

**NOTES OF FEBRUARY 26, 2013 RYE WATER DISTRICT HEARING
ON WATER MAIN REPLACEMENT**

Final Revision B – Provided by the Rye Civic League

Present: Commissioners Ralph Hickson, John Murtagh and Arthur Ditto.

Also present: Rick Davey, Wright Pierce (engineering firm for the Water District), Ken Aspen, superintendent of the water district, Fire Chief Skip Sullivan (beginning of meeting only)

Introduction

Chairman Ralph Hickson opened the hearing by describing the repeated water breaks along Route 1A. *Editor's note: much of Route 1A is Ocean Blvd., but the name changes to Pioneer Rd. north of Wallis Sands Beach.* He referred to a map that was passed out at the meeting, which, he asserted, shows “80 and counting” water main breaks since 1967. *Editor's note: The map passed out appears to show 18 separately identifiable breaks along Route 1A, plus two areas of breaks that are so close to each other that the exact numbers are not ascertainable. It is estimated that there are approximately 10 in each of these areas. In addition, there are 12 breaks not on Route 1A. The total, based on this, would be approximately 50.* The mains, Mr. Hickson stated, are of cast iron, which is not bendable. There is ground movement in the areas where the breaks are occurring. There has been a plan for many years to eliminate cast iron water mains along route 1A.

Mr. Hickson described the two sections to be replaced. The phases on the map are reversed with respect to what is described on the attached sheet. Phase 1 is from Fairhill to the third parking lot downstream from Odiorne Point. *Editor's note: The CIP plan refers to the terminus as just north of Pollock Dr.* Phase 2 is from the bridge at Rye Harbor north to Washington Rd. *Editor's note: This bridge is apparently just after one makes a 90 degree right turn heading east while proceeding north on Route 1A adjacent to Rye Harbor.* Phase 3 involves completing a loop at Dow Ln. and Lafayette Rd. in order to eliminate issues associated with dead end piping. In addition, a section of water main adjacent to Rye Harbor will be replaced this year out of operating funds, and is not part of the \$3.4 million.

The replaced sections would be 12 inch HDPE. *Editor's note: HDPE stands for high density polyethylene, a type of plastic.* A sample section of the pipe was passed around. The thickness of the wall appeared to be about 1 inch.

With regard to the Central Water Treatment plant proposed in the CIP plan, the plant cost is a large amount, but the water main replacement is more important at this time. There is no “gun to their head” at this point. *Editor's note: The 2013-2018 CIP plan has the water treatment plant listed at approximately \$6.5 million.* In 2015, existing bonds on certain prior projects mature. This will permit the costs to continue at the same level. The estimated \$3.4 million is the outside worst case. The hope is that it would be less as there are a lot of contractors looking for work.

In terms of timing, the loan would be obtained in the fall of 2013. One part of the project would be completed in the fall of 2013, the other in the spring of 2014.

Audience questions

Steven Borne asked what the effect of this project would be on the overall tax rate of the town. One of the Commissioners responded that they do not go to the Town to ask if they may do a project.

Alex Herlihy stated that there would be an up or down vote on March 30 and that people would be asking about the tax rate. Fire Chief Sullivan interjected that he had been a selectman for several years, and that they could never tell people what the tax rate would be.

Fire Chief Sullivan then indicated that he would need to be leaving shortly and asked for an opportunity to speak. He stated that the fire department has had to hold its breath during numerous water main breaks. The larger diameter mains would also provide more pressure for the fire trucks.

Peter Crawford asked whether there wouldn't still be a bottleneck because only two sections of the water main along Route 1A are being replaced. *Editor's note: the 2013-2018 CIP plan has \$6.53 million for water main replacement in four phases occurring in 2014 through 2017. The entire main from Locke Rd. north of Pollock Dr. is part of that plan, however the section near Dow Ln. is not. According to the map of water mains passed out at the meeting, the mains start just north of the intersection between Locke Rd. and Route 1A. The southern part of Rye is served by Aquarion Water, a private company.* One of the commissioners responded that the sections along Route 1A that are not being replaced are already 12 inch so that the entire main would be 12 inch along Route 1A after the two sections are replaced. Mr. Crawford then asked Chief Sullivan the capacity of the pumper trucks. Chief Sullivan responded that it was 1250 gallons per minute. The Town meets the ISO standard of 3500 gallons per minute with its three pumper trucks. Mr. Crawford asked what the pressure was in the water mains. One of the Commissioners responded that it varies, but is 68-70 pounds per square inch along the beach.

One of the member of the public asked where Newcastle gets its water. The response was that it came from Portsmouth. Rye also has a connection to Portsmouth, but that is for backup as Rye has its own wells.

Steven Borne asked what construction would do to biking along Route 1A. The response was that there would not be open trenches for a significant period of time. There would be at least a temporary asphalt covering.

Victor Azzi asked about the age of the existing pipe. The response was that it was 70 years old along the far end and 50-60 years old along the south end. Mr. Azzi asked about the lifetime of HDPE pipe. The response was that there is pipe already installed that is 30 years old and counting. The lifetime could be 100 years. Mr. Azzi asked about the depth at which the pipe is installed. The response was, that it was 4 feet or more down, below the frost line. Mr. Azzi asked about the location relative to the water table. The response was that, in some cases it is below the high water mark.

Mr. Azzi asked about the duration of supply disruptions. The response was that these would be hours rather than days.

Mr. Crawford asked whether the need for the water treatment plant had gone away, and if not, what the timing would be. There was no definitive response as to timing, but the Commissioners indicated that it was not believed that the need was imminent. The need for a water treatment plant would be increased once chlorination is required. One of the Commissioners stated that this was a question not of if, but of when. Most communities, even those supplied by ground water, as opposed to surface water, are already chlorinating. *Editor's note: ground water refers to that obtained from wells, and surface water from lakes and streams.* The State has indicated that chlorination would be desirable. Once chlorination is being done, the high iron and manganese in the water would precipitate out in the presence of chlorine, which could cause laundry to come out stained.

Steven Borne asked about the salt shed at the Public Works facility. He indicated that there had been concerns with the DPW about salt getting into the aquifer. The response from one of the Commissioners was that they would like to see this done, but it was not highly pressing.

Burt Dibble asked where the Town's water was with respect to limits on salt content. The response was that the sodium content was closer to the bottom than to the edge of the limit. *Editor's note: table salt is sodium chloride, thus sodium content is synonymous with salt content for this type of salt.* Mr. Dibble asked whether the state has ever required chlorination in the absence of coliform. *Editor's note: fecal coliform is a type of bacteria.* One of the Commissioners responded no. Further responding, another Commissioner stated that contamination would not necessarily have anything to do with wells. The tanks are above ground and exposed to the air. Only a handful of facilities in the State are currently unchlorinated. Some add a "sniff" of chlorine to be safe.

Victor Azzi asked whether there was a Water Facilities Master Plan. The response was that there is an old one. It is being redone this year. Mr. Azzi expressed concern about the town and taxpayers being surprised by a major investment. Commissioner Ditto stated that management from a taxpayer perspective was not their business. They don't ask the Town for approval of what they do and the Town doesn't ask them for approval of what it wants to do. It's not like they will be walking in overnight and asking for something. There is a plan.

Steven Borne stated that the issue came up at a recent Board of Selectmen meeting. The Selectmen said that considering Water District issues was not their function. One of the Commissioners responded that a Central Water Treatment Plant would not be dropped on the table. This loan cannot be used for that. Nobody could force them to do this yet. The EPA or the State would allow a long lead time if they mandate chlorination.

Peter Crawford asked what the likelihood was that this project would be the only one during the 20 year life of the bonds. He stated that, between the \$6.5 million in water main replacement in the latest CIP plan and the \$5.5 million water treatment plant, there is \$12 million in projects planned during the next 5 years covered by the CIP plan. This compares to \$22 million for the Town as a whole. However, the impact on the tax rate in the Water District is more pronounced as the assessed valuation of properties in that district totals \$1.1 billion, compared to about \$1.7 billion for the Town. If only the \$3.4 million project goes forward and is financed over 20 years at the slightly less than 3 percent interest rate projected, taxes in the water district will go up by about 26 cents

according to his projections. This compares to a reduction of about 16 cents from the maturing bonds. Thus, the Commissioners are correct that there would be only a nominal increases.

However, if additional projects are added to these, then the increase could be much higher. Mr. Crawford stated that his calculations showed an increase of \$1.00 in the tax rate if all of the projects in the CIP plan go forward as projected, and are financed over 10 years at 3 percent. *Editor's note: the tax rate is always stated in dollars per \$1000 of assessed valuation. Thus, a house assessed at \$500,000 would have its annual taxes go up by \$500 if the tax rate increases by \$1.00. This would be the increase in the first year, however elevated taxes would persist for the full life of the bond, with slow decreases as principal is paid down.* In addition, Mr. Crawford stated, there may be further projects after the 5 year horizon of the CIP plan. If these occur while the debt from the \$3.4 million is still being repaid, they would be added on top and the tax rate would go even higher.

Commissioner Ditto responded that it was like a car loan being paid off. The debt going away enables a new loan to be taken out without increasing the outlay. Mr. Crawford asked about other water main replacements beyond the \$3.4 million and the water treatment plan. Were those still likely to be needed, and what was the timing likely to be? No direct response was received to this question. However, Commissioner Ditto reiterated that the voters would need to approve further investments. If a water treatment plant was proposed, they would have an opportunity to vote on it. The State would not be mandating this with a short lead time.

Steven Borne stated that he believed that he had been the only one from the public at a prior meeting. Then, he indicated that perhaps Joe Cummins had also been there.

Mr. Borne asked about the impact of HDPE on grounding. The response was that grounding would still be accomplished with the metal pipe already existing on the property, so it would not be affected.

Mr. Azzi asked about the condition of the mains from Washington Rd. to Fairhill Ave, and whether these were cast iron as well. *Editor's note: That section, while appearing in the most recent CIP plan, is not part of the \$3.4 million planned.* The response was that the mains there were cast iron. There were a couple of tidal areas that had already been repaired. For example, in 1993, a 40 foot section was put under a creek.

Peter Crawford asked about transparency. He stated that the Budget Committee has apparently voted to recommend the warrant article on the \$3.4 million water main replacement at a February 5, 2013 public hearing. Mr. Crawford stated that he had discovered that a notice of the meeting had run in the Portsmouth Herald on January 18, but that the notice referred to approval of both the budgets of the Village Districts and the Water District, and made no reference to the \$3.4 million warrant article which has effects beyond 2013. In addition, notice was provided on the Town's web site and at two locations in Town on February 4, the day before the meeting. Again, there was no mention of the \$3.4 million warrant article. A notice of the currently ongoing hearing appeared on February 13 in the Herald, however, even though that notice cited the State statute for hearings prior to debt being incurred, there was no indication of the \$3.4 million amount being sought. Mr. Crawford asked whether there were other notices provided that he was not aware of.

One of the Commissioners responded that further notice was provided in the form of leaflets in the doors of everyone along Route 1A. They did not want people to be surprised when they discovered that the road had been torn up.

Mr. Crawford asked at what point at which the Budget Committee became aware that approval of the \$3.4 million warrant article would be sought at the February 5 public hearing. One of the Commissioners responded that the Budget Committee was not made aware until the night of the meeting that its recommendation of the \$3.4 million would be sought, however this is consistent with prior practice.

Mr. Crawford again asked whether there were any additional notifications which he had not stated. None were cited.