

## **Milford Water/Wastewater Commissioners' Water Rate Public Hearing Minutes** **July 11, 2023**

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Present at today's public hearing: **Dale White**, Chairman, **Robert Courage**, Vice-Chairman, **Hunter Philbrick**, Commissioner, **John Rattigan**, Esquire, DTC Lawyers, **James Pouliot**, Director, Water Utilities Dept., **Steve Clifton**, P.E., and **Meagan McCowan**, P.E., Underwood Engineers, **Evelyn Gendron**, Recording Secretary

Notices of Public Hearing appeared: on Board of Commissioners' web page, Town Hall, and the June 22<sup>nd</sup>, June 29<sup>th</sup> and July 6<sup>th</sup> issues of the Cabinet; the June 25<sup>th</sup>, July 2<sup>nd</sup>, and July 9<sup>th</sup> Telegraph issues.

Chairman White called today's public hearing to order at 11:00 a.m. with introductions. Ms. McCowan delivered the 2023 – 2030 water rate study power point presentation, which included key details she discussed during the May, 22, 2023 Board of Commissioners' meeting, such as the Water Utilities Department Mission Statement, the importance of raising the needed revenue to support management of the water assets and provide quality and efficient services to the Milford community. The goal of the water rate study involved building a new water rate model to estimate the needed rate increase to support the Water Department budget, the debt service and upcoming capital projects. The previous water rate increases occurred during 2020 and 2014. When water rate increases are delayed, the Water Department budget is negatively impacted, which then necessitates a higher water rate increase to be charged to water customers. Several pages of detailed water model factors regarding water consumption historical trends were explained, and cited the assumption that water rate increases would continue on a three-year schedule. Presented was Milford's water rate history and comparison of Milford rates with similar NH communities, with Ms. McCowan noting that Milford currently charges the lowest water rate when compared to similar NH communities, and that even with a 29% water rate increase, Milford would continue to have the second lowest water rate compared to these similar NH communities. She concluded with stating that Underwood Engineers recommends that Milford implement the 29% water rate increase in 2023 to match revenues to expenditures, debt service and the capital improvement plan, and that Underwood Engineers recommends future water rate increases be implemented with a review to ensure that water model assumptions are tracking prior to implementation. Mr. Clifton invited questions/comments from the commissioners, as the presentation portion of the public hearing has concluded.

Chairman White stated that Director Pouliot had reached out to Underwood Engineers on behalf of the Town of Milford Board of Water Commissioners to perform the water rate study, as the Board doesn't take water rate increases lightly, explaining that since Milford's important water assets involve labor,

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operating costs and chemicals, the associated necessary upgrades, updates and repairs must be well managed to review costs, identify trends, and anticipate costs to meet operational needs on a routine, periodic basis. Delaying a rate increase, as in the past, raises the likelihood of the next water rate increase resulting in a higher, less palatable, water rate increase to water customers. Although it is more costly to experience, for example, the need to adjust budgeting for a 25% increase toward the purchase of a home or car, than it is to bear a 25% increase on a quarterly water bill, the commissioners recognize customers do feel the impact of a rate increase. Mr. White thanked Mr. Clifton and Ms. McCowan for the water rate study, which is good for the Water Utilities Department and for the users of the water system.

Vice-Chairman Courage recommended the Board consider studying the water rate on an annual basis versus every three years, which would significantly reduce the following, annual percentage rate to be perhaps an 8% increase. He noted that some water pipe dating back to 1889 is still in service in Milford, and that it costs money to upgrade such old pipe. Chairman White and Director Pouliot expressed support, going forward, to moving to an annual water rate review/water rate increase frequency.

Chairman White welcomed comments from the public. Seeing none, the public comment portion of this public hearing was closed. **Upon motion by Vice-Chairman Courage to approve the proposed water rate increase of 29%, effective with the October 1, 2023 water bills, seconded by Commissioner Philbrick. Motion unanimously passed by the 3/0 “aye” votes.**

Director Pouliot indicated he would notify Mr. Don Ware, Pennichuck Water, of the new rate applicable to Pennichuck’s four flat rate consumption billed accounts within Milford.

Adjournment – At 11:22 p.m., upon motion by Commissioner Philbrick, seconded by Vice-Chairman Courage, the meeting was unanimously adjourned by the 3/0 aye votes.

#### **Future Meeting**

- **Monday, July 31, 2023 11:00 a.m. at the Water Utilities Department, 564 Nashua St.**

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Dale White, Chairman

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Date

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Robert Courage, Vice-Chairman

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Date

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Hunter Philbrick, Commissioner

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Date