



**CITY OF DOVER, NH  
STORMWATER UTILITY FEASIBILITY STUDY**

**Stakeholder Meeting 3  
Dover Department of Public Works  
October 11, 2010 at 6:30 PM**

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***Committee Members in Attendance:***

Jan Nedelka, Committee Chair  
Dot Hooper, Committee Vice Chair  
Chad Kageleiry  
Jay Stephens  
Dana Lynch  
Gary Green  
Ray Bardwell  
Chris Nash  
Dennis Ciotti

***Other Participants:***

Dean Peschel, City of Dover  
Harold Smith, Raftelis Financial Consultants  
Alyson Watson, GHD  
Rick Schaefer, GHD (by teleconference)  
Bart Kreps, GHD (by teleconference)

1. Welcome and Introductions.
2. Citizens Forum
  - No citizen comments were received.
3. Approval of Minutes
  - Minutes from the September 13 meeting were approved.
4. Comments on Draft Report Sections 1-3
  - Mr. Bardwell provided comments on Chapters 1-3 of the Stormwater Feasibility Report,. Comments pertained to the stated age of the system infrastructure, language regarding the implications of the tax cap, and the type of drainage improvements included in planned projects included in the streets and drains CIP.
  - Mr. Green asked for confirmation of the cited percentage of water quality impairments attributed to stormwater. Ms. Watson confirmed that, according to the NH Department of Environmental Services, approximately 83% of impairments are wholly or in part attributable to stormwater.
5. Presentation: Overview of Rate Structure Alternatives (attached).



- Ms. Watson reminded the group of decisions and discussion points from the previous meeting. She noted potential inequity and administrative burden as two of the stakeholder committee's primary concerns regarding a stormwater utility.
- Mr. Smith presented information on several possible rate structure alternatives for a stormwater utility. Three rate structures were discussed: impervious area, impervious area plus gross area, and intensity of development.
- Mr. Smith highlighted that the ideal rate structure would balance simplicity and equity.
- A pie chart, showing the relative frequency of the three different methods of setting stormwater rates nationwide, was presented. Mr. Greene pointed out that Dover likely had a different character (significant impervious area downtown with very rural areas) than many of the cities included in the survey, and that could affect the preferred rate structure.
- Mr. Bardwell asked how much effort would be required to determine the impervious area of individual properties, and how current information would be maintained. Mr. Nedelka answered that the planning department already has records of many of the homes in the City. Ms. Watson indicated that much of the impervious area in the City has been mapped as part of the project to enable reasonably accurate projections of potential revenue. Mr. Peschel explained that when properties apply for foundation permits, this information is recorded in the City's Geographical Information System (GIS).
- Mr. Nedelka asked what percentage of stormwater utilities implement a credit system. Mr. Smith answered that most do.
- Mr. Ciotti asked about the cost of impervious area mapping. Mr. Schaefer replied that over 1,000 parcels of the City's approximately 8,300 parcels have already been mapped, and an average residential unit footprint had already been determined. That effort cost approximately \$30,000. If the impervious area only approach was selected, then only the small number of remaining nonresidential parcels would need to be mapped. If another approach was selected, the remaining residential parcels would need to be mapped, which would significantly increase the mapping cost.
- Mr. Kageleiry asked if multi-residential properties were treated as non-residential properties for the study. Mr. Schaefer replied that they are treated as non-residential properties. Mr. Kreps explained that the landlord or property owner could then apportion the costs to tenants consistent with water and sewer costs.
- Mr. Kageleiry asked if any cities use a gross area rate structure. Mr. Kreps replied that such a structure would be hard to defend, because total parcel area does not correlate with stormwater impacts.
- A discussion was held as to whether conservation areas would be included in the stormwater utility structure. Mr. Lynch noted that the City has developed small lots to preserve green space within a sub-development. These small lots would be heavily burdened with an intensity of development option.
- Mr. Nedelka noted a mistake in Slide 19. The slide should read '60 - 70% range is normal for a residential parcel' for consistency with the previous examples. The error has been corrected on the handouts attached to these meeting minutes.



- Mr. Nedelka asked Mr. Stephens whether the water and sewer utility implemented a credit system for low-income and elderly customers. Mr. Stephens replied that they do not currently provide a discount.
  - Mr. Lynch suggested the financial penalty for noncompliance with the City's stormwater permit be investigated to demonstrate a compelling financial need to comply.
6. The group discussed what the rate would be to implement the revenue for the various levels of funding, focusing on the four funding levels identified on slide 36 of the attached presentation: 1- the current level of service only (approx. \$900 thousand / year), 2- the current level of service plus required actions (approx. \$1.2 million / year), 3- the current level of service plus required actions and recommended actions (approx. \$2.0 million / year), and 4- the current level of service plus required actions, recommended actions, and planned CIP items (approx. \$2.5 million / year).

Following this discussion, Mr. Nedelka asked each member of the stakeholder committee what level of service they would recommend that a potential utility should cover. The majority of the group felt that the program should be funded at a level of approximately \$2M per year, as follows:

- Mr. Kagaleiry: \$2 M
- Mr. Ciotti: \$2 M
- Mr. Stephens: \$2.5 M
- Mr. Lynch: \$2 M
- Mr. Green: \$2.5 M
- Mr. Bardwell: \$2 M
- Mr. Nash: \$2.5 M
- Ms. Hooper: \$2 M
- Mr. Nedelka: \$2 M

Based on the opinions expressed above it was decided to perform stormwater utility rate calculations using a revenue requirement of \$2.0 M per year, which represents approximately an increase in funding of approximately \$1.1 million per year above the current funding level. The increased funding will be used to complete required actions such as maintaining regulatory compliance (approximately \$300 thousand per year); as well as implementing recommended actions such as a system needs assessment, ongoing system renewal and replacement, and targeted stormwater management projects recommended by City watershed management plans (approximately \$800 thousand per year). In the absence of a stormwater utility, the Committee would recommend that the stormwater program be funded through the General Fund. As a result, if the City moves forward with a stormwater utility, stormwater program costs should be backed out of the General Fund.



7. Each committee member was asked whether they prefer the concept of continuing to fund stormwater improvements through the General Fund, or whether a utility should be considered. The majority of the group prefer the concept of a utility, as follows:

- Mr. Nedelka: Utility
- Ms. Hooper: Utility
- Mr. Kageleiry: General Fund
- Mr. Stephens: Utility
- Mr. Lynch: Utility
- Mr. Green: Utility
- Mr. Bardwell: Utility
- Mr. Nash: Utility
- Mr. Ciotti: Utility

The primary reason for supporting a utility was that it presents an opportunity to collect revenues dedicated to the stormwater program that cannot be redirected for other uses.

8. Meeting was adjourned.

The next meeting will be held at the Dover Department of Public Works on Monday November 8, at 6:30 pm.

*These minutes are an overview of all pertinent discussions that took place at this meeting. Should anyone take exception to any portion herein, notify this office in writing within ten (10) days of receipt or these minutes shall stand as written.*