# **City of Concord**

# **Regional Utility Utilization Committee**

Minutes of April 13, 2021

The Regional Utility Utilization Committee (RUUC) met at 12:15 P.M., on April 13, 2021. Due to the COVID- 19/Corona Virus crisis and in accordance with Governor Sununu's Emergency Order #12 pursuant to Executive Order 2020-04, The Regional Utility Utilization Committee was authorized to meet electronically. The City of Concord utilized the Zoom platform for this electronic meeting. There was no physical location to observe and listen to the meeting, which was authorized pursuant to Governor Sununu's Emergency Order #12 pursuant to Executive Order 2020-04. All members of the Committee had the ability to communicate during this meeting through the Zoom platform, and the public had access to listen and participate as necessary.

Members Present:	Councilor Fred Keach, Chair
	Councilor Linda Kenison
City Staff Members:	Ashley Hamilton, Deputy City Clerk
	Carlos Baia, Deputy City Manager
	Marco Philipon, Water Treatment Plant Superintendent
Public Guest:	Matt Poulin, Town of Bow Selectman

### 1. Call to Order

The Chair called the meeting to order at 12:15 P.M.

# 2. Approval of Minutes

The minutes of the January 12, 2021 meeting were approved (Motion - Councilor Kenison;

Second – Councilor Keach; Unanimous Approval).

### 3. New Business

Marco Philipon, Concord's Water Treatment Plant Superintendent, gave a brief presentation on Concord's current water usage and future use projections.

Mr. Philipon stated that Concord serviced approximately 12,000 Citywide water service connections. He noted that Concord's water system had a daily maximum process capacity of 10.0 Million Gallons Per Day (MGD). Penacook Lake and the Contoocook River were listed as the primary water sources that make up Concord's 10.0 MGD water capacity. It was also noted that there was a 1.0 MGD well field in Pembroke, that served strictly as a backup supply. Concord's annualized average daily water pumpage was listed as 4.2 MGD, but it was noted that peak day pumpage was between 7.2 and 8.1 MGD.

It was stated that every 10 years, the City's Water System Master Plan was reviewed and updated, to determine when the water capacity should be updated to sustain projected population growth. Mr. Philipon stated that the last update was completed in 2016. It was projected that in the year 2040, Concord's population would reach 50,000 residents, and the water capacity would need to be increased to 12 Million Gallons Per Day (MGD). It was emphasized that there was no additional capacity in the Contoocook River, so the Merrimack River would be the next best source to provide the additional capacity, to the community. It was stated that the Merrimack River had a safe daily yield of 21 Million Gallons Per Day (MGD), but noted that a new water treatment plant would need to be constructed on the shores of the Merrimack River to access the water.

Mr. Philipon stated that to his knowledge, the Town of Bow was looking to gain access to 50,000 Gallons Per Day, to service businesses in the Bow Junction area. He confirmed that Concord did have the current capacity to serve Bow properties, in the Bow Junction at their current water use of 50,000 Gallons Per Day. He noted that if this daily usage changed then it would need to be reevaluated. He addressed that connections could easily be made down South Main St., to the intersection of I-89 and Hall St., and then be looped back into Concord's system. Mr. Philipon emphasized that Concord rate payers should not be responsible for any costs associated with any extension of service, beyond the Concord borders.

Councilor Keach asked for clarification on how the future use of the Merrimack River water capacity was regulated by the State, and how capacity and access would be determined for each Municipality. Mr. Philipon stated that while rules always change, NHDES didn't regulate the capacity taken out of the river directly. He clarified that when water was taken out of a river, most was borrowed for use, and then put back into the river after being treated, by the City's Waste Water Treatment Plant. He noted that because the water was being borrowed, Concord's net water consumption would be significantly less than what was initially borrowed. He stated that NHDES would first evaluate the Community needs, the water source capacity, and then regulate the withdrawal based on the net consumption. It was noted that if Concord did not return treated water back to the river, then the net consumption would be higher and therefore withdrawals would be more regulated.

Councilor Keach asked to confirm if Concord returned approximately 80% of water being used back to the river. Mr. Philipon confirmed, noting that between October and April was 80%, but stated that summer irrigation loads impacted that return average, as seen in 2020.

Councilor Kenison asked for clarification on what financial requirements would be made of the Town of Bow, if Concord moved forward, with a buildout, on the Merrimack River. Mr. Philipon stated that a model existed that other communities used and mentioned that a Source Development Fee could be used to assess a one time, or an annual fee, based on daily consumptions. He noted that Manchester had a source development charge of \$4.00 per gallon, per day. It was noted that if a business used 1 MGD they could potentially owe \$4,000,000, to buy the raw water capacity. Mr. Philipon stated that if approved, Bow should be responsible for their portion of any increased capacity, as it would expedite Concord's timeline, to move, to the Merrimack River, for additional capacity. He again noted that the cost of increased capacity should not burden Concord rate payers.

Mr. Baia asked for confirmation on the Source Development Fee being assessed annually. He noted that prior City Council members had concerns over sharing water, because of the benefits of potential economic development increase, in the Bow Junction area. Mr. Philipon confirmed that Source Development Fees could be captured however written into an agreement, and traditionally were reviewed annually for any capacity and consumption changes. He stated that the best way to capture any changes would be through meter readings. He suggested either setting and reviewing master meters at the town lines or individually assigning and reading meters until a size or capacity was met.

Mr. Baia asked if there was ever an example of a community increasing their capacity and not paying. Mr. Philipon said he was not aware of any situation like that arising, but there could be imposed capacity limitations. He noted that as a supplier the water could simply be shut off for any non-payments.

Councilor Keach stated that there could be legal issues associated with turning the water off, and referenced fire suppression systems as an example.

Councilor Kenison asked to confirm that something would be clearly written in an agreement with Bow identifying all the terms and conditions. Councilor Keach agreed and stated that since Concord's capacity has been confirmed, the next step was to determine if Concord now wanted to share.

Matt Poulin, the Town of Bow Selectman, stated that the Bow Junction area, in question, was not likely to be redeveloped or expanded, and that Bow was only looking for water capacity to service that one area only, as the water quality was bad. He stated that Bow's TIF District has an excess tax revenue available, and a tax revenue sharing option with Concord, in addition to a Source Development Fee could be available for negotiation.

Councilor Keach thanked Mr. Poulin for his comments and stated that future conversations and negotiations, with the City, would likely take place at a different forum.

Councilor Kenison noted that Mr. Poulin's comments fell in the political realm and the option of tax revenue sharing could make the objection, to sharing water because of economic development competition, in Bow, a moot argument.

Mr. Baia stated that if the Bow Junction area could not be built out or redeveloped, it would need to be clearly written out in an agreement. Councilor Keach confirmed that future discussions would help identify and set parameters accordingly.

Councilor Keach proposed sending all collected information to FPAC, for a financial review and further discussion on how this could be structured. He suggested having a present property value for the area established, so that Concord could benefit if the area's value increased because of the shared water capacity supply. He stated that after input was received from FPAC, they would refer everything to Council for a political discussion.

**Action:** Councilor Keach made a formal motion to send all collected information to FPAC, for a financial review and input on an agreement structure. Councilor Kenison seconded the motion. The motion was unanimously passed with a roll call vote.

Yes: 2 – Councilor Keach, Councilor Kenison

- 4. Public Comment No additional items were discussed.
- 5. Other Discussion Items No additional items were discussed.
- 6. Adjourn

The meeting was adjourned by unanimous consent at approximately 12:45 P.M.

Action: Councilor Keach moved to adjourn the meeting. The motion was duly seconded and unanimously passed with a roll call vote.

Yes: 2 – Councilor Keach, Councilor Kenison