

TOWN OF ALLENSTOWN  
Budget Committee  
16 School Street  
Allenstown, New Hampshire 03275

Minutes of Budget Committee Meeting on December 2, 2010

Present at the meeting: David Coolidge, Jerry McKenney, Sandy McKenney, Don Chaput, Larry Anderson, Penny Touchette, Carl Caporale, Fern Bissonnette, Lisa Komm, Mike Frascinella and Jon Richardson

Others present: Michael Trainque, VP of Hoyle, Tanner and Associates, Inc.; James A. Rodger, Allenstown Sewer Commission (ASC) Chairman; Charles Martel, ASC Sewer Commissioner; Jeff Backman, ASC Chief Operator; Andrea Martel, ASC Administrative Assistant; Dana Clement, ASC Superintendent; Harold Thompson, Pembroke Sewer Commission; Carol Merrill, Resident; Richard Merrill, Resident; and Lynn Bissonnette, Resident.

Excused absence: Jason Tardiff and Sted Holton

Sandy McKenney opened the meeting at 6:30 PM.

**Approve November 18, 2010 minutes.**

Larry made a motion to approve the minutes as written. Carl seconded the motion. Voice vote with all members in favor of passing the motion, no discussion.

**Announce Budget Committee Sign-Up.**

Sandy made notice that several Budget Committee members are due to sign up for another term in 2011. They are Larry Anderson, Don Chaput, Mike Frascinella, Fern Bissonnette, and Dave Coolidge. The dates to sign up, if they plan to, are between January 19 and January 28, 2011. This is for 1-, 2-, and 3-year terms. Sandy said she will be sure to remind everyone again in the interim.

**Review Sewer Commission Budget.**

Sandy turned the floor over to Jim Rodger and Andrea Martel, who began a Power Point presentation, as follows:

*Why are there three separate ASC budgets?*

Because there are three separate entities, or groups of users of the Allenstown sewage works:

- Allenstown Sewer Users
- The Town of Pembroke

- Hauled Waste Companies

Income and expenses are tracked separately to ensure that one group does not pay for the expenses attributable to another. This is necessary to demonstrate an “equitable” scale of rents as required by NHRSA 149-I:8. The short explanation of this statute is that each entity must pay its just shared cost, or, one group must not pay the bills of the other.

How do the Income and Expenses work?

The breakdown is as follows:

PLANT EXPENSES (the cost of operating the plant), paid for by

- Allenstown Sewer Rents
- Pembroke Sewer Rents
- Hauled Waste Sewer Rents

ALLENSTOWN COLLECTION SYSTEM (includes sewer pipes, manholes, and pump station), paid for by

- Allenstown Sewer Rents

HAULED WASTE EXPENSES, paid for by

- Hauled Waste Sewer Rents

How much does each group pay for PLANT EXPENSES?

(Based on monthly flow to plant)

- 51.07%- Hauled Waste
- 24.56%- Allenstown
- 24.37%- Pembroke

How is the Allenstown Sewer Rate calculated?

The following items are taken into account:

- Historical water use data (1,000 gallon billing units) per quarter for the past two years
- Gross Allenstown expenses, i.e. Collection System/Pump Station and Treatment Facility Share (flow-based)
- The rate should be set to include coverage of all expenses
- NHDES recommends (but does not mandate) inclusion within the budget an extra 20% to be put aside for equipment replacement, on top of operating expenses (ex: sewer line, interior mechanisms)

What has been done to the Sewer Collection System over the past 10 years?

- Elm Street
- Ridge Road (West)
- Notre Dame Avenue (from Al’s Avenue to 200’ North of Bailey)
- Sargent Street
- Ray Court
- Al’s Avenue West of Notre Dame
- New line added on Granite Street
- Canal Street
- Turnpike Street (two sections)
- Miscellaneous Point repairs

What needs to be done to the Sewer Collection System?

- Many older pipes are constructed of clay and orangeburg (Bermco), which are failing (they are 50-100 years old)
- Roots, holes in pipes, cracks, and other issues are creating Inflow & Infiltration (I&I) which adds to the overall flow to the plant, increasing the cost to the Town of Allenstown.
- I&I **MUST** be reduced in order to reduce wear and tear on the equipment, reduce the cost of treatment of unnecessary water (i.e. street drainage and runoff, residential sump pumps and floor drains).
- It would take \$5.5 *million dollars* to remove I&I and fix the current issues. If \$50,000.00 was put in the budget every year to correct these issues (and the current cost stayed the same), it would take *110 years* to correct the issues. However at that rate, system failures would occur more frequently than repairs are done.

There were some questions and discussion at this point about what percentage of the Town's sewage pipes has been updated to date, the answer: approximately 20%. Andrea talked about how the ASC, in recent years, has been "playing catch-up", having to replace pipes in places where failures have occurred, for example, Al's Avenue. She said they would like to get ahead of the game and fix things prior to breakdown, as emergency fixes cost 30-50% more. This has not been happening because there is not enough money in the budget. Over the past 10 years, the ASC has been saving money towards fixing Library Street, but emergency repairs along the way take away from that.

Jim Rodger explained that they have been working on a 7-year plan, where they flushed and filmed the entire system. He said Andrea has just finished inventorying all 15 books of information from that into a database, so now they have a better idea of where they need to focus their money, what areas are the worst, etc. Again, he stated that in the meantime, pipes collapse here and there, etc., and need to be fixed emergently.

The next item in Andrea's presentation was a copy of the verbiage in the new EPA and NHDES Permit, which will be required of Allenstown soon (approximately 1 year). This permit covers the operation and maintenance of the sewer system. Terms and Conditions topics include Maintenance Staff, Preventative Maintenance, I&I, Collection System Mapping, Collection System Operation & Maintenance Plan, and an Annual Reporting Requirement.

The proposed 2011 ASC budget was reviewed line-by-line, as well as a list of the ASC's accounts and their balances, and for what each account is used. There were some questions and discussion, and Sandy requested ASC's expenditures for the past 3 years, which Andrea said she would get to her in the next few days. Sandy asked Jim if there was a chance that the sewer rate might increase again next year, Jim said that yes, it was possible, due to any possible expenses of emergency fixes as well as planned fixes that are part of their 7-year plan.

### **Review 2011 Highway Budget.**

Jerry made a motion to open the Highway Budget. Dave seconded the motion.

Carl made a motion to approve the bottom line budget at \$403,897.00. Penny seconded the motion. Took a roll call: Carl-yes; Dave-yes; Don-yes; Fern-yes; Jerry-yes; Jon-yes; Larry-yes; Lisa-yes; Mike-yes; Penny-yes; Sandy-yes. Motion passed.

**Review 2011 Planning Board Budget.**

Don made a motion to reopen the Planning Board Budget. Larry seconded the motion. Voice vote with all members in favor. Discussion about potential changes to Secretary and Planning Consultant lines, but a decision was reached to leave the 2011 Planning Board Budget as it is, at \$18,201.00. Larry made a motion to close the Planning Board budget. Fern seconded the motion. Voice vote with all members in favor, motion passed.

Reminder of next meeting scheduled for December 9, 2010 at Armand R. DuPont School.

Larry made a motion to adjourn at 7:52 p.m. Fern seconded the motion. Voice vote with all members in favor; meeting adjourned.

Date approved: \_\_\_\_\_

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Sandra McKenney, Chair  
Allenstown Budget Committee