



PLAISTOW
NEW HAMPSHIRE
INCORPORATED 1749

Plaistow Municipal Drinking Water Supply System:
Public Information
February 26, 2018



Agenda

- Goals and Background
- Existing System
- Technical Solutions
- Financial and Funding
- Next Steps
- Conclusions



Water Supply Goals

- Solve MtBE Issue – 55+ properties
- Provide a safe potable municipal drinking water supply system:
 - Reliable supply from regional options
 - Use the existing piping system designed for that purpose
 - Plan for other needs and the long-term
- Establish funding plan
 - Affordable user rates – Consistent with regional communities
 - Expand enterprise fund – user fees
 - State funding support is key- unique opportunity



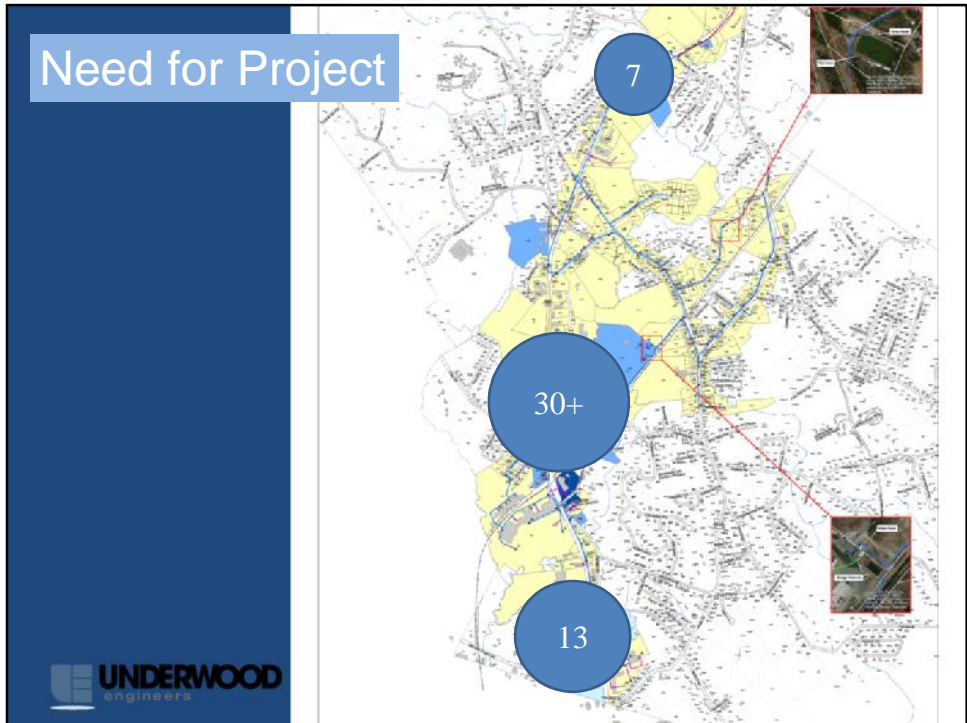
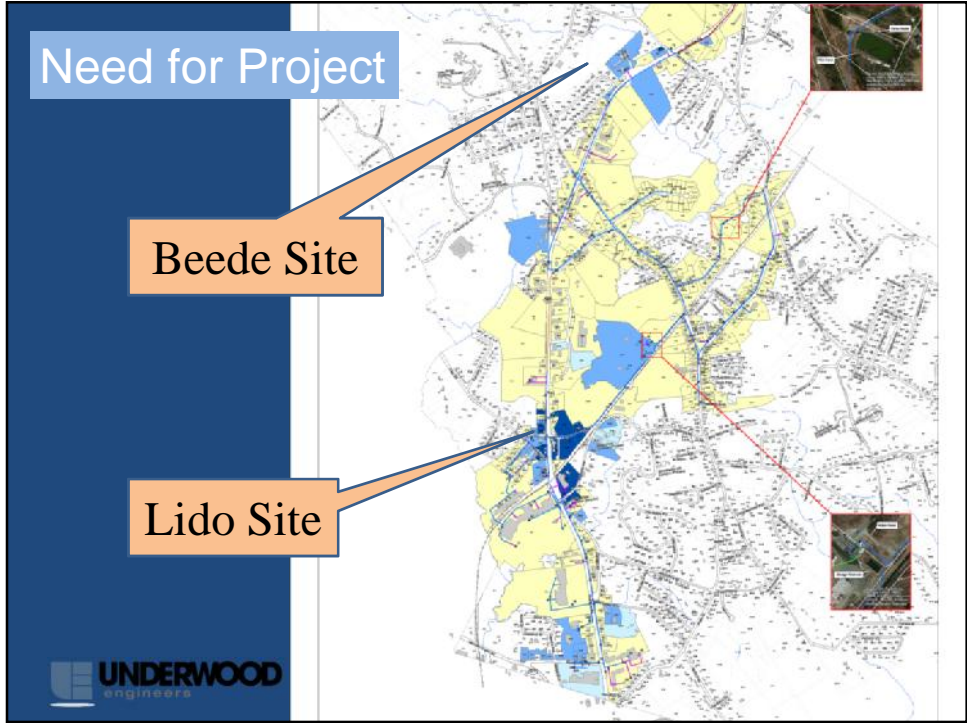
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Need for Project

- Sites in Town: Beede Superfund Site and Lido
- MtBE:
 - Groundwater contamination for 30 yrs
 - MtBE has impacted 55+ properties with water supply wells along the existing FSS
 - MtBE funds support bottled water and point-of-entry treatment
 - NHDES supports potable water system
- Fund exists from court cases to support correcting MtBE issues
 - UNIQUE OPPORTUNITY

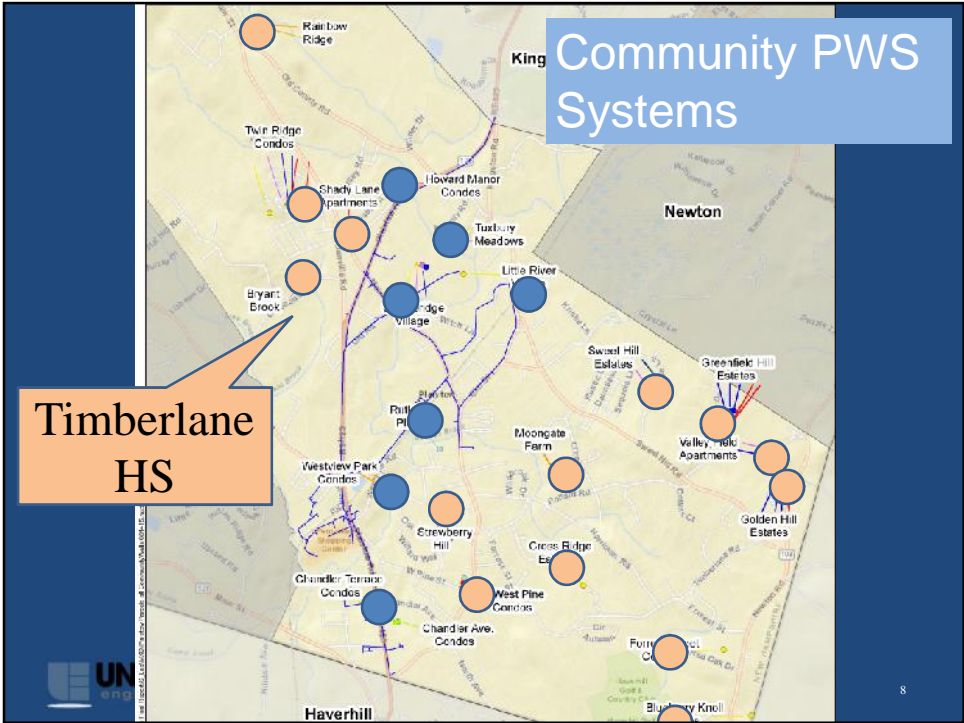


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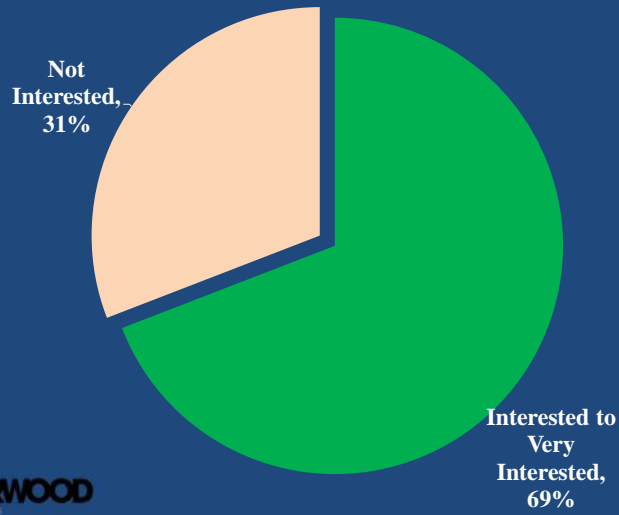


Other Water Supply Needs

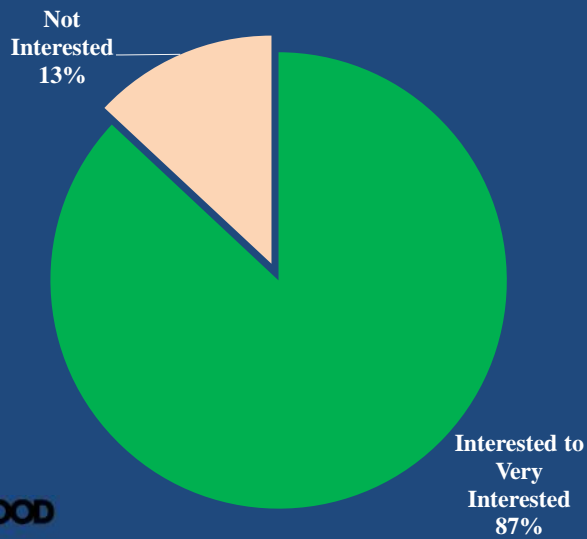
- 20 small community systems – a large number for a small town
 - 16 are association owned, four (4) are private utilities
- Timberlane High School
- Water supply and quality issues:
 - Naturally occurring contaminants (iron, manganese, arsenic, radon, hardness)
 - Man-made contamination issues
 - Supply and quantity issues



Residential Survey Responses for Entire Town



Residential Survey Responses for Residences Adjacent to Fire Suppression System



Residential Survey Responses for Residences Adjacent to Fire Suppression System

Not Interested

Properties who have the impacted wells or are adjacent to the existing distribution system want the potable municipal water system.

Interested to very Interested
87%

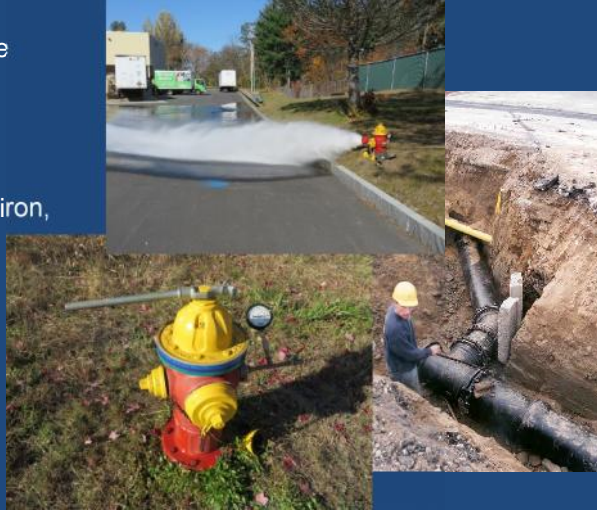


Existing System



Existing Water System Distribution System

- Designed for Potable
- Operated as a FSS
- 11+ miles of pipe, primarily 12" ductile iron, very good condition
- 109 Fire Hydrants
- 45 private sprinkler systems



 **UNDERWOOD**
engineers

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Existing Water System Fire Pump Station

- 2 Fire pumps
- 1 MG reservoir
- Municipal improvements will avoid costly replacement of the pump station (over \$1M)

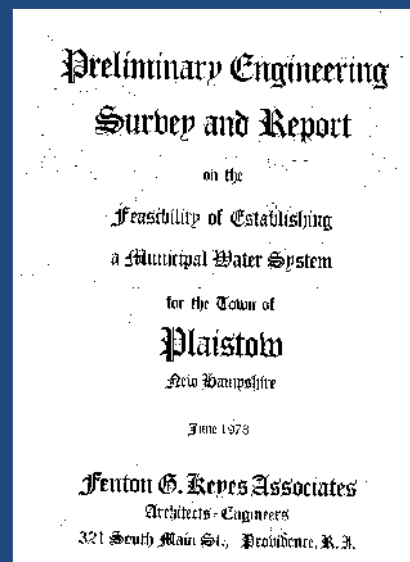


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Previous Work

Previous Work

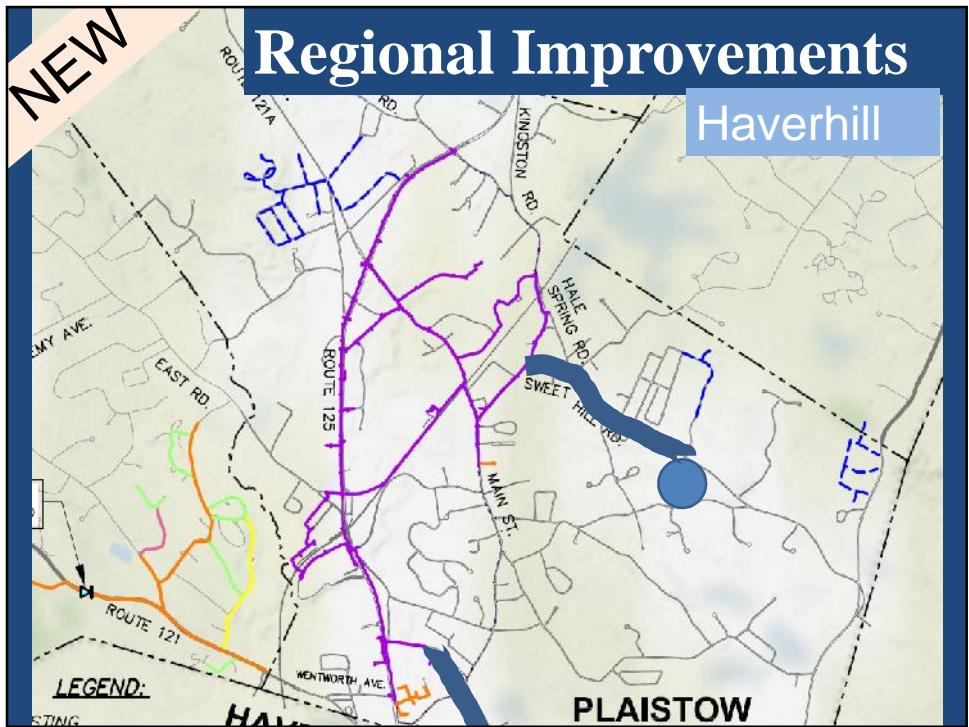
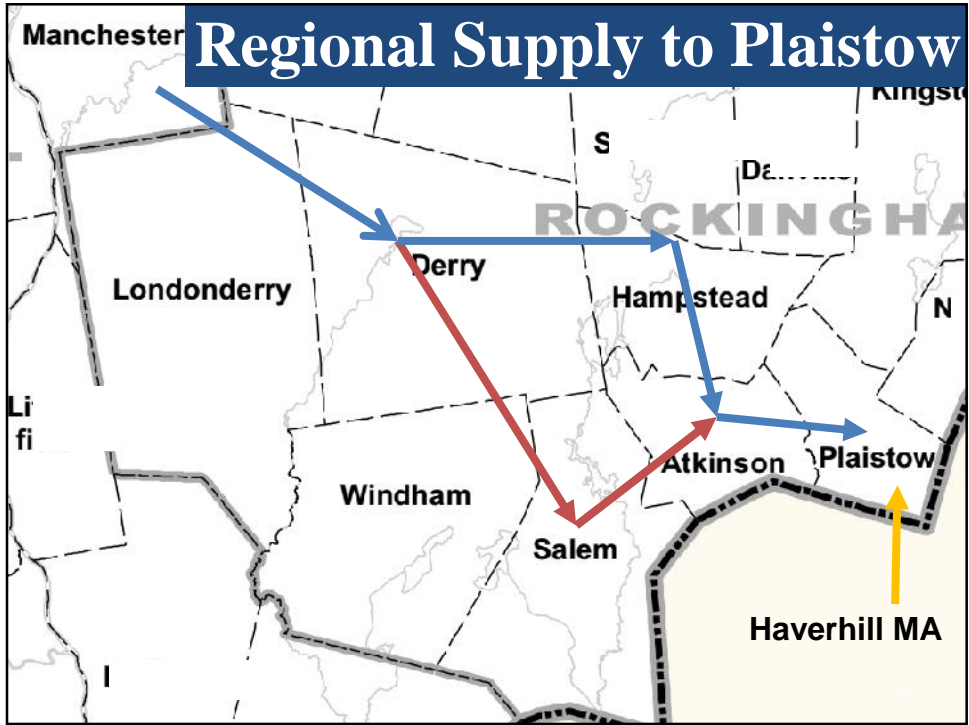
- Municipal System recommended - 1973
- Fire system constructed with intent of public water system
- 2016 Evaluation

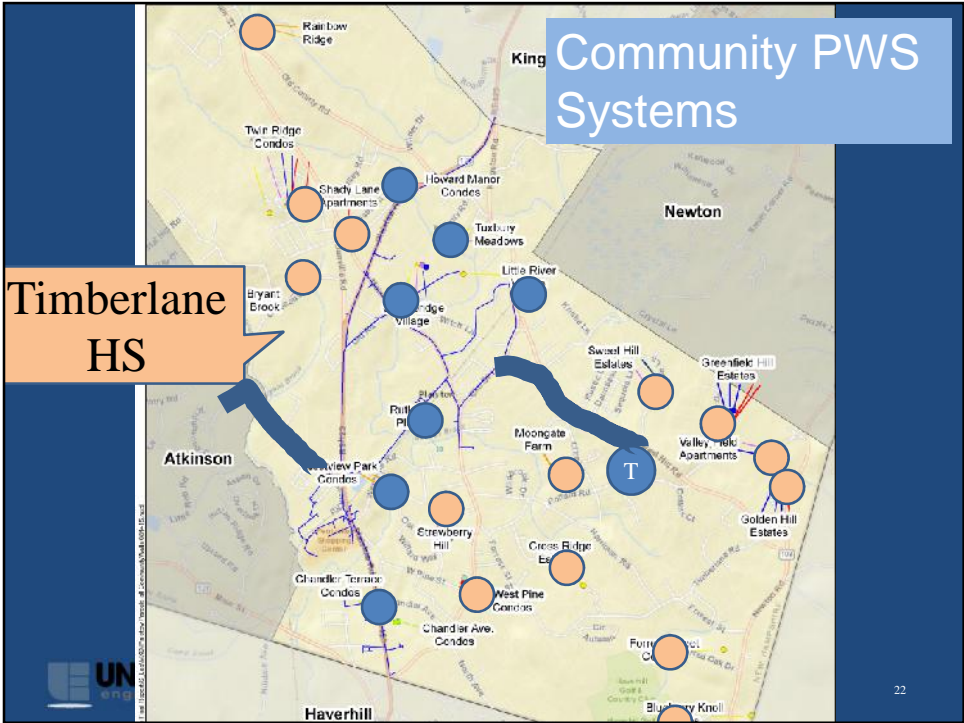
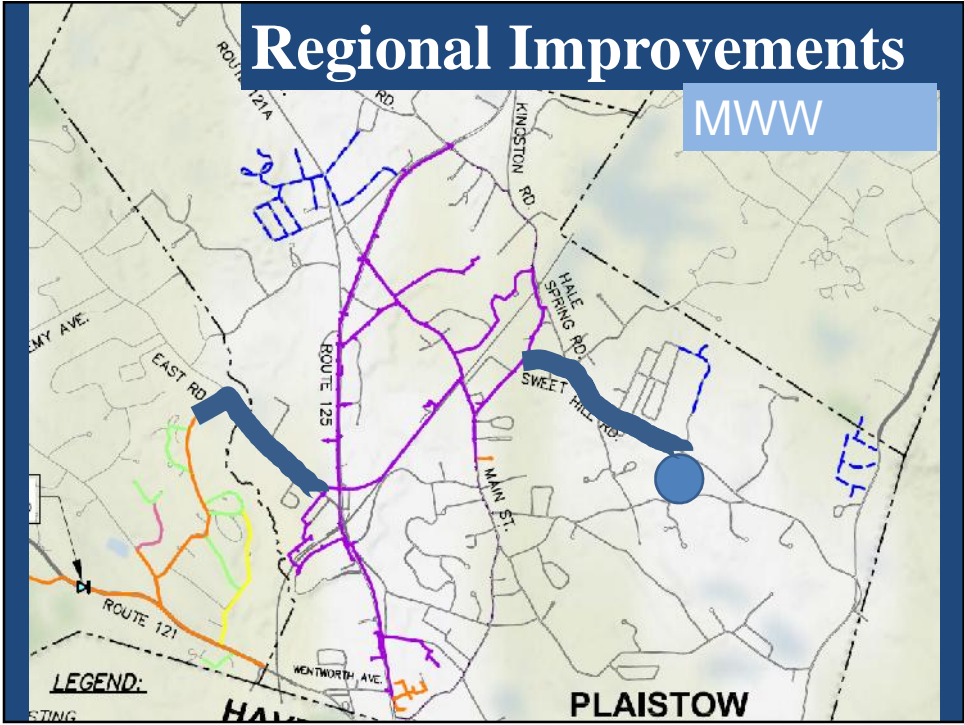


Regional Supply Options

Potential Water Supply Options

- **Southern New Hampshire “Regional” Water Supply**
 - “East Derry” Route
 - “Salem” Route
 - Manchester as ultimate source – Fluoride is in water
- **City of Haverhill, MA**





Regional Capital Needs

- Source Water and Delivery
 - From Manchester (purchase water rights)
 - Through Derry, Windham, Salem, Atkinson to Plaistow
- Infrastructure
 - Transmission Mains
 - Booster Stations
 - Storage Tanks
- Initial Phase = \$30M
- Funding – NHDES, MtBE Funds



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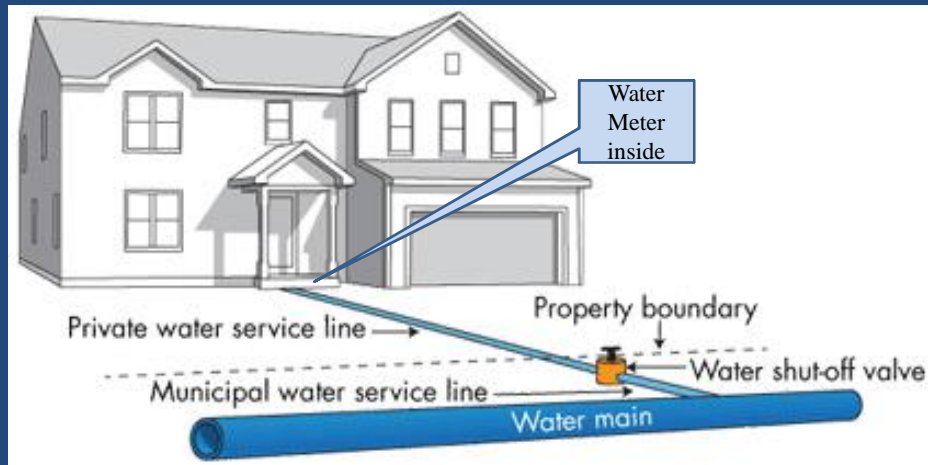
Plaistow Improvements

- Service Connections
- Start-up Costs
- Demolition Costs (Pumps and reservoir)
- Cost depends on number of users
- Funding Source
 - Rates
 - NHDES MtBE



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Typical Water Service



Financial Plan

- Regional Solution:
 - Capital cost contribution from NH MtBE Trust Funds
 - Water to the FSS
 - Unique Opportunity
- Plaistow System
 - Operation costs coming from User Rates – Enterprise Fund
 - Consistent with Current Operating Structure
 - No General Fund (tax rate) impact

User Rates Typical Enterprise Fund - Budget

- Operations
 - Staff
 - Administration
 - Repairs
- Capital Reserve Contributions
- Wholesale Water Charges
- Debt, if/when needed
- Town chooses how to establish rates.
 - Town is proposing no tax rate impact – Fire system too
 - Betterment fees are Town choice



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User Rate Goals Consistent with Area Systems 2015

Town	MHI	Annual Water Rate	% MHI
NH Average	\$66,779	\$474	0.71%
MWW	\$54,282	\$231	0.43%
Salem	\$79,555	\$332	0.42%
Derry CDP	\$58,302	\$333	0.57%
PWW	\$67,246	\$577	0.86%
Hampstead	\$88,669	\$602	0.68%
Atkinson	\$102,018	\$602	0.59%



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PWW Rates

- <https://pennichuck.com/general-information-for-our-water-customers/rate-information/>
- Twin Ridge, Valleyfield, Sweet Hill
 - \$622/year (up 8% from 2015)
- Rolling Hills
 - \$805/year

Conclusions

- Public Water is Needed
 - NHDES supports public water and is proposing to get it to Plaistow
- Plaistow already has Municipal Water System - FSS
 - Operating through an Enterprise fund – User Rates
 - Add potable water system
- Consistent with Master Plan and planning since 1973
 - Piping constructed for potable water
- No better opportunity
 - Funding opportunity will not come around again
 - If no now– Plaistow will have higher \$ in future for water
 - Cost Avoidance - booster station improvements



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Conclusions

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 - NHDES supports public water and is proposing to get it to Plaistow
- Plaistow already has Municipal Water System
 - Operating through an Enterprise fund – User Rates only
 - Add potable water system
 - Cost Avoidance - booster station improvements
- Consistent with Master Plan and planning since 1973
 - FSS constructed for potable water
- No better opportunity
 - Funding opportunity will not come around again

This is a Unique Opportunity



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Next Steps

- Authorization for potable water system (March 2018)
- Finalize Technical Solution (Spring 2018)
- Finalize NHDES funding package with regional partners, NHDES and Trust Fund Committee (Spring 2018)
- Intermunicipal Agreements
- Establish Internal Operations/Management (December 2018)
 - Stand-alone enterprise fund separate from property taxes
 - Operations
- Project design, construction and start-up (2018-2019)

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FAQ's

- Who pays for the water usage when there is a fire?
- What are the rates going to be (cost)?
- How much is the State going to pay?
- How much is this going to cost Plaistow?
- What are the next steps if this Warrant Article (#25) passes?
- What is the rate of the Twin Ridge 132 homes and Timberlane High School from Pennichuck East?
- Tell us about the Haverhill Feasibility Study
- What about Fluoride?

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Why Article #25

- Adding “Potable Water” to existing “Fire Suppression System”
- Should have been added previously under “intent”
- NH RSA 38:4 requires 2/3 vote by legislative body (Whole Town)

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Article #25 Pass or Fail

	If it <u>Passes</u> and it is constructed	If it <u>Fails</u>
Municipal Water	Plaistow may participate in Regional Solution and provide municipal potable water to Town users	The water system infrastructure will remain a fire suppression system.
NH Grant Funding	NH will design, construct and pay for regional water system to include Plaistow estimated at \$30 Million. Town benefits from cost avoidance of FSS pump improvements	NH will design, construct and pay for regional water system for other regional communities . Note, future Plaistow participation will be at a higher cost to Plaistow.
55 MtBE Contaminated Properties	When built, 30-year old problem will be corrected with municipal water	MtBE properties will continue to use POU systems
Other non-MTBE properties	When built, adjacent properties may connect at their option.	Adjacent properties will continue to use private wells
Rates if connected	Users will get quarterly bill from the Town to cover the O&M	Private wells will need to be maintained and paid for by the individual properties
Legal Notes	Passing requires 2/3 Vote	Cannot vote on it for at least 2 more years



Public Comments, Questions, and Answers