

**MINUTES
WORKSHOP
DOVER CITY COUNCIL
COUNCIL CHAMBERS
SEPTEMBER 23,1998
7:00 P.M.**

1. PRESENTATION AND DISCUSSION RE: Waste Water Treatment Plant Contract

The Mayor opened the meeting and turned it over to Mike Bobinsky, Community Service Director.

Bobinsky stated we are here tonight to hear both the Community Service Proposal and OMI's proposal to operate the WWTP. Bobinsky thanked Doug Steele and the OMI staff for all their support. He continued by reviewing the department's goals and achievements.

Bobinsky stated that the Sewer division's budget is \$3,372,262 they have 8 full-time employees and 1 seasonal employee. He stated our major concern is to ensure that services are operated in a cost competitive manner. He went on to discuss the operating costs: direct expenses: OMI - \$845,000 City \$759,378, Plant repairs is \$75,000 for both. Total annual costs for OMI is \$920,000 and the city's proposal is \$834,378, which equals 9.3% savings.

Bobinsky reviewed the background of contracting the plant to OMI. He continued by stating that in 1998 he notified OMI that the department should not continue contract operations beyond the end of the 3 year term and advised OMI on this to allow for a smooth transition.

Rawding discussed the Mission statement regarding promoting a high quality of living. He stated he co-sponsored a sludge-banning ordinance and he is opposed to bringing in outside sludge in Dover no matter which contract we decide to go with. Secondly, Rawding questioned the analysis and stated he can not make a decision tonight, but feels OMI is doing a good job and feels we should stay with OMI.

Mr. Buddy Reneau- Vice President OMI. Mr. Reneau thanked the council for the opportunity to come before the council. Reneau stated briefly I will

**MINUTES
WORKSHOP
DOVER CITY COUNCIL
COUNCIL CHAMBERS
SEPTEMBER 23,1998
7:00 P.M.**

discuss our Partnership in review, CSD Proposal and the OMI renewal Proposal. He stated in 1992 we started our partnership, which was renewed in 1996. He reviewed some of their accomplishments: Initial savings of \$0.5 million, avoided metals limitations in 1994, addressed ultraviolet problems throughout contract and OMI paid for a study that resulted in odor solution.

Reneau stated he believes OMI has been a partner in a number of community projects such as Adopt a Spot, Yellow Fish Program, sponsor for Strafford River Boat Race. He stated OMI has proven itself as a strong, committed community partner.

He pointed out how the city has benefited from their partnership. He stated the city has saved more than \$5,000,000 over the life of the partnership: \$629,000 in hard costs and \$4,500,000 in avoided plant upgrades to treat metals, the city has an improved relationship with NHDES, the city has avoided unnecessary environmental control from the US EPA and the city has also avoided labor problems.

Reneau presented OMI's renewal proposal, he stated we propose to combine the management of Dover and Somersworth projects, compost Somersworth sludge to Dover for a new term of 5 years plus a 5 year performance renewal. He stated by combining management it will reduce Dover staffing requirements by 1.5 people by splitting the staff with Somersworth. He stated OMI's proposal equals \$825,000 which is an \$88,000 annual cost reduction from the current contract, with a plan to modify the contract to include energy savings to satisfy the city's needs.

He stated in conclusion we want to keep the Dover partnership, OMI has provided outstanding operations, compliance, cost savings and service, current value added services accomplishes most of Community Services Department desires and the proposed contract modifications meet the City's needs.

Perry asked to have the terms and condition reviewed one more time
Reneau stated Option 1 - is to stay the same as now which equals 913,000

**MINUTES
WORKSHOP
DOVER CITY COUNCIL
COUNCIL CHAMBERS
SEPTEMBER 23,1998
7:00 P.M.**

Option 2 - combine management with Somersworth without the sludge = 866,214.

Option3- combine management with sludge = 823,500.

Perry asked where the fees for the use of the lab and other revenues go. Bobinsky stated back into the sewer fund.

Rawding stated he is very satisfied.

The Mayor stated there will be no consensus this evening and he thanked Mike Bobinsky and staff for their proposal and he thanked Mr. Reneau and the OMI Staff for serving the city very well and coming this evening to explain their renewal plan.

Perry moved to adjourn, seconded by Jalbert. Motion passed unanimously.

Karen Lee Larson
City Clerk