman Caron

OK. Do I have questions from any member of the Committee?

Alderwoman Kelly

Alderman Clemons has his hand up.

Alderman Lopez

I do too.

Chairman Caron

Alderman Clemons.

Alderman Kelly

OH and Alderman Lopez has joined us.

Chairman Caron

Alderman Clemons you are first.

Alderman Clemons

Thank you.

Chairman Caron

You're welcome.

Alderman Clemons

So if you don't mind, if we could put that last graphic back up if that's OK.

Chairman Caron

Certainly, if we can. Mr. Griffin?

Mr. Griffin

That would be my colleague Diane Thibodeau would be putting that slide up. I don't have any connectivity, thank you.

Chairman Caron

Ok.

Alderman Clemons

OK here it comes.

Chairman Caron

Why don't you ask – ok she's working on it. Why don't you ask your question Alderman Clemons while she's putting it up on the screen.

Alderman Clemons

Mr. Griffin, this assumes the 20% and the 15% increase January 1st and then in Fiscal Year '23, as far as that target amount, we'd be about \$141,000.00 beneath that.

Mr. Griffin

That's correct.

Alderman Clemons

And what I want to understand and just be clear is you are saying as of Fiscal '23 if we were to do a 6%, 4% and 4% at least as far as you can project right now, that would keep that balance around that even mark, around that 141?

Mr. Griffin

Yes in some cases it is slightly more than, so it feeds off the target Wastewater Fund Balance, Total Wastewater Fund Balance Target. So in '23 we are \$141 short of the \$8.3 million and then the 94 we would be close to it is what I am saying because there is no increases in '23 and '24. It starts losing its balance, its fund balance.

Alderman Clemons

Right but you are saying if we were to do smaller increases at that point, that it wouldn't do that, correct?

Mr. Griffin

Correct, that's correct; the 6%, 4%, and 4% as Mr. Ayotte indicated to the extent the model was more sophisticated than we are currently using, because he mentioned there might be abilities to defer certain capital expenses that are currently being funded in the model that we distributed but may not need to be funded in that short a time period. The answers to your questions are correct.

Alderman Clemons

That answered my question perfectly and so basically from what I can tell here and this is one man's opinion but if we take a little pain in '21 and '22 with the 20% and the 15% we can get to a point in 2023 where we can have minimal increases and not these over the top gut punches. I think that's a better goal for us. I think that's a better goal for the City because I think it puts us in a better place where we can budget this year to year, know where we are at, have a good balance in there. And like you said, if we can find even more efficiencies and things like that maybe those rates won't even be the 6% and the 4% or whatever but to me that's the way to go. Although nobody wants a 20% increase, I certainly tend – we have got to get to the point where we are able to do this sustainably. So I can understand the need to get there and we've got to do what we've got to do. So thank you Mr. Griffin, that was the information that I was looking for.

Mr. Griffin

You're welcome.

Chairman Caron

OK, anyone else from the Committee?

Alderman Lopez

Me. Alderman Lopez.

Chairman Caron

OK, you're here. Go ahead.

Alderman Lopez

Well first I guess a comment. Earlier it was said that the rate increase wasn't that much when you look at the total bill. And I think that the rate increase is significant, but I agree that the total bill is not going to be the largest hit to people's pocketbook/wallet whatever. But I do think we need to be conscious of the fact that people are in a time of economic uncertainty and that they are going to be very, very sensitive to any kind of increases like this. So I can see the value of trying to reduce the curve and, in fact, I appreciate that. I think with the solid waste fees we've talked about in the past, we have advocated for doing more incremental increases instead of sudden every two or three years a large increase. I think the case has definitely been made very effectively by DPW that our Wastewater Treatment Services are very comprehensive, that we get a lot of bang for our buck. But I think it's also worth noting that while our Wastewater Treatment fees are much lower than the average for the region, there are a lot of other expenses in Nashua that were higher such as the average rent rate. And these costs will likely be passed down in some form or the other. So those are things we have to be conscious of.

But going back to that economic uncertainty, a lot of that is coming from COVID-19, a lot of that is coming from periods of reduced employment or reduced income, that we are taking comprehensive national steps right now to ameliorate the pandemic and ideally to intervene before another one comes forward. There are resources for people that are available. My question is really just to confirm the obvious that this would constitute a utilities payment and would be eligible for assistance for people who aren't able to reach this or maybe the Wastewater Treatment Fee in combination with other expenses might be something that they need to be looking at. They can apply for utility assistance on those grounds. Director Fauteux, is this typically billed as a utility?

Director Fauteux

I don't know the answer to your question Alderman Lopez. I'm not sure if CFO Griffin or the Mayor know the answer to that but I am not sure if there's assistance available.

OVERLAPPING CONVERSATION

Alderman Lopez

I am just asking for confirmation that this is classified as a utility?

Director Fauteux

Yes it is, yes, sorry yes it is.

Alderman Lopez

I do take it for granted that as a social worker I'm constantly finding these programs but there are COVID relief programs for utility assistance particularly and for anybody that is behind on rent. So that's probably something that if somebody is watching this and wants more information on, you could approach our City Welfare Department on or check their website because there is information on there.

So I am sensitive to the needs of Wastewater Treatment and to be honest I'd rather use the opportunity to put revenue in our own contingency funding than to put it into someone's bank for a fine so I am in favor of this as well. It looks like a lot when it's printed on paper because the rate increase is but the ultimate bill and what you are getting is below the competitive rates around the State and I think there's definitely a well stated case here for it.

Chairman Caron

Ok, thank you Alderman Lopez. Is there anyone else from the Committee that has a question? Ok anyone who is from the Board who has any questions, would you raise your hand and let Alderwoman Kelly see?

Alderwoman Kelly

Alderman Dowd has his hand up.

Chairman Caron

OK, Alderman Dowd.

Alderman Dowd

I just wanted to say that was an excellent presentation, it answered a lot of the questions that I had relative to the infrastructure plan and also the expenditures that are outlined are all legitimate and necessary. It looks like the rate increases are necessary. In discussions with CFO Griffin, from a marketing perspective it makes a lot more sense when we are presenting this to the public. Instead of saying it's a 20% increase using the \$15.00 a quarter or \$60.00 a year, it's more palatable to people when you present it that way. Because the minute you mention 20% they are going to tie it to other things and cause a lot of undue concern.

I think at the same time you want to present, when it gets out in the public and hopefully the Union Leader can help us with that regard and possibly the Telegraph, that if we show the rates of the other cities as was shown in your presentation, it also makes it a lot more palatable to people. So the original

concern was the fact that we were signing this fee increase a couple days after its affect and catching people, particularly condo associations, after their budgets for the year had been set. But it is something that is obviously necessary. I totally agree with trying to level out the increases after the 20% and 15%. If we look at it and we have to have a 2% or 4% increase every year for the next 5 or 10 years, let's do it that way. That way you are not hitting them with a proposed 20%, even if it's \$15.00 a quarter a 20% increase. A 4% or 2% increase is relatively small money. I think you've answered my questions and I know that we do an excellent job. And that answered my questions relative to the permits that were coming down the pike and the fact that I agree with the other speakers that we'd rather pay the increases and the infrastructure costs than pay money into a fine. Thank you for the presentation; good job.

Alderman Kelly

Alderman Klee also has her hand up.

Chairman Caron

Alderman Klee?

Alderman Klee

Thank you Madam Chair. I want to echo the previous speakers comments and what one of the comments that Alderman Lopez had made relative to that these are hard times and sometimes a \$3 increase on anything is hard but I also think it is something that is necessary. I don't want to have to advocate for more costs to our citizens but it makes more sense I think as Alderman Clemons had said, it's better that we pay this then to end up having to pay it in fines. I don't want to see something like that. And as a State Rep and knowing that the State has, here in NH, we do have some higher standards than the Feds. And while I think many of those are good because it makes our water better and our land and so on better, I know that it hurts municipalities. So we have to do what we have to do to keep our licenses to keep going. And I believe it was the Mayor as well as others that said, our sewer system goes down, our City gets shut down. And ultimately I think the residents would rather pay that \$15.00 a quarter than to have our sewer system down. I do hope that you make a positive recommendation on this. Thank you.

Chairman Caron

OK thank you.

Alderman Kelly

(inaudible) and myself.

Chairman Caron

I'm sorry, go ahead Alderman Kelly.

Alderman Kelly

I said Alderman Jette and then myself.

Chairman Caron

OH OK. Alderman Jette?

Alderman Jette

Thank you Madam Chairman. I was struck by what the Mayor said about his questioning whether our decision to do this to not separate our sewer system, you know, whether that is going to ... whether or not we are going to be able to continue with that decision in the future. I have a concern about, you know, if I understand this correctly, our decision not to separate storm water from sewage. I understand that when there's a demand, an excessive demand upon the system, like a big rainstorm for example, we end up dumping I think raw sewage into the rivers. I'm not sure that that's accurate but I think it is from what I've heard. And I have a great concern about that and whether or not eventually we are going to have to separate storm water from sewage and whether this large investment that we've been making over the years and we continue to make it is going to be sustainable. But that's not the discussion we are having tonight.

What we are talking about tonight is these rates, these increases and I think the presentation, I knew before tonight's presentation that we need to put a lot of money into our Wastewater System for it to survive, for it to have any chance of being sustainable. And I know what we are doing is completely justified. The cost that we are undergoing, they are completely justified. The only question I have is how we are deciding to raise this money. I thought that Alderman Dowd raised a good point at the last meeting about the effect that this has on all of the ratepayers but especially condominium associations that have already established their budgets for 2021 and for large apartment complexes. Some of them, you know, they pay the water bills for their tenants and including the sewer bill. So this is something that they are going to have to deal with. Rents are determined usually at least a year in advance so that's something that property owners, landlords are going to have to deal with as well.

And so I thought Alderman Dowd raised a good point about how or isn't there a way we can lessen the impact? Several people have pointed out we are talking about this rate increase going into effect January 1st, we are already into the year. And how we can lessen the impact? At the last meeting Alderman Dowd and Alderman Clemons talked about maybe delaying the increase for a quarter or half a year and I am wondering, is there a way that we could raise the money that we need by issuing a bond to make sure that money we need to have that reserve that we are being told that we should have. Would it be possible for us to issue a bond, you know, the City is able to borrow money at a very attractive rate. Could we issue a bond to take care of this upcoming year and then put in increases in subsequent years when people would have proper notice that this is coming?

My other question is we are talking about one of the charts, I think the last chart that was put on the screen talked about a five year plan. Even the 20% this year, 15% next year and zero for the following three years, we are going to end up in a deficit, that's not going to be sustainable, we are still going to have to raise rates in the future. CFO Griffin talked about an additional 6%, 4%, 4% increase. So I'm not a finance guy but my arithmetic says that we are going to be 20% this year, 15% next year, 6%, 4%, 4%, that adds up to 49% over five years. Would it make any sense to raise that same 50% over the five years by doing it maybe like 10% per year and still end up with the 50%. I don't know if that makes any sense to CFO Griffin. But those are my questions.

Chairman Caron

OK so Mr. Griffin can you answer that question or is there anyone from your group that would like to answer Alderman Jette's question.

Mr. Griffin

Madam Chair, can you still hear me?

Chairman Caron

Yes we can.

Mr. Griffin

Excellent. So Alderman Jette raises very good points. The beauty of ... I hate to use the "beauty" but the reason for the 20% increase, followed by the 15% is those dollars that are raised with those increases are going to last forever. And they are going to begin in '21 not '22, not '23, a 10% across the board is not going to come in with the amount of revenue that we need to get to the point that Alderman Clemons and I were discussing.

I want to clear one issue up, the amount over and under target, that means we have a healthy balance, we are just not at the target. So hopefully that makes sense. But the red numbers that are shown on that last chart that went up at the bottom where it says "Amount over / under the target", those are the amounts under the target not the balance in the fund. The projected Wastewater Fund Balance is right above it and it is a positive number.

As far as bonding, you could use a General Obligation Bond, you'd have to use a Revenue Bond which we really don't need if we are talking about a year or less we aren't going to need to issue a bond. I'm not sure if those are all the questions but those would be the thoughts at this point.

Chairman Caron

OK Alderman Jette, does that answer your question?

Alderman Jette

If I could follow up. So when you say we wouldn't need to raise a bond are you saying that we have enough money to take care of the first year without issuing a bond and we could delay this for a year and then start with the 20% and 15%.

Mr. Griffin

Madam Chair, if I may, I wouldn't recommend that because we'd be losing millions. We would be delaying the collection of \$1.4 million if we went without an increase until July 1, we would delay \$1.4 million of revenue which helps get the balance above the negative number on July 1st. What I am saying with the bond, is it's not big enough. You've probably heard of cities and towns that maybe collect their taxes in arrears, they have gone to mechanisms such as quarterly tax billing or revenue anticipation notes that could lead to a bond. But there has to be a revenue generating service that's provided. The options that are – Option 1 is the best financially at this point.

Alderman Jette

It might be the best financially for the City. I am just questioning whether it's the best financially for the residents. But thank you.

Mr. Griffin

Well just one point on that, that's why Alderman Dowd who had a conversation with me, he was suggesting, just like they do in many, that's why I gave you the Pennichuck site. Dollars per month, dollars per quarter, you lead with those if they are smaller numbers. So for example a 2% tax increase could be five times the size of a 20% sewer rate increase. So those are the optics – we needed to put something in to calculate what the revenue was going to be and then you calculate the impact on a typical customer using 20CF a quarter. Thank you.

Chairman Caron

All set Alderman Jette?

Alderman Jette

Yeah thank you very much Madam Chairman.

Chairman Caron

You're welcome. Alderwoman Kelly.

Alderwoman Kelly

Yes, thank you. I just wanted to make a few comments. I just wanted to thank everyone for their thoughtful responses to the questions and presentations. I think it made a lot of sense to hear what is going on and where these increases are coming from. My one question is around the thing that we all keep circling around. If we wanted to make this more even so it doesn't hit people with a 20% every four or five years, the answer to the question that we received by email was that it has just never been proposed. So would that be something that would come from you or would this Board have to propose something that evens it out a little more. I just want to know if that is the way that the Board would like to go, how would that manifest itself.

Director Fauteux

Are you, Madam Chair, may I speak? Lisa Fauteux?

Chairman Caron

Yes.

Director Fauteux

Alderman Kelly you are suggesting in future years so we don't end up with a 20% or 15% increase, is that what you are ...

Alderwoman Kelly

Correct. Yes, I was ...

OVERLAPPING CONVERSATION

Director Fauteux

I wanted to make sure I was going to answer your question. So we are working on that rate model right now. What I would propose is that we come back yearly to this Committee and show you exactly what that rate model is showing and at that time propose to you what we think that the increases should be yearly so that we could even that out. I'd like to get that rate model a little more developed before we present that to you. But I think by July we should have that and then we could come back to you and show you what we are thinking for increases in the future, if that makes sense.

Alderwoman Kelly

That does make sense, thank you.

Chairman Caron

OK.

Alderwoman Kelly

I see Alderman Dowd and Alderman Lopez.

Chairman Caron

OK Alderman Lopez first and then Alderman Dowd.

Alderman Lopez

I just wanted to speak to Alderman Kelly's point. There's a responsibility on the part of the City staff to come forward with rate plan adjustments and what their proposals and what their suggestions are. And there's a responsibility on the Board of Aldermen to be attentive to the needs of the City as they unfold. So I would be a little bit reluctant to see something like a reverse spending cap where we automatically are raising fees without necessarily having a reason to do it. One of the, I think, reasons why our sewer rates were much better than competitive over past years is because we basically only increased fees when we had need and maybe we overdid that a little bit. But we are addressing that at this point and I think it's important to make sure that Aldermen are doing their job as Aldermen and reviewing City Budgets and those types of things. I think this is a question that would typically come up in the Budget season, we are just getting ahead of it in this particular situation. So that was just my thoughts based on what Alderman Kelly had suggested.

Chairman Caron

OK, Alderman Dowd?

Alderman Dowd

Yes, just a couple of things. First of all, for the record so that it's in the minutes of the meeting and the people listening can understand. We handle the wastewater for Tyngsboro, Hudson and part of Merrimack. I will go out on a limb and say that we collect some kind of fee for that. I just think that the general public needs to be aware that yes, we are not processing that at the goodness of our hearts. We are charging them.

The other thing is that when – and I can fully understand Director Fauteux that you need time to develop that model and I think that's a good idea. I think if we can project the rate increases 6 months in advance of when they are going to hit, big, big help you know. Because that's pretty important. The other thing I was thinking as this presentation was going along, Manchester decided to split their sewer and wastewater and I am going to go out on a limb and say that's why their rates are that much higher, because it cost them a lot more money at the time and maybe even to today. Is that true?

Director Fauteux

You know I have not studied their rates. I don't know Frank if you know the answer to that question? I would have to do some homework.

Mr. Ayotte Lisa, I just know a little bit on Manchester's system. Embarking on sewer separation is hundreds of millions of dollars and that definitely factors into their rate increase and why it is significantly higher than Nashua's.

Alderman Dowd

That answers my questions, Alderman Caron.

Chairman Caron

OK, thank you. Anyone else.

Mayor Donchess

Madam Chair, could I elaborate on that?

Chairman Caron

Certainly Mayor.

Mayor Donchess

Now in commenting on that decision, I mean I didn't really mean too critical, it was a hard call at the time, it might have been the right call in the sense that the separation gets you ... you know, it might have been the right call. It costs less money as Alderman Dowd just pointed out and maybe in the end it works. I mean we are still not at 100% functionality, in other words, the wet weather facility is not operating as well as it could and should. So we are moving toward 100% operation but that hasn't been achieved yet.

Why this is not an easy decision to make or was a tough call at the time is because at some point separated sewers might require treatment as well because storm water is not totally clean and that's going in a separate system right into the river. It's got salt, it's got road oil and other stuff that it catches, maybe fertilizer, I don't know on the way to the sewers. So it was possibly the right call but we might be forced to separate some of the City anyway. But we need just to try to do the improvements we need and try to keep costs to a minimum.

Mr. Ayotte May I add to that, this is Frank Ayotte, the City's Consultant on that. The Mayor is right on that. The storm water regulations that are now coming out are getting as stringent for treatment down the road and will impact separated systems; they are called MS4 Regulations. So separating the system, sewers and storm waters doesn't necessarily let you off the hook on storm water now. Now there's new regulations on storm water and they include monitoring and sampling and potential treatment down the road.

Chairman Caron

OK thank you. Go ahead.

Alderwoman Kelly

I just wanted to respond to Alderman Lopez's remarks and I appreciate his clarification. The intent is not to arbitrarily raise but just be more cognizant and I think what Director Fauteux said about checking in yearly can help us to better adjust so we don't end up with such large increases.

Chairman Caron

OK, you've heard the presentation, you've asked your questions. So we have a motion before us concerning O-20-040. Is there anything else from the Committee? OK would the Clerk please call the roll Shoshanna?

Alderman Clemons

Did Alderman Jette have his hand up.

Chairman Caron

I don't know.

Alderman Jette

Yes I did.

Alderwoman Kelly

Alderman Jette, I apologize, I wasn't sure if that was new or sometimes people accidentally leave their hand up.

Alderman Jette

Yeah I had lowered it and then raised it again.

Chairman Caron

Go ahead Alderman Jette.

Alderman Jette

Thank you, Madam Chairman. Hearing what the Mayor and Mr. Ayotte who talked about the separation. Are you saying that we are close to collecting all of the sewage and storm water and it is all being treated at the Treatment Plant so we are close to the point where nothing will be dumped directly into the river. I would feel a lot better.

Mayor Donchess

I think "all" is a big word. But the Wet Weather Facility is designed to collect as much as possible from the storm and minimize the amount of overflow. Now optimistically we hope when we get the Wet Weather Facility to 100% it may eliminate the overflow, certainly it is already greatly reducing it and may have the effect of eliminating overflows. But what Director Fauteux and all of our other people are advocating to the EPA and to DES is that we get to maximum, you know the maximum functionality of the Wet Weather Facility and then monitor to see if there are overflows. If there are, then take steps to eliminate those possibly through separation of a section of the City or some other measure that would take care of those overflows.

But certainly we are with the Wet Weather Facility have greatly, greatly reduced any overflows into the river. And, of course, that's good. We want the river to be as clean as possible. Any overflows also are hugely diluted because any sewage that's there is diluted by hundreds and hundreds of millions of gallons of storm water. So not to say, we still want to make it zero, but it is not as bad as it sounds.

Alderman Jette

Well that makes me feel better. Thank you.

Chairman Caron

OK, anyone else? Ok before we take a roll call, Madam Clerk, Alderman Dowd would like to see a copy of the presentation sent to the Full Board of Aldermen if you could please, Ms. Fauteux.

Director Fauteux

Yes, absolutely, we would be happy to do that.

Chairman Caron

OK thank you so much. I appreciate it. OK will the Clerk please call the roll?

Alderwoman Kelly

The Motion is for final passage of O-20-040 by roll call.

A viva voce roll call was taken which resulted as follows:

Yea:	Alderman Caron, Alderman Clemons, Aldermen Lopez, Alderwoman Kelly	4
Nay:		0

MOTION CARRIEDChairman Caron

So that motion is carried. Thank you all for participating and providing the presentation to this Committee. We appreciate it.

Mayor Donchess

Thank you, Madam Chair.

Director Fauteux

Yes thank you for your time.

PUBLIC COMMENTChairman Caron

Alderwoman Kelly do you see anyone?

Alderwoman Kelly

I'm scrolling. There are several pages, I don't see anyone from the public here.

GENERAL DISCUSSIONAlderman Wilshire

That's OK thank you. Tonight's discussion was very interesting, I think it helped a lot of us see what you were trying to explain to us at the last meeting. It was very well done, I appreciate that and certainly nobody wants to see the rates go up. But we have a gem here in this City. I mean we have – and it's expensive to maintain and we have to maintain it. We just have to. It's one of those things.

These are always hard decisions to make especially with some of Alderman Dowd's concerns about associations having their budgets all set. I mean these things come up, we get a notice from the EPA or whoever saying you have to do this or just regular maintenance stuff we have to do. It's just very expensive, I mean it's costly to operate that system. So thank you to everyone who put together the presentation. Thank you Noelle Osborne, you did a great job tonight. I haven't met you but it's nice to meet you. So that's all I have. Thanks everyone.

Chairman Caron

Thank you Alderman Wilshire. Anyone else for General Discussion.

Alderwoman Kelly

Alderman Lopez does.

Alderman Lopez

Yeah I kind of just wanted to echo what President Wilshire had said. I have no appetite for more public health apocalypses so I think Wastewater Treatment is definitely something we need to be focusing on. I mean they are still addressing issues with Flint and all of that kind of stuff. So I am conscious of the pinching of the purse but at the same time, I don't have any faith personally that there isn't going to be something worse coming down the road. So as Aldermen we do have to kind of make sure we are keeping the City in good condition and resilient enough to handle these kind of situations.

I also wanted to point out that if there is a situation where we have to start modifying parts of the sewer overflow situation and I am sure Director Fauteux could speak to this a little bit more knowledgably, I would imagine they are mostly going to take place around the river and the Mayor does have some pretty significant plans for riverfront development. It might be possible to integrate those in at some future point assuming we don't have it underfunded and in the red Wastewater Treatment Process. I think we have to move forward with this and just be attentive to what the needs are; both of the Wastewater Treatment Facilities and Sewer Overflow and also our taxpayers.

Chairman Caron

OK. Thank you Alderman Lopez.

REMARKS BY THE ALDERMEN

Chairman Caron

I just want to say thank you to members of the Committee and other members of the Board of Aldermen who put in their questions concerning the sewer fees in a timely manner so that it gave CFO Griffin and staff at Public Works to put this together and I really appreciated the efforts that they put in for their presentation tonight. As I said before, the Wastewater Treatment Plant is in my neighborhood and it is very important, it's a vital asset to the City and we don't want anything to go down. My only criticism would be that I wish they had brought this Legislation in in September or October so we would have been able to have this discussion in order to make these votes so that it would start in January as they requested. But other than that, thank you all for your time and patience. Anyone else? OK, possible non-public session.

POSSIBLE NON-PUBLIC SESSION – None

ADJOURNMENT

MOTION BY ALDERWOMAN KELLY TO ADJOURN BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Caron, Alderman Clemons, Aldermen Lopez,
Alderwoman Kelly 4

Nay: 0

MOTION CARRIED

The meeting was declared closed at 8:42 p.m.

Alderwoman Kelly, Committee Clerk