

Date: November 9, 2017

To: Hopkinton Board of Selectmen

From: Hopkinton Sewer Department
Operation and Maintenance Committee

Subject: Recommendation on a Sewer Service Fee Increase

There was a meeting of the Hopkinton Wastewater Department Operation & Maintenance Committee on Monday October 23, 2017. The Committee voted 4-0 (with Steve Lux and Steve Eckberg voting by email) to make the following recommendations to the Town of Hopkinton Board of Selectmen:

1. The Committee recommends a rate increase of \$10.00 on the minimum sewer charge per six-month period, from \$120 to \$130, to become effective on the April 2018 billing.
2. The Committee recommends a rate increase of \$.0002/Gal., from \$.0065/Gal. to \$.0067/Gal., on the sewer rate charged on usage above the minimum allowance. The Committee recommends that this increase become effective on the April 2018 billing period.

Steve Clough/for O&M Committee

Hopkinton Wastewater Department
Operation & Maintenance Committee
Contoocook Village WWTP

October 23, 2017

There was a meeting of the Hopkinton Wastewater Department Operation and Maintenance Committee on Monday October 23, 2017. The meeting was held at the Contoocook Village Wastewater Treatment Plant and began at 6 P.M. Stu Nelson, Dick Drescher, and Steve Clough were present.

The Minutes from the last meeting on May 16, 2017 were discussed briefly and will remain posted as final. Expenses to date for 2017 and the proposed Department Budget for 2018 were reviewed and discussed. The 2018 budget is up by about 1% with no significant changes compared to the 2017 budget. There were not any changes recommended for the 2018 proposal.

The regulatory requirements for the collection system and pump station and CIP planning were discussed. The history of improvements and future requirements were reviewed.

The rate increase history, Sewer Fund Balance, and annual revenues were reviewed. The sewer fund is projected to have a balance of about \$21,500 after all of the expenses for 2017 are paid. The fund has always paid for all of the operating costs and has also generated significant revenue for capital costs. The fund was, however, drained for the sludge removal and upgrade in 2006, the replacement of pumps at the station in 2012 and 2013, and for some of the recent manhole rebuilds. Service fees brought in about \$7,000 more than the budget expended in 2017. The committee members felt that the Sewer Fund Balance needs to be brought up significantly considering future infrastructure liabilities.

Since a rate increase is only a recommendation (to the Hopkinton Board of Selectmen) the members present felt that they could make one contingent upon a majority of members supporting it. Stu and Dick agreed that the committee should recommend an increase of \$10 on the 6 month minimum charge (from \$120 to \$130) and an increase of \$.0002/gal. on the rate charged for usage above the minimum allowance (from \$.0065/gal. to \$.0067/gal.) to become effective beginning on the next billing period in April of 2018. This is projected to generate about \$6,000 more in service fee revenue annually. Steve will contact the other members and make the recommendation to the Selectboard if there is a committee majority in support.

The meeting adjourned at approximately 8:00 P.M.

Steve Clough, Director of Environmental Services, took these minutes.