

City of Portsmouth

Department of Public Works



MEMORANDUM

TO: Karen Conard, City Manager

FROM: Brian Goetz, Deputy Director of Public Works
Terry Desmarais, City Engineer
Zachary Cronin, Assistant City Engineer

CC: Suzanne Woodland, Deputy City Manager/Attorney
Judie Belanger, Finance Director

DATE: March 30, 2022

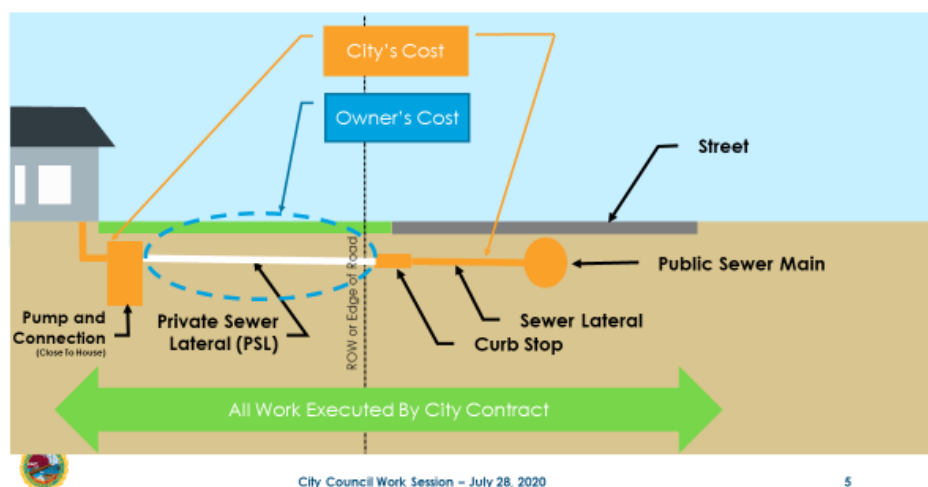
SUBJECT: Sagamore Avenue Area Sewer Extension Project

The City is prepared to begin construction of the Sagamore Avenue Area Sewer Extension project in April 2022. This project is required as part of the City of Portsmouth's Consent Decree Second Modification with the United States Environmental Protection Agency (EPA) and the New Hampshire Department of Environmental Services (DES). As you may recall, this project was originally bid in August 2021, but bids were in excess of available funding. The project was re-bid in December 2021 with a restructured scope of work to allow the work to be phased and to commence within available authorized funding limits. Severino Trucking of Candia New Hampshire was the lowest responsible bidder and was awarded the contract.

Beginning in April 2022, construction under the base contract (Phase 1) will commence and include the sewer main in the roadway and services from the main to the property line in the area north of Sagamore Creek (Walker Bungalow Road, Shaw Road, Cliff Road, and Sagamore Avenue north of Sagamore Creek). In order to commence Phase 2 of the project, which consists of constructing the sewers within the roadway south of Sagamore Creek (Sagamore Grove, Wentworth House Road, and Sagamore Ave south of Sagamore Creek), funding will need to be appropriated as part of the FY 23 budget. To that end, the approved FY23 Capital Improvement Plan includes a request for funding this work.

The bids for the project also include add alternates for the private side work. The private side work includes the sewer service from the edge of roadway to the house including the sewage ejector pump, connection to the house, any necessary electrical or plumbing modifications, and abandoning the existing septic system. This topic was discussed at length with the public and the City Council from September 2019 through September 2020. Through public meetings and presentations to the City Council, City Department of Public Works (DPW) staff proposed a cost sharing apportionment shown below.

Current Project Limits and Costs: Cost Apportionment Proposal



Under the cost sharing proposal, all work would be done under the City's contract. All costs would be paid for by the City with reimbursement from owners for the installation of the sewer service from the property line (dashed vertical line above) to the sewage ejector pump. The private sewer lateral would be the responsibility of the property owner. Based on the bid prices and using the cost sharing proposal described above, we anticipate the average cost to the property owner would be \$16,200. The City offered homeowners a 10 year zero interest loan for repayment of this portion of the work and this would result in an additional \$135 dollars per month for those properties that elect to connect.

The exact number of property owners that will elect to connect to the new public sewer is unknown at this time. City staff will be working with property owners to identify who is interested in connection. The City planned for costs associated with this private side work through a Capital Improvement Plan (EF-22-SD-90: Sewer Service Funding for Sagamore Avenue Area Sewer Extension) and received authorization in FY22 for \$300,000. Another \$450,000 in funding is requested in FY23. See CIP element sheet, attached.

Unless the City Council wishes to revisit the cost-sharing proposal, City staff intend to move forward under the proposed cost apportionment and connect properties to sewer with priority given as shown below and within the limits of available funding.

Septic Conversion Priority

1. Currently on holding tanks: A number of properties are on holding tanks with no septic systems. DES requires as a condition of occupancy that a property be connected to an approved septic or sewer system. This requirement can be waived and the property can be put on a holding tank if there will be a municipal sewer system available to connect to within one year of occupancy of the property. A number of properties are awaiting the sewer main because they currently have holding tanks.
2. Failed septic systems: Failed septic systems contribute to poor water quality and are a public health hazard. A typical failed septic results in either sewage backing into the house or pooling in the area surrounding the leach field.
3. Old Systems: DES allows municipalities to waive connection requirements for properties with functioning septic systems if the system was installed after January 1, 1985 per State

RSA 147:8. Septic systems installed prior to this time are seen by DES as a priority and will be prioritized for connection to the sewer. Please note that the City of Portsmouth updated its sewer ordinance in December 2021 to allow for waived sewer connections for all functioning septic systems.

4. Owner Request: These conversions will take place as the homeowner requests and as funds are available but only after the higher priority septic conversions have been completed.

City staff will monitor the available funds during the progression of the project and better define the interest and need for additional connections to the sewer line and any future funding needs.

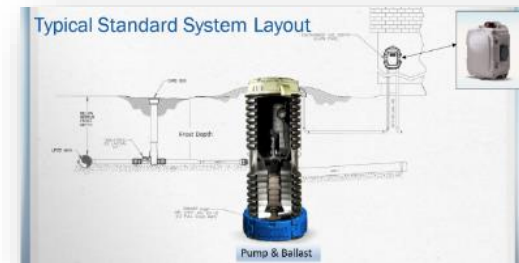
Please note that residents are not required to connect to the sewer during construction of the project. The City amended its sewer ordinance in December 2021 to waive all requirements to connect to municipal sewer if the property is served by a functioning septic system. Also of note is that owners are free to pay in full to connect to the sewer if they want to connect ahead of the City's ability to contribute in the cost-sharing.

City staff plan on hosting a meeting with the neighborhood in early April. This will include a preconstruction meeting for the upcoming sewer main work and then a review of the private side work. The private side work portion of the meeting will review the bid results, the described approach to cost apportionment and an attempt to identify the number of properties interested in connection.

As stated above, City staff will proceed as described above unless the City Council seeks to discuss or revisit this subject.

EF-22-SD-90: Sewer Service Funding For Sagamore Avenue Area Sewer Extension

Department	Public Works – Sewer Division
Project Location	Portions of Sagamore Ave and Wentworth House Rd; Cliff Rd, Walker Bungalow Rd and Sagamore Grove
Project Type	Construction or Expansion of A Public Facility, Street or Utility
Commence FY	2022
Priority	A (needed within 0 to 3 years)
Impact on Operating Budget	Negligible (<\$5,001)



Description: The City has approached this project in order to obtain pricing for the private side work for converting existing septic systems to

a pumped sewer connection. Bids were received in August 2021 and pricing was found to be higher than anticipated. The project will be re-bid and updated prices obtained. City staff will present updated cost information to the City Council in order to conclude an approach to the cost sharing proposal. This item sets aside funds in anticipation of City Council action.

Evaluation Criteria	Qualify?
Responds to Federal or State Requirement	
Addresses Public Health or Safety Need	Y
Alleviates Substandard Conditions or Deficiencies	
Eligible for Matching Funds with Limited Availability	
Timing or Location Coordinate with Synergistic Project	
Identified in Planning Document or Study	Y
Improves Quality of or Provides Added Capacity to Existing Services	Y
Reduces Long-Term Operating Costs	
Provides Incentive to Economic Development	Y
Responds to a Citywide Goal or Submitted Resident Request	

Studies Identified & Useful Website Links:

- Consent Decree Second Modification.
- [Sagamore Ave Sewer Extension Project Page](#)
- [FY22-FY27 CIP \(Prior Year\) Project Sheet](#)

Notes of Changes in Funding Plan from FY22-27 CIP:

After receiving bids for the project in August 2021, it was determined that the prices to install private side work were higher than originally estimated. Increased values accordingly.

		FY23	FY24	FY25	FY26	FY27	FY28	Totals 23-28	6 PY's Funding	Totals
GF	0%							\$0	\$0	\$0
Fed/ State	0%							\$0	\$0	\$0
Bond/ Lease	100%	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$350,000	\$2,600,000	\$300,000	\$2,900,000
Other	0%							\$0	\$0	\$0
Revenues	0%							\$0	\$0	\$0
PPP	0%							\$0	\$0	\$0
	Totals	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$350,000	\$2,600,000	\$300,000	\$2,900,000