



CITY OF DOVER

DOVER UTILITIES COMMISSION ~ MINUTES

Meeting Type: Regular Meeting
Meeting Location: Conference Room – 271 Mast Road, Dover, NH 03820
Meeting Date: **Monday, March 16, 2009**
Meeting Time: **6:00 PM**

Members Present: Chairman Gary Green, Vice-Chair Michael Earley, Otis Perry, Jay Stephens, Marty Coyle, Mark Moeller, Alternate Ted Mortner

Members Absent: Ed Spuler

Staff Present: Doug Steele, Community Services Director, Dan Lynch, Director of Finance, Bill Boulanger, Utility Systems Supervisor, Shari Bullen, DUC Secretary

1. ROLL CALL

The meeting was called to order at 6:00 PM.

2. REVIEW OF AGENDA

3. APPROVAL OF MINUTES

Green indicated that the February 9, 2009 minutes were missing the motion to close nominations before the election of Vice-Chair. Boulanger and Bullen agreed to review the tape and add this information into the minutes. Also, item 7B was thought to need some re-wording.

Motion: Perry motioned to approve the minutes as amended.

Second: Coyle seconded the motion.

Vote: U/A

4. CITIZEN'S FORUM

Green presented suggestions for the Citizens Forum in a draft handout. It was suggested by Perry that it should be worded citizen, not utility rate payer. Green would like this added to the next agenda and members were asked to review his document and bring their suggestions to the April meeting. Citizens Forum was closed as there were no residents wishing to speak to the commission.

5. ABATEMENT REQUESTS

The SGI investment fee waiver request was presented by Attorney McManus. Green gave a brief history of the request for the new members. McManus handed out some new calculations he had derived using our methodology. He indicated that categories are arbitrary, sometimes based on bedrooms and other times based on dwelling units. He hoped to show that the formula is unfair and discriminatory. The City initially billed him \$80,300.00. It would only be fair to calculate the investment fees in the same way they are calculated for residential; based on 30 bedrooms. The 80 thousand was based on number of beds and discriminates against Dr. Hopkins' facility. He went on to say that the determination of fees should have some relevance based on usage. Bellamy Fields' use was provided and it showed usage in line with residential, not commercial use.

Green asked for questions and comments. Stephens was confused on how many bedrooms there actually are. It was clarified that they were initially billed for 58 beds when there will only be 56 and now why are we discussing 30 bedrooms. McManus clarified that there are 30 units or 30 bedrooms; 24 double and 6 single rooms. McManus continued that the DUC changed the figure a couple of times. Green responded that there were some problems with the interpretation of the

calculation. He continued that the latest invoice, dated 1/13/09, showed the correct amount for the 54 beds for a total of \$79,950.00 in investment fees.

There were some questions about the facility and its use. It was asked if the rooms are like dorm rooms and answered that they were more like apartments with kitchens. Green pointed out that the number of beds is what's important. Dwelling flow is for a 3-bedroom unit. Perry noted that he sees a problem with multi-units but that this is not the forum for it. Earley wanted to clarify the definition of the facility. He read aloud a definition from a website that described an assisted living facility. McManus indicated that it was consistent with Watson Fields; they are large rooms, setup as they like, not just a bedroom. They have living space and kitchens. Congregate care was then discussed with the main differences being defined as including rehab services and transportation services. The next step up would be a nursing home. Earley continued to question and clarify the classification. Earley then presented a Motion.

Motion: Earley motioned to define Watson Fields as an assisted living/nursing home/congregate care facility so that it could be priced.

Second: Coyle seconded the motion.

Discussion: Coyle asked what the use was when the fees were initially calculated. It was determined that they were set as motioned and that the motion set forth was to confirm that the category used was correct.

Vote: Passed 6:1 with 6 in favor and 1 opposed (Stephens).

Earley continued by citing State regulations ENV-WQ-100-1 unit design flow figures where this category is residential. These flow figures are not in our Appendix C. Boulanger said they're also not in the State C. Green reminded everyone that there is a waiver request before the Commission and they needed to price the investment fees. Earley stated that the bed calculation already used was appropriate. Perry said he doesn't have a lot of confidence in the State Code Appendix C. He continued that if McManus' calculations were correct then the numbers are shocking. He felt it was not equitable. Green asked staff to comment. Boulanger advised that first we adopted these rules and then the State guidelines were adopted. There was some confusion about interpretation but we are up to date. Perry said it's the first time we've analyzed use and if McManus' analysis is correct, we need to fix it. Earley said he'd expect a difference. Moeller stated he wasn't here when this was adopted but wanted to know why it is approximately three times higher for Watson Fields. Boulanger answered that the flows are higher. Boulanger continued that the third scenario in the McManus example is 80 gallons per bed, 160 gallons per bedroom. This is in-line with a house but not with peak build-out. It's 10 gallons more than residential use. Stephens says Watson Field has employees who have to be accounted for. Bedrooms in apartments and houses rate the same where $15 \times 2 = 10 \times 3$. Same gallons and the McManus examples show differently.

The category is set. Boulanger stated that $54 \text{ beds} \times 135 \text{ gallons per bed} = 7290/450 = 16$ units which would make the investment fees higher at approximately 90k. Stephens said the congregate care methodology = beds. McManus reiterated that the category isn't fair. Apartment and dwelling units in a house are more than 154 gallons per day per bedroom. Earley said the baseline is equivalent and that beds with current rates are higher. Last year's rates were lower. Green brought up peak flows and consistency with the philosophy. Earley said usage is different from residential. Perry said the flow doesn't back up the theory, that there is no evidence. Earley said the State recognizes it and so should we and it should be priced differently.

Motion: Earley motioned to accept the \$79,500.00 invoice as billed.

Second: Moeller seconded the motion.

Discussion: Stephens asked if this is the correct invoice and it was answered that it is. Perry said he doesn't support these flows. Green said we never were sure but we were consistent and we went with the State. He said there is a motion on the floor to accept the billing. Perry finds inconsistencies in the State tables.

Vote: Passed 6:1 with 6 in favor and 1 opposed (Perry).

6. REPORTS

6A. Abatement Review Team

Stephens commented on #2 where they asked for \$129.44 and the ART only abated \$103.73 but he felt it was close enough that they could have abated the full amount requested. Stephens also asked why we abated the entire bill in #4 where only

\$57.00 or \$58.00 had been requested. He further questioned how they even received a bill when the meter had been burned out in the fire. No one was sure how the billed amount was derived but it was agreed that forgiving all the charges was appropriate in this unfortunate situation.

Green commented on #1 where the employee was instructed not to indicate whether or not charges would apply. He felt it was good it was in there because the onsite employee should never comment on billing.

6B. Utilities Report

Coyle asked what SCADA panel bids are and Boulanger explained how the system is computerized on the server and we can see and control pump stations remotely. He continued that we just took over the Children's Museum and need to upgrade it to the system. Stephens asked why. Steele said that we maintain it and that the pool is a large user of it. We've had multiple failures and the only way to correct the situation is to take it over. Green said he's on board with this because it services the pool but questioned who should pay, the utility or the taxpayer. It was agreed that the Parks and Recreation Department do pay for their utilities so the utility should own the pump station. Green asked if there are others. Boulanger and Steele said no. The SCADA panel should cost approximately \$7,000.00 and this is the last retro-fit.

6C. Finance Report

Earley asked Lynch if he could see the budget in his format. Lynch said that he could not open the Finance Department up to customizing reports for each commission. He explained that the fund accounting model isn't like enterprise reporting model and that the business model can be seen at year end. Monthly reports are in the fund accounting model. Green asked if they could be exported into Excel and Lynch indicated that this might be possible with a new financial system. Green believes the budget is on track for significant items. Stimulus monies were discussed and the projects being looked at were identified as River Street, Sludge De-Watering, Electrical Efficiencies, I & I on Bellamy Road and the Rutland Street Sewer. We have received no word yet. Steele wanted to back up what Lynch said by adding that he had been in touch with the City Manager who said that we will not customize reports. Earley asked if there were any other reports besides those being presented. Stephens was hoping someone would volunteer to customize reports into Earley's format.

Motion: Stephens motioned to accept the reports.
Second: Perry seconded the motion.
Vote: U/A.

7. NEW BUSINESS

7A. Adoption of Identity Theft Prevention Program

Dan Lynch presented the Program. The Federal Registry in November of 2007 FDC regulations identified credit based relationships with citizens and the DUC falls into a lender category and must comply with these regulations and create an identity theft protection program. May 1, 2009 is the end of the extended deadline. The attached draft proposal is intended to bring the water and sewer utilities into compliance. Red flags were identified to prevent identity theft. Risk assessment and implementation of safety standards in section 6 was designed to prevent and mitigate exposure to identity theft. Electronic file safety was also addressed. Lynch asked the DUC to approve the program then the Finance Department and Community Services would implement it. He continued that any changes to the program would be brought back to the DUC. He felt we couldn't afford a material finding which would jeopardize any Federal funding we might be eligible for. Green saw this as simply a staff issue. Boulanger said it affects some abatement information being confidential, like phone numbers. Lynch wanted it approved because it would impact the process and operators. DUC could get feedback as we implement. Green asked if we had to change DUC rules. Boulanger said no, but we will see some information eliminated. Stephens thought it was good we were aware and was in favor of it. Stephens did have a problem with the closing of accounts in section 5. Boulanger recommended the paragraph be modified. It was thought #11 and #19 were redundant. This will also be fixed. Stephens and Green were otherwise comfortable modifying those 2 items then signing off so it can go to Council.

Motion: Stephens motioned to accept the program, as amended.
Second: Coyle seconded the motion.
Vote: U/A.

8. OLD BUSINESS
Stormwater

Green said that Tom Fargo had approached him and thought the DUC should be looking at this. On March 4, 2009, Dean Peschel made the enclosed presentation to Council. This project is currently setup to come out of the general fund. It probably should become an enterprise fund. If it becomes an enterprise fund, Green thought it could cost a half million dollars per year. Stephens said the connections between drains and stormwater is very close. It is a logical extension and in our best interest to keep this under DUC control so no decisions are made which might affect our sewer systems. They are still too interconnected.

Coyle asked how much rainwater goes into our sewer system. Boulanger said that Charles Street Pump Station receives a half million extra gallons a day from storm runoff from sump pumps and roof gutters. We are currently working with the Masonic Temple; their roof gutters have to come off the sewer and should be tied to the drain system. We can't measure it and they don't pay for it. Perry said the sewer and drain system used to be combined. Green said he doesn't mind sitting down with Joyal. Perry thought we shouldn't advocate for a new enterprise fund to handle this. Green thought the general fund could be a conflict. Boulanger said it is a utility and it needs rules and it is currently unrecognized. Steele feels staff should keep the board informed. Public Works applied for a grant with the EPA to develop methodology and fees for drainage. Staff can update the board on a monthly basis. Perry said the Federal rules were changing dramatically. We need to increase catch basin cleaning and inspect all structures in the City after cleaning and we will need to sweep the streets 2 times per year. These are added costs and the following year we will have to sample outfalls. Coyle asked if there are fees in place. Boulanger responded that we have to find structures, identify them, require cleaning, etc. and this is a huge new responsibility. Green suggested citizens could get credit for making improvements such as pervious pavement, drainage maintenance items.

9. AREAS OF CONCERN

Boulanger passed out a meter count requested by the subcommittee.

Green received minutes of the subcommittee meeting and asked for the results of their meeting to be presented at the special meeting on the 30th.

Green had asked for more information on Dioxin and MBTE and felt this information should be added to the utilities report.

Green mentioned a tour of the plant happening possibly in May.

Boulanger wants to do SCADA here at the next regular meeting.

10. ADJOURNMENT

Motion: Perry made the motion to adjourn.
Second: Coyle seconded the motion.
Vote: U/A.

Respectfully submitted, *Shari Bullen*, Dover Utilities Commission

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