

## WINNIPESAUKEE RIVER BASIN PROGRAM

### ADVISORY BOARD MEETING MINUTES

**November 21, 2019 – Belmont Corner Meeting House**

**Members Present:** The meeting was called to order by Wes Anderson (Laconia), assistant chair, at 10:05 am. Sharon McMillin (NHDES), Rene Pelletier (NHDES), Ron White (DAS), Johanna Ames (Tilton), Jeanne Beaudin (Belmont), Scott Dunn (Gilford), Ray Korber (Bay District), Brian Sullivan (Franklin), and Meghan Theriault (Gilford) were present at that time.

**Minutes:** Jeanne moved, seconded by Brian, to approve the September 11, 2019, meeting minutes. Scott moved, seconded by Jeanne, to approve the October 17, 2019 meeting minutes. The motions passed.

**Monthly Summary Report:** Sharon provided the following updates. They were based on the *Monthly Summary Report* for October 2019.

- Flow Metering Services Study – There were no updates.
- Asset Management/Collection System Evaluations Initiative – An intern has been assisting with collection system assets and GIS input, primarily with pipe segment information. An electrician has been assisting with electrical data input for the WWTP and pump stations.
- WRBP Infrastructure Ownership/Responsibilities – There were no updates.
- Governance Work Plan – There were no updates.
- Rate Assessment Formula – W-P's presentation for the Phase 1 draft report has been postponed.
- Replacement Fund (Reserve Account) Legislation – The lining repair for the pipeline that was funded from the Replacement Fund was completed in November.
- Commercial Discharge Permit (CDP) – Current priorities have been dental offices, food service establishments, and facilities with regulated waste disposal. Changes in use or expansion may trigger permitting or permit modifications. Any facilities suspected of using or discharging PFC-containing materials have been prioritized for permitting and inspections.

Wes asked how much of the electrical data entry has been completed in the Asset Management system. Sharon explained that approximately 80 percent of the electrical data has been entered to date; and, approximately 40 percent of the mechanical maintenance data. Data for the new backup generator has not entered, because it has not been installed yet. The air permit for the existing generators was modified to accommodate the backup generator. A permit was also required for the backup generator itself, as it will sit (aboveground) on an outdoor pad. Wes asked when Sharon expected to complete the mechanical maintenance data entries. Sharon explained that the mechanical maintenance data was being entered when maintenance and repair activities were done and that a great deal of data has already been entered for the pump stations. Emphasis is placed on depreciable assets as opposed to expendables to determine condition and remaining useful life forecasts.

Scott asked if DES was at a stalemate with member communities who have not yet signed ownership/responsibility-related MOAs. Sharon explained that the MOAs relate to O&M responsibilities and this documentation will be revisited with the 5 member communities in question. Wes acknowledged that the summer construction season consumed a lot of his time and that of other Laconia officials.

Sharon reminded members that EPA considered microbrewery wastewater as an industrial discharge. The WRBP has been getting some pushback from some of the new local microbreweries. The WRBP is working with them to make sure they understand the permitting process and their on-going reporting responsibilities. Brian acknowledged that one of the brewers questioning the industrial permitting may be a former Advisory Board member; and may disagree with these policies. Sharon explained that permits and permit enforcement was up to EPA and the permitting authority (in this case the WRBP), and that a local brewery has failed to report criteria such as pH and volume, as required by their permit. Wes asked if any initial violation notice would come from DES or WRBP. Sharon explained that it would come from the WRBP, because the WRBP was the permitting authority; however, enforcement would be handled along the regular enforcement route used by DES, if enforcement became necessary. Wes asked if DES intended to take the brewery to court. Sharon explained that there was an enforcement process and that taking them to court would be one of the last steps in this process. Rene explained that two of the steps in the enforcement process were the levying of administrative fines and/or DOJ penalties. Sharon explained that due to the public nature of the environmental enforcement process, local businesses generally attempted to avoid any potentially negative press by fulfilling their permitting responsibilities before it got to that step. Ray asked what type of volume the brewery was producing. Sharon explained that for every barrel of finished product, they could potentially generate 15 barrels of wastewater or even more, depending upon potential lack of process efficiency. Ray asked if the WRBP has performed a site visit. Sharon explained that it had; and, that permit paperwork had been completed. They have already been put on notice, and were aware of their reporting obligations at this juncture. Ray asked if effluent limits were included in their permit. Sharon affirmed that they were. Ray asked how they were determined. Sharon explained that they were determined by reporting criteria such as CBOD, solids loading, pH, and volume. Sampling and testing has been performed; and, the limits are specific to their process.

**Rate Assessment Workgroup Update:** Wes announced that W-P has postponed the presentation for its Phase I draft report, which was initially scheduled for today's Advisory Board meeting. It has been rescheduled for December's Advisory Board meeting. Ray noted that the rough draft would be going out in a couple of days and that W-P has apologized for the inconvenience. Wes noted that W-P was recommending a hybrid approach for cost allocations in the four communities where the installation of additional flow meters was not feasible. Further consulting would be required in order for the CIP Sub-Committee to receive the guidance that it needed to develop a scope of work for the next phase of work. He recommended members review the report ahead of the next meeting and be ready with questions and suggestions regarding the type of hybrid approach they would like to see in W-P's scope of work for the next phase.

Sharon expressed concern because it sounded as though the foregone conclusion was that the Advisory Board members would need W-P's assistance in order to move on to the next phase. Accurate

flow metering data was available for the other member communities; and, partially, for the four member communities. In order to move on, it was important to engage billing and financial folks in the four member communities to review their billing locations and billing practices. A lot of money had been spent on CDM; and CDM had come to virtually the same conclusion with regard to the need for a hybrid approach. It had also provided some options for cost allocations. She asked if the Advisory Board really wanted or needed a consultant to tell its members what the hybrid approach should be. Ray asked who was going to develop the hybrid approach if W-P would not be doing so. Sharon explained that she had already developed one in the past; and, what was needed was to sit down with the billing and finance staff from the four member communities. She explained that every member community bills its end users, which was discussed at great length during last month's meeting; as was the basis used by the four member communities billed their end users, and potentially how that data could be standardized to cover the 8% in question. She acknowledged that more money could be spent; however, W-P would also need to work with the billing and finance staff in the four communities in order to develop a hybrid approach. She further acknowledged that she was concerned with W-P's efforts to date, because it has been very difficult for W-P to come to a conclusion in their report. She and her staff members have invested a considerable amount of time reviewing W-P's draft reports; she felt that it should not have been such a heavy lift for a consultant. Additionally, W-P has not answered all of the questions it had been asked to address. Sharon asked while each Advisory Board member could come armed with suggestions regarding the hybrid approach, haven't they done so already; and whether the Advisory Board hasn't already told W-P what types of information to gather from each member community. She reiterated her concern with W-P's effort to date and her trepidation with regard to the prospect of W-P moving forward with the four members; then the Advisory Board in the proposed next phase of work. She thought it might be better for the billing and financial folks in the four member communities to work with key Advisory Board members and her staff. As it was, only a portion of each of the four member communities would need to use a hybrid approach.

Jeanne noted that in Belmont, some streets were metered; and some were not. She acknowledged that from a town management perspective, this may become problematic under a hybrid approach. Sharon reiterated that it was not feasible or cost effective to install additional, accurate flow meters in the four member communities. There were only certain well defined sewered areas in each of the four communities for which a hybrid approach was necessary. She recommended sitting down with the billing and financial folks from each of the four member communities to identify those properties and then to standardize units. For instance, under TR16 or DES design guidance documents, a single-family residence with two bedrooms might be considered "one unit" under a hybrid approach. After that, the eight percent could be apportioned accordingly. If a new development was built, it could be added to the number of units in that community, and the 8% would be recalculated accordingly. Essentially, this was an Excel spreadsheet exercise.

Rene was concerned about the amount of money that has been spent to arrive at a conclusion that he and perhaps the other Advisory Board members had already determined independently, that being a hybrid approach would be necessary to chase down that 8%. In his opinion, W-P's evaluation should have included the hybrid options; instead, W-P planned to charge an additional fee for options that were largely empirical. Given the knowledge and ability of the Advisory Board members as a whole, in

combination with Sharon's staff, this work could easily be done in-house instead of spending more money in the form of an additional consulting fee. Thus, it was his recommendation to perform the work in-house. Ray recommended increasing the number of Advisory Board members sitting on the CIP Sub-Committee; and, for the CIP Committee to meet weekly. If the Advisory Board as a whole was unwilling to do this, then it was his suggestion to have the consultant do the work. Sharon suggested, as an alternative to the larger group being involved, that the work to be done in-house by her, WRBP staff and the billing and finance staff from the four member communities. Ray asked Sharon if she would be doing the number-crunching. Sharon affirmed that she would. Scott was concerned because he has never seen a comparison of what was being paid in the current flow allocations with what the new flow levels would indicate. If those numbers were fairly close, then in his opinion, money was being wasted. Sharon offered to resend some of the flow metering data to the Advisory Board members. It was in the form of summary tables that she and her staff have been populating since the flow metering program began. Sharon noted that while the two were fairly close, the four member communities wanted to know how the eight percent was to be split amongst the four. Number-crunching-wise, the eight percent should not be t a heavy lift. Instead of expanding the CIP Subcommittee, she suggested meeting with the four member communities to review their billing locations and billing practices for the discrete areas with inaccurate metering. There were not that many properties to consider. For instance, Franklin has a short stretch along Pleasant Street. Brian agreed that Franklin was in pretty good shape, and that he was willing to meet with her. Sharon suggested that the Advisory Board members needed to have a candid discussion about the expenditure of additional money in the form of a consultant fee to complete this work versus a commitment by the four member communities to provide the necessary property or water meter data.

Ray agreed that he was all for doing the work in-house; however, the Advisory Board members have been talking about revising the cost allocations for ten years, and he would like to see this through. He suggested Sharon to put together a scope of work and a schedule in order to provide the CIP Subcommittee with an idea of how the work could be completed. Additionally, if this was the route that the Advisory Board chose to go, the four member communities would need to be willing to commit to helping Sharon access the needed data. Sharon noted that a consultant would have the same difficulty with data gathering, because a consultant would also need for the four member communities to commit toward helping. Ray acknowledged that it had been difficult for W-P to obtain data from the member communities. He reiterated that did not want to continue to talk about revising cost allocations for another ten years, not when the Advisory Board was so close to reaching a decision for the first time. Sharon reiterated that a commitment would be required no matter who was doing the data gathering and number-crunching. Ray suggested instead to receive a commitment from the four member communities, and then to put the data in the hands of the consultant to crunch, thus saving on the time and the fee. Johanna asked whether the four member communities hadn't already done that. Sharon agreed that they had provided the data requested in the first phase of the study; but that it was essential for the billing and finance staff from each of the four member communities to review it from the point of view of the billing addresses and billing practices for just the areas in question. That way, the data could be properly entered into the Excel worksheets.

Jeanne asked which areas in each of the four member communities were within the 8%. Sharon explained that they were depicted in W-P's report; however, there were a couple of data gaps.

Johanna was concerned about the defensibility of a hybrid approach and asked if one member community might accidentally be allocated another's cost. Wes and Sharon explained that standardization would address that. Jeanne asked if seasonal users would be factored in. Sharon explained that TR16 provides a means for doing so, as it had options for both year-long and seasonal use. She reiterated that, because the billing and financial folks in each member communities knew their communities best, it was crucial for them to be part of the process moving forward. Jeanne and Johanna asked how campgrounds would be handled. Sharon explained that if they were already being billed for season use, then the design standard would allow them to be allocated in this manner; if for year-long, then in that manner. Campground lots could be allocated based upon their fractional use. Again, the billing and financial folks in each of the four member communities would be providing the realty checks.

Rene reiterated that he was struggling to understand why W-P was not providing options for the 8% in their report. He was also struggling to understand why more money would be required to provide these options. If any of the four member communities disagreed with the hybrid approach generated by Sharon and her staff, they could state their disagreements and adjustments could be made.

Ray expressed concern with Rene's suggestion, because the manner in which cost was allocated for the four communities under a hybrid model would affect the allocations of all of the member communities. For that reason, in his opinion, all of the member communities must agree with the new allocation model unanimously; otherwise, it might be advisable to stick with the current allocation model. Johanna and Rene agreed that reaching a unanimous conclusion might be difficult. Scott expressed concern about the current allocation model, because he did not know how it had been arrived at and what data supported it. Ray agreed, noting that he has never seen anything definitive over the years with regard to the rationale used to model it as that approach had been determined so many years ago. Rene reiterated that DES could address any disagreements. Ray asked if DES would be setting the costs. Rene noted that if DES set the costs, any disagreements should be brought to DES and not the Advisory Board, because DES was responsible for managing the program. Sharon suggested agreeing on a process for determining a hybrid approach; and then if all of the member communities could come to an agreement on that, to document it and assign values. Sharon noted that CDM has already spent a lot of time looking at this, to the cost of approximately \$300K, and had identified cost centers, sewer populations, and the like. None of their options were implemented, and now it would be back to square one if the member communities could not agree on a process for determining a hybrid approach for the remaining 8%. There may be a one-size fits all hybrid approach; and, there may not. That could be determined after discussions with the billing and financial staff from the four member communities. Some of them have conducted studies; such as I/I studies. This type of data would also be helpful. Rene noted that there would be disagreements no matter whether it was Sharon or a consultant working on the process for determining a hybrid approach. Ray reiterated that he was all for doing the work in-house, so long as it was completed in a timely manner. Sharon reiterated that she had agreed to put together a scope of work and a schedule.

Jeanne asked if the information from W-P's report indicating which pieces of each of the four member communities was not being captured by the flow meters, and if that information could be released as soon as possible. Ray reiterated that it would be issued in a couple of days. Sharon offered to add

notes to W-P's colored graphics to help the four member communities better determine what the graphics were depicting, because of the data gaps. Ray suggested setting up a meeting with W-P to address the data gaps; he further suggested for Sharon to present her scope of work and schedule at that meeting. He posited that W-P might agree to do the number-crunching, and reduce their fee dramatically. W-P told him that it has been having a lot of difficulty collecting data from the member communities. He did not know whether this was true. If W-P could obtain the data that it would need to crunch the numbers, it would be helpful. Scott asked what would happen if an independent organization was running the WRBP in five years from now, and if it was issuing bills to users – in that case, would the work to date have been a waste of time? Ray and Brian disagreed. Ray acknowledged that the members had no idea how many additional flow meters would be needed to determine flow contributions in the four member communities as a whole until W-P had conducted this work, and, that the consensus of the Advisory Board members was that installing additional flow meters in the four member communities wasn't feasible.

Ray asked Sharon when she could put together a scope of work and a schedule. Sharon noted that her schedule was tight over the next two weeks, and that Thanksgiving was next week. She offered to distribute them prior to next month's Advisory Board meeting along with today's draft Advisory Board meeting minutes. Ray asked in the interim if the CIP Subcommittee could meet with Sharon and W-P within the next two weeks. Sharon asked what the goal of the meeting would be. Ray explained that it would be regarding the next phase of work. Rene asked why Ray would want to meet before reviewing the work scope and schedule that Sharon was planning to present. Ray explained that it was his hope that W-P would revise its scope of work at this meeting; and, to reduce its fee dramatically. Rene asked if the intention was to have W-P do the work instead of having it done in-house. Ray explained that his goal was to help W-P focus on a specific task. If Sharon's staff could complete the work in a couple of months, then that would be great; otherwise in his opinion, a consultant should do the work. Sharon noted that she did not need W-P's assistance to develop a scope of work and a schedule, and that it would be more helpful for her to meet with the billing and financial staff in the four member communities at this juncture. She asked if W-P has attempted to work with the billing and financial staff from these four member communities yet; and, if they have taken the time to look at property records. She noted that doing so would be integral to the development of a scope of work and schedule. Ray was unsure whether W-P had done either. Brian expressed an interested in working with Sharon prior to the next Advisory Board meeting on Franklin's behalf. Sharon noted that she was available on the afternoons of December 17<sup>th</sup> or 18<sup>th</sup> to meet with anyone who was interested. Ray offered to call Jeff at W-P to see which day worked best for him. He noted that the goal of the meeting would be to iron out the focus for the scope of work and schedule, and that no one needed to produce a draft prior to that time. He suggested that the meeting could be a conference call, noting that a conference call may work better for everybody. Sharon noted that a conference call may work better for her.

**Authority Workgroup Update:** Wes announced that Gilford, Belmont, Bay District, and Franklin were comfortable with providing their own answers and comments for the two proposals for the inter-municipal Agreement and the existing rough draft of the legislation. He just met with Tilton and will be meeting in another couple of days with Sanbornton. He wished to receive comments back from all of the Advisory Board members by December 10<sup>th</sup> so that they could be compiled and distributed prior to

the Advisory Board's next meeting. If anyone had major issues or concerns with any of these documents, he asked them to please let him or Ray know immediately.

**Other Business:** The meeting was adjourned at 11:25 am. The next meeting will be held at the Meeting House in Belmont on Thursday, December 19, 2019 at 10 am; or Monday, December 16, 2019 at 10:00 am. The minutes were prepared by Pro-Temp Staffing.