



## **TOWN OF RYE SEWER COMMISSION**

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### **SEWER COMMISSION MEETING MINUTES**

**Thursday, January 9, 2020, 8:00 A.M.**

**Rye Beach Village District Building**

**830 Central Road, Rye Beach, NH**

**In attendance:** David Kohlhase, Chairman; Peter Kasnet, Commissioner; and Lee Arthur, Administrator.

**Guest:** Tom Sherman, NH State Senator, Tracey Wood and Beth Malcom NHDES CWSRF; Carolyn Beauliea, Ciborowski Associates; Tim Phoenix, Phoenix, Gormley and Roberts, P.A.; Eric Weinrieb, Altus Engineering; Bill Epperson, Selectman and Jeff Ross, Budget Committee.

#### **I. Call to Order**

The Rye Sewer Commission Meeting was called to order at 8:15 a.m.

#### **II. Roll Call**

#### **III. Announcements**

There were no announcements.

#### **IV. Discussion with Tom Sherman, NH State Senator; Tracey Wood, Administrator, Wastewater Engineering Bureau, Water Division, NHDES; Jaci Grote, State Representative; and Bill Epperson, Selectmen regarding funding of the expansion of the City of Portsmouth sewer system from the Rye/Portsmouth boundary on Route 1 ending at Route 1/Washington Road intersection.**

Tom Sherman indicated that there has been a request for federal and state support for the Route 1 Sewer Project. A meeting was held with Senator Hassan's Staff and the DES are being consulted to explore further funding options.

Eric Weinrieb provided a preamble on the project to date. In that the Town of Rye voted to allow the expansion, at no cost to the Town and after the vote he conducted a wetlands survey, mapping and preliminary design. There was a discussion with Portsmouth DPW and the NHDOT regarding the location of the proposed line. It was noted that the sewer line will be in the right of way until it reaches the Ciborowski property and then transition to private property. The layout has been established and the project is in a permitting pattern. The project requires PUC approval and there is an intermunicipal agreement. There is a challenge in securing private funding for the project because the DOT does not allow private utilities in the right away, so as soon as the system receives wastewater the

City of Portsmouth needs to take over the line and there is no mechanism for the investors to collect on the capital cost spent in building the line. Therefore, properties could in theory connect later and only pay the City of Portsmouth a connection fee. This has provided a challenge in acquiring investors.

Bill Epperson indicated that when he was Chairman of the Rye Planning Board there was a movement to develop the Route 1 corridor. The Planning Board approved two developments in the corridor, a 40- and 24-unit housing development, both on septic. He mentioned that it is a significant amount of septic and has the potential to pollute the Berry's Brook Watershed. The environmental concern is compounded by the effects of the Coakley and Old Rye Landfill and it is about the quality of drinking water.

Eric Weinrieb explained that an Intermunicipal Agreement has been drafted and presented to the City Council of Portsmouth twice. There has been concern over the capacity of the new wastewater treatment plant and if the anticipated load could put future City of Portsmouth expansions in jeopardy. There has been a change in the membership of the City Council that has further complicated the process and the next meeting is set for January 21, 2020.

Tracey Wood asked what the wastewater flow is that will be sent to the City of Portsmouth. Eric Weinrieb noted that he is working on coming up with an estimate. In the meantime, the City of Portsmouth DPW has contracted with CMA Engineers to conduct a capacity report for the Rye Line Pump Station. If an upgrade to the pump station is needed to accept additional wastewater flow it would need to be born by the investors of the sewer line (not the Town of Rye or the City of Portsmouth).

It was discussed that it is expected that the new wastewater treatment facility has plenty of capacity. Tom Sherman pointed out the unique features of the Breakfast Hill location is Coakley Landfill, Berry's Brook Watershed and work force housing. He noted that the City of Portsmouth holds interest in the Berry's Brook Watershed and the cancer cluster. The Coakley Landfill, Berry's Brook Watershed, cancer cluster and aquafer protection connect the DES. It was noted that State Senator Martha Fuller Clark should be advised of the project.

Eric Weinrieb pointed out that some of the properties in the corridor are on wells because the Town of Rye water service ends at Adams Mobile Home Park. There has been a discussion about the possibility of the City of Portsmouth water service expanding into Rye and/or the Rye Water District turning service over to the City of Portsmouth. Tom Sherman asked if it makes sense to address both sewer and water together. It was discussed that it could be complicated, however, there is a need for water. Tracey Wood indicate that they advocate putting in both utilities at once when possible.

There has been a concern that drawing off Coakley would extend the plume and it was discussed consulting with State Senator Chuck Morse because of his involvement with the Drinking Water, Ground Water Trust Fund. It was noted that the goal should not be to delay the sewer project but to see if everything that needs to be done could be done at

once. Tracey Wood asked what the project timeline was. Eric Weinrieb noted that the Falzone Project at the corner of Washington Road and Route 1 was scheduled to start in the spring of 2020 and finish by the winter of 2021. Bill Epperson pointed out that the permits for that project were in place and there is an alternate design for sewer. Tracey Wood pointed out that it is more environmentally sound to put in sewer than septic.

It was pointed out again, that it is a challenge to secure private funding for the project because the DOT does not allow private utilities in the right away and as soon as the system receives wastewater the sewer line will be taken over by the City of Portsmouth, leaving no mechanism for the investors to collect on the capital cost spent in building the line. There was a discussion on whether a bill could be passed, that would amend legislation to allow the DOT to permit the private line in the right of way for a period of years. This would allow investors to collect on the capital cost spent in building the line. The estimated cost to build the sewer line is 2.7 million dollars and 1.25 million dollars has been informally committed to date, the Housing Partnership is non-committal. Bill Epperson mentioned that Tom Sherman, Jaci Grote and he met with Senator Hassan's Staff and were provided a list of potential federal funding options.

Tracy Wood explained that there is the Clean Water State Revolving Fund Loan Program and the eligible borrowers are municipalities. It was noted that regarding the drinking water component there could possibly be an expedited review. It would be difficult to acquire grant funds because the Town of Rye and the City of Portsmouth are prohibited from contributing to the project. There was a discussion on who could be the applicant (City of Portsmouth, Town of Rye, Rye Water District, Rye Sewer Commission). If it was a municipal project the municipality would have to work with the developers/landowners regarding repayment and there would no longer be the right of way issue. There would still need to be funds in hand prior to the project being executed.

Peter Kasnet questioned how the Town of Rye could guarantee a loan, when it was voted on that it would be at no cost to the Town. It was discussed that the repayment would come from private funding and connections. Tom Sherman indicated that there are state grants, however, the drinking water side looks for a contribution from the applicant. They also like to see that all other options (federal funding) has been exhausted.

Carolyn Beauliea pointed out that the cost of sewer has been determined but not water and that it would be beneficial to determine. The Rye Water District has been a recipient of loans under the program. It was noted that it would be more attractive if the City of Portsmouth was the applicant because the sewer line will be turned over to them. The Town of Rye or the Rye Sewer Commission could be the applicant. However, the project is to be "at no cost to the Town", there are existing ordinances and authority questions that would need to be addressed and the intermunicipal agreement would need to be changed. With the real issue being how the loan is going to get paid back.

Peter Kasnet explained that this project was modeled after a prior development at Foyes Corner. Where the developer paid for the construction, turned the sewer line over to the City of Portsmouth and did not recoup any funds after the fact. Those that contributed to

the construction were not charged a connection fee from the City of Portsmouth. What made that project viable was that the sewer line was shorter, low pressure and the developer owns 3 of the 4 corners.

It was noted that the intermunicipal agreement allows the developer 5 years to complete the construction of the sewer line. The real issue is that the developments that are currently in process cannot wait to connect, leaving less investors.

There was a discussion that if the line can stay private there is the opportunity to recoup more funds as others connect. It was discussed that Adams Mobile Home Park is a private line and there is an intermunicipal agreement as well as another agreement between the Rye Sewer Commission and the owner of the park. The City of Portsmouth bills the Rye Sewer Commission who in turn bills the owner of the park.

The City of Portsmouth would have a usage fee however, there could also be a capital recovery fee. It was discussed that a separate entity could also possibly manage the project as well as the City of Portsmouth, Rye Sewer Commission or Town of Rye. The need is to establish the way (mechanism) that the loan could be repaid.

Tom Sherman expressed the need to map out all scenarios. The DES can determine what loans and grants are available and he indicated that he could speak with Senator Morse. He suggested meeting again before January 21, 2020 to discuss the possibilities and how this could work.

Tom Sherman mentioned that he would like to ensure that future developments are not on wells and is concerned about the plume expanding. He would like to see both water and sewer service the area. He expressed an interest in attending the City Council Meeting in Portsmouth on January 21, 2020. Pointing out that Portsmouth is part of the Berry's Brook Water Shed and Little Harbor and has a stake in protecting the environment. There was a discussion on the properties that are serviced by the Rye Water District and water issues on Route 1 and in Greenland.

It was discussed again about putting in water at the same time as sewer and mentioned that it would not necessarily bring down the cost. Tom Sherman explained that he needs to discuss the matter further with Tracey Wood to figure out how the state could assist.

David Kohlhasse mentioned the future intent would be to extend the sewer service to the North Hampton Line. The Route 1 Corridor was discussed and North Hampton regarding the lack of sewer.

It was suggested that a meeting be set up with the City of Portsmouth Mayor, City Manager, City Engineer and Director of the Department of Public Works before the City Council Meeting on January 21, 2020, to inform them of recent discussions.

Tom Sherman point out that there are multiple conceptional approaches and questions. Is the project going to be just sewer or sewer and water? How is the project going to funded

(private and with future connection fees)? Is another entity (fiscally sound enough to carry the note) an option? What are the different mechanisms to handle the funding so that there is no additional cost to the Town of Rye or the City of Portsmouth?

It was pointed out that drinking water loans have previously been awarded to private entities including mobile home parks. Different scenarios for consideration include private entity, public entity (already exist), new public entity. It was mentioned that Michael Donovan the Town of Rye Sewer Commission Attorney is a valuable resource and needs to be included in the conversation.

The next steps are for Tom Sherman to meet with the DES and to get more information regarding which resources are available and the ability to give to a private vs public entity. Senator Fuller Clark and Tom Sherman attend the next City Council Meeting in Portsmouth to help clarify the importance as it relates to Portsmouth and the water supply.

It was noted that the Hampton Agreement with the Sewer Commission has capacity limits and there are currently none listed in the City of Portsmouth Agreement. David Kohlhasse and Peter Kasnet indicated the importance of providing the City of Portsmouth with the anticipated wastewater flow.

Lee Arthur was directed to set up and post the agenda for another meeting this coming Tuesday, January 14, 2020 at 5:30 p.m. at Town Hall. Michael Donovan, Jaci Grote and Kate Murray would be notified of the meeting. Tim Phoenix will work on setting up a meeting at the end of next week with Portsmouth, prior to the council meeting.

Tim Phoenix reported that the City of Portsmouth wanted to know the anticipated flow at the last council meeting, but they did not have the data and provided them with the zoning information. Eric Weinrieb mentioned that he is preparing a flow range. They have not seen the CMA Pump Station Capacity Report.

The Sewer Commissioners expressed their interest in making sure that they are involved and the presentation to Portsmouth included all the information requested including the anticipated flows. The methodology for projecting flows was discussed. Eric Weinrieb expressed the need to know the capacity at the pump station. He mentioned that the staff in Portsmouth welcome the project overall because it reduces cost.

It was discussed whether the Board of Selectmen have formalized their support for the project and Bill Epperson's as their representative. Tim Phoenix indicated that he would speak with Bill Epperson.

## **V. O&M Report, January 9, 2019**

### **Consideration of the O&M Report**

The flow summary for Church Road Station for December 2019 was 5,153,700 gallons and the rainfall amount was 5.78 inches. The pump data graphs for Church Road Pump Station, Jenness Beach Pump Station and Abeniqui Pump Station for December were

reviewed and it was noted that the pumps runtime on December 14 at all three stations was high due to 2.8 inches of rainfall.

The Sewer Commissioners expressed concern that the Pump Stations Capacity Study showed the Jenness Beach Pump Station was at 97 % of capacity. Next steps were discussed and need to conduct a deeper study to determine an action plan.

*Motion was made by Peter Kasnet to contact Wright-Pierce Engineering to assist with developing an action plan to address pump station capacity issues. Seconded by David Kohlase. Motion carried.*

#### **VI. Approval of Minutes**

##### **Consideration of Previous Meeting Minutes of November 7, 2019 and November 26, 2019.**

The Sewer Commissioners reviewed the meeting minutes of November 7, 2019 and November 26, 2019.

*Motion was made by Peter Kasnet to approve the Sewer Commission Meeting Minutes of November 7, 2019. Seconded by David Kohlase. Motion carried.*

*Motion was made by Peter Kasnet to approve the Sewer Commission Meeting Minutes of November 26, 2019. Seconded by David Kohlase. Motion carried.*

#### **VII. Signing of Bills and Correspondence Sewer Department Financial Reports**

Included in the meeting packet were the financial reports. The sewer budget at the end of December had a balance remaining of \$162,001.23, 49.68%. Lee Arthur explained that the Town of Hampton, City of Portsmouth and Town of Rye bills for 2019 have not been received and will be deducted by mid January. The Treasurer's Report dated December 4, 2019 had the sewer operating fund with a balance of \$679,381.97 and the sewer fund had a balance of \$553,243.41 on November 30, 2019.

##### **Other**

Included in the meeting packet was correspondence regarding the Town Code and Sewer Ordinances from Michael Donovan indicating that the Sewer Commission should approve the Sewer Ordinances adopting the Town Code prior to March 10, 2020, Town Meeting and that a public hearing is required. He requested that the commissioners set a date for the hearing and notify him. It was discussed that the public hearing would be held on February 11, 2020 at 8:00 a.m. as part of the regular scheduled Sewer Commission Meeting.



## **VIII. Old Business**

### **Route 1 Sewer Update**

It was noted that the next step is to determine the anticipated flow and that the proposed pipe was 8 inches because it would be difficult to place a 10-inch pipe under the Berry's Brook culvert.

The Sewer Commission reviewed and signed two memorandums to Jane Ireland, Treasurer. The first was requesting the establishment of an escrow account for Hoefle Phoenix Gormley & Roberts, P.A. to be indexed under Route/1 Washington Road Sewer Expansion and deposit \$4,500.00 and the second was to disburse \$2,205.00 from the escrow account for services rendered by Michael Donovan Law, PLLC.

### **5 Old Beach Road**

Included in the meeting packet was e-mail correspondence dated December 9, 2019 from J. Corey Colwell on behalf of Byron and Kathryn Kalegerou, requesting to meet with the Sewer Commission at their next meeting. Corey Colwell explained in the e-mail that since meeting with the Sewer Commission on December 11, 2018 they have reviewed the Wright-Pierce report and the Town of Rye Sewer Use Ordinance. Per section 301.1 and 301.2, they believe that they are required to tie into the sewer as the occupied building is within 200' of the public sewer in Foss Circle. They requested to be placed on the Sewer Commission Meeting Agenda, January 9, 2020.

Lee Arthur explained that after the e-mail was received she spoke with the Town Attorney and informed Byron Kalogerou and Cory Colwell that the Town Attorney is requesting that they indicate what has changed since the last time they had inquired about 5 Old Beach Road connecting to the Town of Rye Sewer System. It was noted that Byron Kalogerou indicated in an e-mail that they would be happy to provide details on the basis for the requested and on January 8, 2020. Lee Arthur explained that she spoke with Byron Kalogerou on January 8, 2020 and they were not prepared for today's meeting, however, would be placed on next month's agenda unless they requested to meet prior.

### **Other**

#### **112 Perkins Road Update**

The sewer reconnection at 112 Perkins Road was inspected on Wednesday, November 27, 2019 by Peter Kasnet and the as built drawings dated December 11, 2019 were reviewed.

*Motion was made by Peter Kasnet to approve the as built drawings prepared by Edwards Survey & Design dated December 11, 2019 for 112 Perkins Road as submitted. Seconded by David Kohlase. Motion carried.*

**IX. New Business**

**24 Cable Road Abatement Request (Leak)**

The Sewer Commissioners reviewed correspondence and photographs from Richard Brady of 24 Cable Road. He noted that there is a seasonal cottage on his property and on October 18, 2019 he opened the bulkhead to find 33” of water in the basement. After shutting of the water to the cottage he discovered that a clamp failed, and the water line separated from the fitting.

Lee Arthur explained that the period of the leak has not been billed; however, the readings have been calculated. From September 21-October 21, 2019 the property utilized 8800 cf of water (October 8300 cf; November 200 cf; and December 300 cf). The reads for each quarter billed in 2019 were reviewed (1<sup>st</sup> October – December 2018, 600 cf; 2<sup>nd</sup> January-March 2019, 700 cf; 3<sup>rd</sup> April-June 2019, 800 cf; and 4<sup>th</sup> July-September 2019, 1200 cf). Aquarion provided a 4000 cf credit. It was discussed that the highest quarter of usage (4<sup>th</sup> July-September 2019, 1200) would be used as the bases for abatement. Therefore, after the property is billed for 8800 cf, \$616.00 it will be abated for 7600 cf, \$532.00.

***Motion was made by Peter Kasnet to abate 24 Cable Road for 7600 cf, \$532.00 after being billed in the first quarter of 2020 for 8800 cf, \$616.00. Seconded by David Kohlase. Motion carried.***

**X. Adjournment**

***Motion was made by Peter Kasnet to adjourn the meeting at 11:16 a.m. Seconded by David Kohlase. Motion carried.***

*\*These are draft minutes. Please refer to the minutes of the next meeting for approvals/corrections.*