

Selectmen's Meeting Minutes
Monday, August 22, 2016

At the Selectmen's Meeting held on Monday, August 22, 2016 at 6:30 p.m. the following people were in attendance: Mark Lufkin, Peter Corey, and Wendy Hersom arrived at 6:50 p.m.

Jon Warzocha and Dexter Lefavour of Horizons Engineering, Tracy Wood, Administrator of NHDES Wastewater Engineering Bureau; Rick Skarinka of NHDES Drinking Water; Anne Getchell of Rural Development; Eric Law of Rural Development; Fred Ingerson; Terry & Josh Welch.

Jon Warzocha said we have been talking about a whole lot of projects with the Water Distribution and Wastewater systems, and we wanted to get everybody together at one time to see where we are at to map out a plan to move forward to address the issues. Back a few years ago Horizons Engineering did a preliminary engineering study and that study identified a whole lot of deficiencies. The study was funded by a USDA grant, and typically after a study has been approved then a community moves forward with a project, but the Town wasn't ready to move forward then issues cropped up with the wastewater plant. It has been an on-going issue and has cropped up in the past couple of years. We have two conflicting needs and need to see where the Town wants to go and move forward.

Jon asked Anne Getchell & Eric Law of USDA who service Water & Wastewater needs to explain how their funding works and the rates, etc. Eric said USDA can offer 75% grant for a community like Whitefield if there is a public health risk. That would kick you into a 75% grant and 25% loan. Eric said that we have our lowest interest rate historically 1.65% for poverty 2.25% for intermediate. There is no better time than now to finance a project, and there is no better funding than with USDA. Eric said if we pair the projects wastewater projects with water projects, then they could give a public health risk for the entire combined project. There is incentive to pair the wastewater improvements with water improvements. We only have \$3-\$4 million statewide. 1.65% interest rate over 30 years is a big deal. We should have this definitely in the back of our minds. If we decide we have to do the project, there really is no better time than now to go forward. Eric said next week we will know the rates for the next quarter and there is indication that the rates may be even lower. Eric said the applications are due in January, and you need to have preliminary engineering done on both projects. They decide on the applications in March so you need to have your bond vote at the March town meeting. There is a secondary deadline, April 15th but more than likely any grant funds would be used up by then. There are incentives but only at certain times. We talked a lot like this a year or so ago but not about wastewater. This is as good as a time you can get. It was asked for water rates where do the rates need to be for funding? Eric said you need to have a median household income(MHI) below 60% of statewide average, which you have, and you need to have a public health issue. Eric said you look at MHI, cost of project spread out over the number of users; those are the big things, debt service, when it is all said and done you don't want your user rate more than 1% of

your household median income - \$40,000 – rate would be \$400 per household. That would be the same amount Same for water and sewer. Frank Lombardi said normally if we weren't a town with a public health sanitary issue would you have to have your rates at a certain level? Eric said if we didn't have the public health issue risk, it would be a 45% grant rate threshold. They underwrite separately. They look at just wastewater rates and what that project would be and then do the same analysis on the water side. Peter said he is new to the Board and it seems the wastewater is not something we are going to have an engineering design done by the fall.

Tracy Wood said it is an EPA Administrative Order, and the timeline for that is pretty lengthy – basically we have until November 2020 to obtain substantial completion. Tracy said will the wastewater project fall in line with water project. Water is leading the wastewater significantly in terms of engineering, etc. Jon said that Horizons would do a preliminary engineering study for USDA then their engineer reviews it and approves it. We have one already in and approved for the water. We have not done that on the wastewater. Jon said that it would be a relatively easy task to get a preliminary engineering study done for the wastewater side with not a lot of costs. Jon said the cost for that study would be retroactively eligible. Jon said if an engineer cost would be \$30,000 then Town would have to cover that out of pocket now but when it is funded is would be retroactively funded and wrapped in to the loan amount. The short answer – water leads and is basically ready to go. Jon said he feels they could scramble to get the wastewater issues ready. Jon thinks it could be done.

Wendy arrived at 6:50 p.m.

Tracy reviewed the deadlines for the Wastewater projects:

- Hire a professional engineer to evaluate current WWTF treatment systems, including O&M practices (Section IV.1.) – Due 5/26/17
- Submit a detailed report addressing evaluations completed under Section IV.1. (Section IV.2.) – Due 11/26/17
- Complete design of WWTF treatment system improvements/modifications to ensure compliance with all NPDES Permit requirements or complete design of wastewater treatment/disposal facilities necessary for eliminating discharge to Johns River (Section IV.3.) – 11/26/18
- Initiate construction of WWTF treatment system improvements/modifications necessary to ensure compliance with all NPDES Permit requirements or complete design of wastewater treatment/disposal facilities necessary for eliminating discharge to Johns River (Section IV.4.) – 5/26/19
- Achieve substantial completion of all necessary construction and achieve full compliance with all NPDES Permit requirements (Section IV.5.) – 11/26/20

She said of course it can be done quicker and EPA would be happy if the Town moved quicker. If you did the water project first then the wastewater project second, then you cannot pair it.

Rick Skarinka with Drinking Water Bureau said he wants to talk about the big picture of things and putting it in perspective. We have a limited amount of time to discuss this tonight, and we

will need to have more meetings. Where do we stand with your water compared with your wastewater? The EPA order is stuff you have to do

The Water is not at that level the treatment plant is. You had a crisis last summer that you had to address and there was an emergency grant you taped into, but hopefully you don't have to do that again. Last year Rick said when they were here looking at facilities there were no significant deficiencies that would be considered a public health risk. Rick said that the water facilities need to be upgraded across the board. Horizons did a study that identified the needs now the big challenge is to determine what you are going to do. There is current no enforcement on the water side, but Rick said we need to see progress on the water side -- how much progress? We can sit down and talk about it. Do we bundle things together? We need to talk more about that. USDA is a proponent to look at the impact on the user as well. On the water side there are numerous things, and they are not necessarily all tied together. You could do a few things at a time then take a break and tackle them again. Rick said with the SRF loan program, Whitefield was number one on priority list last year, and we chose not to move forward with the project. Rick said we would be at the top of the list again with the need. Rick said to address the public health issue, if necessary they can come up and do an inspection sooner than later and identify the significant deficiencies. Once you do that then you are under the gun. Rick said it is good to give you this perspective and have some discussion in house of what we want to do. The decision you make now, the impact should last for the next 30 to 40 years. It would be the biggest project the Town is undertaking in the next decade. Other communities in the northern part of the state are moving forward and are successful in tapping into the funding sources. Colebrook is breaking ground on a project. Getting there is the challenge. We really need to think about this and gather as much information as we can before we make a decision. A lot of things are in our favor. Median household income is low. Wendy said we are poor and have a lot of issues. Rick said he went to a meeting today and did bring up Whitefield with Annie Kuster today. Potentially Whitefield has a \$4 million wastewater project, and her and her staff are aware of what is going on tonight. We may want to reach out to them. Rick is not aware of any additional funding sources they can offer. Letting people know is not a bad thing. Everyone is looking to help out as much as they can. You are there on the water side in terms of preliminary engineering, and the wastewater side is up in the air.

Rick said it is a lot to absorb in less than an hour, and we would want to set up another meeting. Peter said another meeting to get in to the details. Peter said we have a new water person and there are some additional issues he has identified.

Rick said a notice was mailed out to us on August 12th that we don't have a certified operator running the water system with the proper grade licenses. Rick said it is a huge liability for the Town. Rick said from the date of receipt of that notice, you have 10 days to provide them with the name of the certified operator with the proper grade licenses. If we do not respond by the first 10 days, then we will get another 10 days after that before further enforcement action. It is a serious issue that the Town needs to address immediately. Rick said you should discuss this long-term, but the Town needs to have someone in place who meets the qualifications immediately. The Board said we are working on it.

In reference to the water project, Wendy said we talked last year about going forward with a project then we did not. Jon said that is a game changer that could get tied with the 75%, especially if the 75% can go over to some wastewater projects as well. Tracy said that is amazing. Jon said he can get us a number for a cost for the wastewater engineering. Tracy said the SRFs have 5 to 12 ½ percent forgiveness, but that doesn't come close to the USDA funding. You have to wholly fund with USDA, but you can use the SRF for your interim financing. You exhaust your USDA funding first. This is a generational project. If you look at two amortization schedules, labor and material costs in 2016 compared to delaying to 2018, you put a lot of chance that the costs will go up. Eric thinks the rate will tick down October 1st. It is as good as it has ever been. As we focus on the project, we will determine funding sources – use SRF for the interim financing and it makes it a little bit cheaper. We can look at block grants if USDA is maxed out on grants. It is fine-tuning and making a decision. Rick said the new pump station looks great. Rick said asset management is something they are pushing, and it is the way of going to the future – way of managing your assets and planning for capital improvements. The asset management program is still available, and Jon said that is something we should consider. Rick said his point is there were a lot of things we talked about, i.e. residential water meters, asset management, and he will still bring those up when he comes up for inspection. You have to start working on these things. If you start now, and they are all intertwined maybe you will determine that don't be as aggressive on one thing. The Town needs a plan in place on how you are going to move forward. Look at everything as a whole, water and wastewater operations.

Frank Lombardi asked how would the 25% loan need to be paid off – should it be paid for by the users or by the tax base? Eric said most of the time it is user base. Eric said if we did throw some of the cost of running the cost of system on the tax base you still look at MHI and size of the project it probably wouldn't have a big effect on the grant/loan ratio. It wouldn't be a big deal. It wouldn't change the underwriting drastically. Wendy asked if it gets passed on to the tax rate, would it effects how much grant funding we would get? Eric said because we have such a large project it wouldn't have a dramatic effect. Eric said he thinks in our case it wouldn't make a huge difference. Rick Wright said he is a member of the CIP committee and he has always been under the impression that us being able to get grants and loans are dependent on the water/sewer rates being at a certain point. Eric said with USDA, the user rate they don't want to see it much more than 1 ½ of your MHI not much more than \$400 in Whitefield's case. Rick Skarinka said to get any CDBG funding, like the pump station project we just completed, the rates need to be at a certain level. Wendy said we have been increasing our water/sewer rates to get to where we need to be. We have been told in the past that our rates are too low to qualify for any grants. We can't come in with a rate unrealistically low. You have to have a basis for what you are asking for. Wendy said that our rates are low in the bottom 15 of the state. We have been increasing our rates. Anne Getchell of USDA said Rhonda their old program director always mentioned that as well. Rick Skarinka said he does this for a living, and it is real challenge to take this on and understand everything. It is an education process for the board and general public. This is the biggest thing going in Whitefield in decades and going forward will be as well.

Eric said waiting for a higher grant amount may not work when it will wash out the lower interest rate. The Board needs to communicate that to the public, and may take several public meetings. Rick suggested checking with Northumberland and Colebrook. Colebrook is leveraging a DOT grant with their program.

Sondra Brekke asked if it was better for the Town to put it on the entire tax rate or just the users for grant purposes? Eric said generally it has a negative effect to put it on the whole town, but that is not a reason to do it. Eric said we are seeing it thrown on the entire tax base, as there is some benefit for the whole town, i.e. schools and town buildings have water, fire hydrants use water, etc. Eric said he doesn't want to be on record saying you don't want to do that. You may be more sustainable by changing the rate structure.

Tracy Wood said with the administrative order she wanted to remind us that we are supposed to submit quarterly reports and Tracy said EPA would expect to see a quarterly report by October 15th for the quarter ending September 30th. She said it will probably just be an update – what we have done to meet these milestones – not too say much. We could mention this meeting tonight in the report.

Tracy said there are a couple of NPDES Permit Requirements: a submittal of a Collection System operation & maintenance plan – the full plan is due December 1st of this year. If we have questions about what that entails or need additional time, let Tracy know. It does take some time and effort to complete. We will check with Welch on this. Tracy said we have a collection system map due June 1, 2017 map of all our collection system. Shawn White said that is something he can do up for them. Tracy said she is available to help with these item. Tracy said Rick talked about the asset management program, and that the clean water program is offering \$30,000 in principal forgiveness for this so it would be \$200 to interim finance that program. Basically it is through the normal process for asset management specifically doing a second round for that due in December. Jon said he can assist us with this, and we can leverage the two grant programs together.

Eric said no matter what program we use, we should consider putting a big rush on the wastewater preliminary engineering report. The draft is due by January. – draft by January/February. We will need to go to the voters in March, file design through 2017, go to construction in 2018 and now we are catching up to 2020. There is a six-month delay so in 2019 is when your first payment would be due. The delay that happens intrinsically so it would be a further delay on when the users will actually start paying for that. Secure funding in 2017 and start charging your users in 2019 or 2020. Once USDA funds are allocated, you have five years to use it up.

Jon said we may want to have a work session with our operators, and Horizons will get us a budget and we will work with dates and times. We need to talk nuts and bolts with our operators.

John Branagan and Steve Lieber of Affinity LED Lighting attended the meeting to give the Board a presentation on LED lighting for the town's street lights. Peter said the Town received a

letter from CDFA saying funds were available to change their street lights to LED's. The Town identified the number of street lights and worked with John of Affinity. It is potentially a payback in 2.3 years. Peter asked John to come speak tonight about brightness, etc. No decision will be made tonight.

John said he is here to talk broadly about street lights. He said their company is based in Dover, New Hampshire. He said they were recently awarded to change the street lights in Claremont, Dover, Portsmouth, Antrim, Keene. There is so much activity with towns who are shifting towards owning their own street lighting. Towns and cities can take direct ownership of very efficient long-life LED's.

They have a 10-year warranty across the board, which is pretty standard for LED's. There are maintenance charges that Eversource charges when they come to fix street lights.

The rate we pay is all very regulated – utilities don't have a lot of power in what they charge you. In essence you are going to pay less for your annualized lighting. John said we will have a reduction in consumption and save about \$10,200 a year in just normal street light rates. John said in the list from Eversource of what Whitefield has for street lights using GPS and GIS data there is a list of 143 lights. The majority is 100 of the 50 watt high pressure sodium lights. These older lights don't have a long as a life rating now as the LED lights. There are no meters on street lights, and for the period time those lights are out or on it is the same rate. We spend about \$25,000 a year for our street lights. The failure on LED lights are minimal especially on street lights. If we switch over to the LED lights, we will save \$10,000 a year – 44% on our current costs. It will take us a little over 2 years to be paid back on our initial cost investment. There is rebate money from Eversource. The LED lights are going to last over 20 years. Anything failing in the first 10 years, they are required to provide the equipment to the light company. Why would Eversource provide a rebate? They need to save on electricity, but the demand for electricity keeps growing. They want to help save. This rebate/grant money is coming from all of the users – there is an energy efficient surcharge on people's bills. It is a big pool of money to pay down these rebates to be able to reduce consumption. Shawn said we got an energy efficiency grant for this building – we have been quite fortunate with the grant money. This is block grant money that the towns are entitled to. Shawn said the highway department in the winter months checks street lights to see when lights are out. The police department checks as well.

Mr. McLaughlin who has lived here since he was 27 years old said lighting to him is critical to a village and city. The quality of the light is of huge importance. He said he has seen so many discussions, which is always led by cost. He said he has seen things like these projects that have gone by and then all of a sudden the costs go right up. He said he thinks the quality of light should be the most important discussion. He said if you don't have quality of light, which is something we all live with day and night, then it is not a good thing. He said he feels that 90% of LED lights that we have these days are so bright, harsh and narrow in their diffusion and the color of the light sucks. Why is this industry producing these horrible lights? The lighting is awful. Marsha Lombardi said we like our lights we have now. John said it is the color temperature range that affects this. The lights on the outside of this building are 5000K lights.

What they brought tonight as a demonstration are 3000K. 3000K is good lighting. They assemble all of their own lights in Dover, New Hampshire. They make the lights in Dover, N.H. They are the supply chain guy. The part about quality is important. DLC is an energy-star, and we have to meet the energy-efficiency and other rules. The main components are uplight and glare requirements. And backlighting. We need to eliminate any uplighting coming out of the fixture. Glare is what we see in these mid-ranges. The backlighting is the backside of the pole. What they can do with LED is some of the best in the industry, and they provided spec sheets. What they can do with the optics and lens, which is specifically designed so the light that shines back from the fixture is designed to just capture the end of the roadway. The performance documents approve the product. Legacy Lighting is on the side of a building with a wallpack designed to throw lighting down. We are seeing a lot more fixtures on the sides of buildings. The other technology of the lighting is a bulb. A lot of the light that is white the spectrum has a lot of blue lighting, which is harsher and brighter. They are using 4000K in the City of Claremont. 4000K is the color of moon light. 3000K should be the warmer color temperature and has no blue spectrum lighting in it. People are blinded by glare. 2200K is what it is for 50 watt sodium bulbs. Things you want to ask are: one is how warm is the light and what about the quality of light? High pressure sodium is what we have all gotten used to. It is nice at night. The color rendering is only 20% of natural. Real color begins to show with a warm light. Color rendering index is really important. The biggest concern with the color of LEDs is light above 3000K has some blue spectrum. In terms of health, this affects the body's natural ability to sleep. High pressure sodium contributes to sky pollution, and without it you will find that the stars are going to come back. Look at the lights outside – look how they shine. They can't see their cars because the lights shine down. The street lights we have now shine up sideways and down. These LED lights will shine down, a typical LED street light is going to use Type 2 optic lens that shines forward 1.75 times its pole height. It is a lot less than what we currently have.

Switching to LED lights won't make it worse if you choose the right lights. We offer 3000K and we can satisfy the AMA requirements, whatever a city or town wants. John said that a Kindle is 4000K and needs a whiter light and 4000K televisions are very, very white. There are a lot more things that affect our rhythm than street lights. 30% more in color temperature. You can't just talk about color. The Towns need enough safe lights. Street lights are placed in intersections where there is conflict where pedestrians or vehicles occur. They can't be so warm and white so they are not effective. Color temp and brightness are not the same.

Mark suggested that they put up a few lights in town so people can see what it would look like. John said that they can certainly make it work so they could do this for us. They need to get permission from Eversource, but it is certainly something they can do for us.

Katie Siggins wanted to give an update the Northern Pass project. She said the Board is aware of the Heritage, Resources Meeting that took place on August 1st in Littleton. Katie said she had wanted to connect with us right after that, but the agenda was full for that night. Katie said seven people from Town went to the meeting. Katie said something as of lately that is coming about is throughout these hearings that are taking place there is going to be parts of these hearings where people are asked to leave if they haven't signed confidentiality agreements. Katie was

wondering if we had signed confidentiality agreements, and the Selectmen said we are not aware of any confidentiality agreements. Katie said some of the interveners are not allowed to listen in on the meetings with the Site Evaluation Committee without these signed agreements. People who have signed those agreements would sign off. Katie wants to be sure we haven't changed our minds that we want the Northern Pass project lines buried in Whitefield. Wendy said we are the Town most impacted in Coos County. Marsha said we should push to have the lines buried. The Board said we are working with Christine to try for the best outcome for the Town. Katie said with all this LED lighting, they want to be sure that this is not tied to the Northern Pass. Katie asked the Board if they promise not to take funds from these groups? Lancaster went above everybody's head and took money for lighting from Northern Pass. It looks like Lancaster supports the project. These people are concerned. The Board reiterated that we are still working with the Town's attorney and no one has approached us about money.

Sondra Brekke asked the Board if anyone had talked to the National Guard to let them know the Board voted to open talks about the airport project. Wendy responded that she had not had time.

The Board decided to meet on the following dates in October: October 3, October 17, and October 31.

A motion was made, seconded, and unanimously approved to approve the Selectmen's Meeting Minutes of 7/11, 7/25 & 8/8/2016 with the following changes made to the 8/8/2016 minutes: Page #3, second paragraph, should say Navy Captain not Capital; Page #6, last paragraph should say recuse not recluse; and page 8 first paragraph should say that "Peter said he and his brother own a building in Littleton that they don't rent space to the Army recruitment office.

The Water Department position was discussed. Judy said she had mentioned Welch's to Rick Skarinka and he said they do meet the licensing requirements. The Board said there are questions with this: Is he willing to do it, what are his duties and responsibilities? Is he running and managing the department, expectation of compensation for something? Peter said he had a North Country Council meeting a while back and he was informed about a gentleman who is a certified water operator looking for work. He is not sure of his qualifications or level of licensing. Mark said he feels we need two people in the Water Department. Peter said he would agree with that after his assessment of the Water Department. As it will be a year before Fred can get his licenses, it was suggested that we should post the Water Superintendent position as an interim position with potential for becoming full-time.

A motion was made, seconded and unanimously approved to enter into non-public session pursuant to RSA: 91-A:3 II (a) the dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her, unless the employee affected has a right to a public meeting and requests that the meeting be open, in which case the request shall be granted at 8:55 p.m.

The meeting adjourned at 9:20 p.m.

