

TOWN OF ALLENSTOWN
Sewer Commission
33 Canal Street
Allenstown, NH 03275
January 10, 2016

Call to Order

The Allenstown Sewer Commission Meeting for January 10, 2016 was called to order by Mr. Anderson at 4:00pm.

Roll Call

Present: Carl Caporal, Jeff McNamara, and Larry Anderson

Excused:

Others Present

Public Officials:

Jeff Backman, Superintendent

Karen Simmons, Town Finance Director

Roxanne Chomas, Assistant Superintendent

Others Present:

Melanie Boisvert, People's United

Mike Trainque, Hoyle and Tanner Associates

Citizens comments

Meet with Melaine Boisvert

Ms. Boisvert introduced herself as a member of the Allenstown Budget Committee. She explained that she came to the meeting to learn more about the Sewer Commission and Department. She also spoke about providing options for paying for the Sewer Pump project. As a representative of People's United she stated that the bank could help with that need by setting up a collateral loan against a secured account. To put together a term sheet she inquired how the bank loan would be paid back, what would the payment structure be – quarterly/annually.

General discussion took place around paying the loan annually or quarterly. A previous loan was paid annually.

Mr. Trainque explained that one option that is being explored is an annualized interest reduction payment of \$180,000 based on 2% interest over 10 years. The interest and principle is in the \$180,000 per year payment.

Ms. Boisvert explained that with a collateral loan as you pay down the principle of the loan that money becomes available again.

Mrs. Chomas asked if the warrant article gets voted down would that prevent the warrant from being proposed again at a later date.

Mr. Caporale and Mr. Anderson explained that a warrant article can be submitted year after year.

Mr. Trainque suggested that once voters vote down a warrant article in their mind they are voting down the project. He also explained that other projects had gotten voted down and then later got voted through.

Ms. Boisvert stated that based on the wording of the warrant article around funding of the project if the town's people vote the warrant article down then it can be assumed that they are voting no to the project.

Ms. Boisvert gave some background about her employment history with TD Bank doing commercial lending prior to going to People's United. She went on to explain that People's United is a local bank, decisions are made in Concord. Loan approvals and funding are done locally. People's United, a \$36 billion bank, is profitable with a history of working with municipalities. People's United has products geared toward what the Sewer Commission/Department is trying to accomplish.

Ms. Chomas further explained her concerns that this project may not get voted through due to the increases in the school budget and taxes.

Mr. Caporale expressed that the project could come up again in the future and be voted through. He also expressed that the Sewer Department could establish a relationship with People's United for another project if this project did not go through or did not get funds from People's.

Mr. Trainque stated that giving enough publicity about the Sewer Department's intention to repay the loan could help the vote to be yes.

Mr. Trainque explained that if the State Revolving Fund is approved for this project, the NH Department of Environmental Services would disperse funds during the construction project where needed then once the project is complete the loan repayment would begin and it would be based on the total amount dispersed. Ms. Boisvert confirmed that is a way to avoid paying interest on a loan amount that is not needed. She went on to explain that she came to provide funding options.

Mrs. Chomas asked if the Sewer Department/Commission should have Ms. Boisvert/People's United run some numbers.

Ms. Boisvert stated she could put together a formal term sheet for Mr. Backman to look at. It would reflect annual principle repayment with quarterly interest payment. She also stated that the Sewer Department could explore a line of credit with People's United and she will provide information regarding that. Ms. Boisvert asked if the Sewer funds would need to be collateralized, is it required by the Town. Mr. Anderson said no. Ms. Boisvert suggested the

Sewer Department find out if the warrant is voted down could they still pursue a note for the project.

Mr. Trainque asked what would be required to establish a line of credit with People's United. Ms. Boisvert explained it would require a payment structure. It would be a zero based line.

Mr. Anderson questioned the wording in the warrant article regarding the Sewer funds expected to be used to repay the loan. He stated he would like it to say accumulated Sewer funds.

Mr. Backman said the Town Administrator said the warrant article could not say accumulated funds.

Ms. Boisvert asked what amount of time/costs the Sewer Department spends on processing sewer payments and getting deposits to the bank.

Mr. Backman said it's about 12 hours quarterly. It is about \$20.00 per hour. He explained the department does have a check scanner but is not currently using it. There is no charge for the check scanner.

The discussion was wrapped up with Ms. Boisvert reiterating that she would put together a term sheet and line of credit information and get that to Mr. Backman in a few days. She also stated that the Allenstown Budget Committee will be voting on the Sewer Pump warrant article this week.

Sewer Pump Warrant Article mailer

Mrs. Chomas began the discussion regarding a mailer detailing the Sewer Pump project.

Mr. Backman explained a mailer is being prepared to let town's people know about the warrant article and describe the project in basic layman terms. They are debating whether to send it out to all town's people or just to registered voters. He stated that the Town Administrator recommended that the mailer be sent to every person in town, not just the registered voters.

Ms. Chomas explained that the Town Clerk is going to send a thumb drive with a listing of the addresses of registered voters in town. There will be a charge of \$25.00 for the thumb drive/information. Mrs. Chomas also explained that the post office will work with them to get the bulk mailing out.

Mr. Caporale inquired why there is a charge for the thumb drive listing.

Mr. Backman explained it is a standard fee and stated he will ask if the fee can be waived. He further stated that it would be best to have FedEx to do the copying.

Mr. Anderson recommended that the mailer be sent to everyone in town.

Mr. Caporale asked what the cost of the mailer will be. Mrs. Chomas stated she could get an estimate.

Discussion ensued about when to send the mailer – right away or closer to the date of voting (two weeks prior). Mr. Backman stated that a delivery date can be scheduled with the post office.

Mr. Caporale suggested that a banner could be printed for everyone to see. Mrs. Chomas agreed and stated she can get a good deal on a banner.

Minutes

The minutes from November 29th are not ready. Ms. Hecoux who has been doing the minutes is no longer able to do them. Ms. Caruso who has just taken over will have the minutes ready at the end of the week.

Wastewater Asset Management Workshop

Mr. Trainque explained that Mr. Backman and Ms. Chomas will be going to the office of Hoyle and Tanner to train on wastewater management asset putting together work orders. A training is also being scheduled for the Sewer Commission.

Mr. Anderson asked why the Sewer Commission members are receiving training. To which Mr. Trainque explained that it is good for the Commission as the management of the facility to have that knowledge.

Suncook Pond Pump Station

Mr. Trainque informed that a presentation was given at the Select Board meeting during the public hearing on the Bond Warrant Article last night. The Select Board did vote to recommend the warrant article. He explained that they did not speak about the Asset Management warrant article at the meeting. He further explained that the Budget Committee will vote on the warrant article tomorrow.

Mr. Backman suggested that Mike does the presentation at the Budget Committee on meeting on 1/11/17 as well as the Budget Committee public hearing on Saturday, January 14th. Mr. Mulholland will bring copies of the handouts to the meeting on Saturday. Mr. Backman does not anticipated that the Sewer Department will get all of the questions at the meeting, the focus will be on the Town and School Budget. Mr. Backman will email the Budget Committee to request that they speak at both meetings.

Mr. Trainque added that there is a cost to Hoyle and Tanner to put together the presentation materials and asked that they be reimbursed for that. I will get you a number. Mr. Backman and Mr. Anderson agreed that t Hoyle and Tanner could likely get reimbursed for that.

Other business

Mr. Trainque stated that Paula sent the draft sampling plan to the EPA for review and approval. He also stated the he has not sent out the letter regarding the Sewer easement.

West Street Sewer

Mr. Trainque began the discussion regarding the cost reimbursement agreement. A decision needs to be made on what percentage of reimbursement should be given to the two properties owners who paid for the installation. The total cost was about \$21,900. Mr. Trainque suggests that the two owners who paid for the installation pay 25% each and the other two properties would pay 25% each to connect.

Mr. Caporale said that there are three remaining properties.

Mr. Trainque stated that if there are five properties it should be set up so that each property pays 20% for initial access. In this case the two owners who put the money up will get reimbursed up to 60% total (up to 30% each).

General discussion ensued around the length of time to make reimbursement payments. It was generally agreed that 20 years would be sufficient.

Mr. Backman suggested that there be a caveat in the agreement that the reimbursement would end in 20 years and is non-transferable should the owner be deceased or sells their property.

Discussion around factoring in depreciation and connection fees paid to the town ensued.

Mr. Trainque stated that the remaining three properties would be paying a betterment fee to hook into the sewer at West Street. The alternative would be those properties could elect to install septic systems.

Payroll

Mrs. Chomas stated the Sewer Department is on the new payroll system. Mr. Backman said that it went relatively smoothly.

Sewer Plant Equipment

Mr. Backman explained that Press #3 is being worked on as the wipers failed. Press #2 also needs work as the rear seal went. The new grinder in the Septage building is up and running. The can seal is being worked on.

Mrs. Chomas stated that septage/hauler business has slowed down. Mr. Backman stated that last year the Sewer Department collected \$23 million, which was a record year. Mr. Trainque stated that is about 20% of the state total. Mr. Anderson said they hadn't hit \$20 million prior to last

year. Mr. Trainque informed that about 20% of the state's septage goes out of state and if that went down the State of NH would be in trouble and some of that would certainly come to Allenstown. Mr. Backman said they would buy more containers if it came to that.

Mr. Backman explained that the cover for the sump pump is rotting and needs to be replaced. He is having someone come in and give a quote for the cost of that. He will likely have to get a P.O. for that.

Lien List

Mr. Backman stated the lien list will be prepared for the next Sewer Commission meeting. He stated at this time there is about \$25,000 in uncollected sewer fees.

Administrative Assistance

Mrs. Chomas stated that Ms. Wallace will be out for 6 weeks. Mr. Backman stated he would like to get a temp, however they will be getting assistance Town Hall. Mrs. Chomas said one day a week one of the girls from Town Hall will come down and Mr. Backman will work on some of the tasks. Ms. Wallace will be able to take home a lap top to do some of the work and she'll be able to clock in from home. The staff from Town Hall will work with Jay beginning in February and get training.

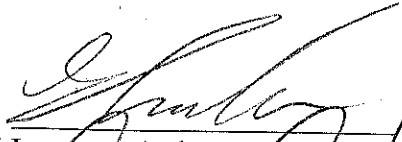
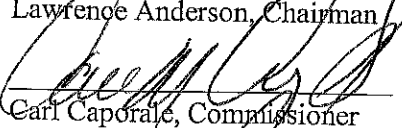
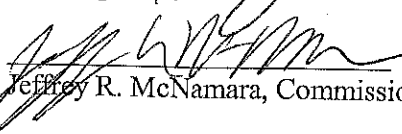
Sewer Adjustment Journal

Mr. Backman printed this out and gave it to the Commission to sign.

Meeting Adjourned

Mr. Anderson motioned to adjourn at 5:20pm.

Document Approval Allenstown Sewer Commission

	Date	Approve	Disapprove
 Lawrence Anderson, Chairman	2-14-17	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Carl Caporale, Commissioner	2-14-17	<input type="checkbox"/>	<input type="checkbox"/>
 Jeffrey R. McNamara, Commissioner	2-14-17	<input checked="" type="checkbox"/>	<input type="checkbox"/>