

**TOWN OF GREENVILLE
BOND HEARING
January 13, 2016**

Opened

Chairperson Mary opened the public hearing by reading the Public Hearing Notice below at 7:00 p.m.:

PUBLIC HEARING NOTICE

In accordance with the provisions of RSA 33:8-a, The Greenville, NH Board of Selectmen will hold a Public Hearing on Wednesday, January 13, 2016 at 7:00 p.m. , in the Town Hall Meeting Room, to review a Warrant Article which authorizes the Board to apply for bonds or notes in excess of \$100,000 in connection with improvements to the Water Treatment Plant and Raw Water Station. A copy of the draft warrant article is available at Town Hall. In the case of inclement weather this meeting will be continued to Wednesday, January 20, 2016, at the same time and place.

In Attendance: Chairperson Mary, Selectman Reardon, Town Administrator Kelley Collins, The Town's Engineer, Tom Page and the Wastewater Treatment Facility Operations Manager, Gerry Curran. The audience included: Charles Buttrick, Marshall Buttrick, Barbara Eaton, Shirley Winslow, Mr. Santich and his plant manager.

The following draft of the Warrant Article was made available as a handout along with a 2 page outline of the project provided by the Town's Engineer (see attached):

Article 2. *To see if the Town of Greenville will vote to raise and appropriate a sum of Two Hundred Twenty Thousand (\$220,000) for the purpose of designing and constructing improvements to the pumping equipment and facilities at the Water Treatment Plant and Raw Water Station, which are more particularly described in an engineering report dated November 2015 prepared by Underwood Engineers, to restore design pumping capacity and reliability. Seventy-five thousand dollars (\$75,000) of said sum to come from December 31, 2015 Water unassigned fund balance and up to One hundred forty-five thousand dollars (\$145,000) to be raised by the issuance of bonds or serial notes, in accordance with the provisions of the Municipal Finance Act (RSA Chapter 33) and to authorize the municipal officials to issue and negotiate such bonds or notes and to determine the rate of interest thereon; to additionally participate in the Drinking Water State Revolving Fund (SRF) RSA 486:14 administered by the Department of Environmental Services at the discretion of the Board of Selectmen. The Board of Selectmen are also authorized to apply for and accept gifts, grants or other forms of assistance in order to facilitate the raising and appropriating of the additional funds referenced above. (The Town has applied for low interest NHDES SRF funding and this project has been ranked in the funded project priority list. The project will be eligible for Principal Forgiveness, the amount of which at this time has not been finalized). (2/3 ballot vote required)*

Recommended by the Board of Selectmen

Chairperson Mary asked the Town's Engineer, Tom Page with Underwood Engineers, to explain the project. He noted that they had identified that the existing water plant had improvements done in 2000 and that the two sets of pumps need updating. The two sets of pumps are at the Raw Water Pump Station out at the reservoir and then the Finished Water. The production rate is not what it used to be with age and wear they need to be replaced to increase production to meet demand. The project includes replacing both sets of pumps and improving the Raw Water Plant that dates back to the 1960s. Improve heating, door, etc. The total cost is \$220K. The Town will fund with unassigned fund balance from the Water Fund, forgiveness, and Drinking Water State Revolving Fund. The plan is to borrow up to \$145K, depending on what the SRF forgiveness turns out to be. If this passes town meeting in March the final design will be completed this summer and implemented by the end of the year.

Chairperson Mary asked the Town Administrator to run through the planned financing. She noted that the project is \$220K total. We are on NH DES's list of funded projects which means there will be some principal forgiveness. The minimum would be 10%, but we could potentially get more, depending on how many projects get done and their total cost. We would borrow the difference from the State Revolving Fund, up to \$145K. If we borrow \$145K for 10 years from the SRF, at their current interest rate of 1.54% the annual payments would range between \$14,100 and \$14,500 with 10% forgiveness. We also got the rate for a 20 year loan with a rate of 2.464% and payments ranging from \$8,300 to \$8,800. Since the life of the pumps is about 15 years it makes more sense to stay with the 10 year loan. In addition, the Town generally puts about \$75K per year in the Water Expendable Trust Fund. This year they are opting to put it towards with project instead of borrowing more. It may make sense in future years to apply some part of that \$75K towards this loan or the Water Meter Loan and pay them off sooner. There is no penalty for early payoff.

Charles Buttrick asked if these pumps were brand new when the plant was refurbished? Yes. In 2000. So the life expectancy is about 15 years. Yes.

DES did an inspection last year and they identified this as a need.

Chairperson Mary asked how much the pumps may have lost in productivity ---- The engineer estimated the loss at 50%.

Ashley Saari from the Monadnock Ledger asked if there will be a loss of service. They will be done one at a time so one will be in service at all times.

Chairperson Mary asked how long this would take. If the new pump is ready then it could be done in a couple of days. So if the one remaining tank fails we could be without water. T.

Page stated that there would be provisions in the contract to have a contingency if there is an emergency.

C Buttrick asked if there is a way to estimate the savings in energy. There would be a savings but no real way to calculate that.

Mr. Santich, owner of Pilgrim Foods asked when the Town plans on doing the work. The Engineer noted probably in the Fall. He requested that we give Pilgrim Foods as much notice as possible. Gerry Curran from utility Partners agreed to provide proper notice to Pilgrim Foods.

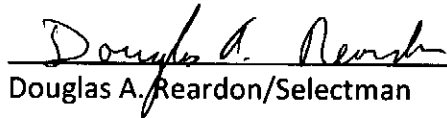
There being no further questions the Chair closed the Public Hearing at 7:16 p.m.

Submitted by: Kelley A. Collins/Town Administrator

Approved by:

A handwritten signature in black ink, appearing to read "Carla C. Mary", is written over a horizontal line.

Carla C. Mary/Chairperson

A handwritten signature in black ink, appearing to read "Douglas A. Reardon", is written over a horizontal line.

Douglas A. Reardon/Selectman

Vacant

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JANUARY 13, 2016**

IN ATTENDANCE:

Please print your name

Charles Buttrick

Marshall Buttrick

Barb Eaton

Shirley Winslow

Tommy UFA

Greenwood Utility Partners

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Recommended by the Board of Selectmen

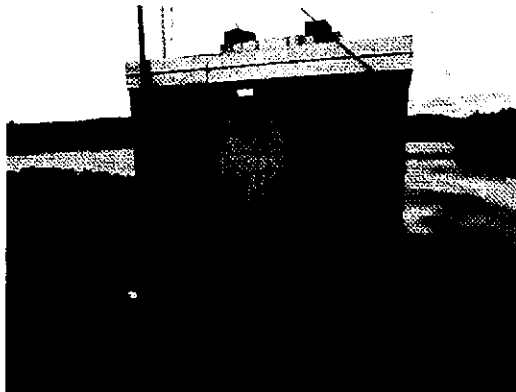
Pump Improvements at the Water Treatment Plant Greenville, New Hampshire Information Summary - January 2016

Existing Systems

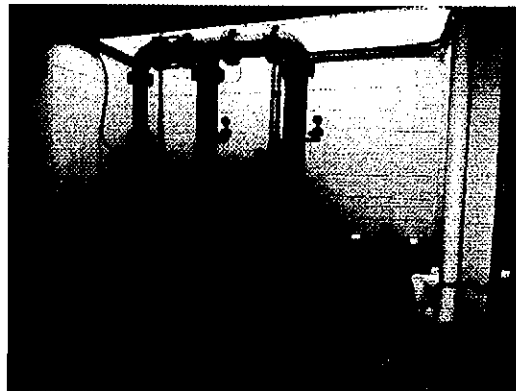
- Two 10 HP vertical turbine pumps in the Raw Water Pumping Station supply water from the Tobey Reservoir to the nearby Water Treatment Plant. The station was built in the 1960's, with some upgrades in 2000.
- Two 20 HP vertical turbine pumps in the Water Treatment Plant supply finished water to the Town's distribution system

Need for Project

- Both sets of pumps have lost about half of their design pumping capacity of 300 gpm due to age and wear.
- The plant's ability to meet current water demands is limited.
- The Raw Water Station requires new heating, ventilation, door, and interior wall improvements and repairs to one of the pump drives.
- The need for improvements was identified in a 2015 inspection report by the State Department of Environmental Services and a report by Underwood Engineers dated November 2015.



Raw Water Pumping Station



Finished Water Pumps

Proposed Improvements

- Install two new 10 HP raw water pumps and two new 20 HP finished water pumps.
- Refurbish existing raw water station.
- The pumps will be replaced sequentially, using a crane, to allow the treatment plant to remain in service.

Project Costs

- The total project cost of \$220,000 is anticipated to be funded using \$75,000 from the Water unassigned fund balance with the balance from a low interest loan through the Drinking Water State Revolving Fund (DWSRF). The estimated annual debt service at an interest rate of 1.54% for a 10 year maturity:

Principal	\$145,000
Estimate principal forgiveness	10%
Annual debt service (principal and fees)	\$14,300
Estimated 2016 Water Budget	\$262,460

Anticipated Schedule

Town Warrant Article	March 2016
Final Design	Spring/Summer 2016
Bidding and Construction	Summer/Fall 2016
Debt payments begin	Fall 2017 (up to one year after completion)