

Good afternoon,

We have two inquiries for your office:

1). The PLVD Board is inquiring as to what form of voting/with whom, is required to accept the attached Grants/loans in the email below? This is for acceptance of grants/loans from a state program.

2). PLVD is unique in that not all of the community is on the water system, and the PLVD Water Fund is balanced each year with tax funding from the community as a whole. Our board has received several requests regarding the clarification/justification behind this setup, and being relatively new to the community, I would like the "record set straight" regarding how the PLVD water system is funded from taxation, so as to inform our community with words from the law- rather than personal opinions on the matter.

Please let me know if there are any questions, or if additional information is needed.

Thank you,

Andrew Pomeroy

PLVD Chair

Hello Andrew,

Village district commissioners have the same authority as town select boards to accept unanticipated revenue in the form of state grant money that becomes available throughout the year if they have previously been granted authority under RSA 31:95-b via a vote at your annual meeting. If the voters have not granted the district commissioners this authority, then you must seek district approval at your next meeting to vote on accepting these funds. It does not matter that only some people may benefit from your water system, the entire district must vote on this article. There is no mechanism to carve out who, out of the eligible voters in the district, is allowed to vote on what article. The way around this would be to eventually grant the commissioners power to accept grants such as this without needing district meeting approval.

The Village District should not be using taxpayer dollars to subsidize a water system that does not serve all of the residents in the district. This is viewed as a fundamentally unfair practice where you are taxing people for something that they receive no benefit from. Furthermore, it is arguable that this is not legally acceptable. RSA 38:28 states as follows:

38:28 Water Rates. – For the defraying of the cost of acquisition, construction, payment of the interest on any debt incurred, management, maintenance, operation, and repair of water systems, or construction, enlargement, or improvement of such systems, the governing body, or the board of water commissioners, if any, may establish a scale of rates to be called water rates, may prescribe the manner in which and the time at which such rates are to be paid and may change such scale from time to time as may be deemed advisable. The amount of such rates may be based upon the consumption of water on the premises connected to the water system, or the number of persons served on the premises, or upon some other equitable basis.

That last sentence really lays out how your water system is supposed to function. It is supposed to have adequate user fees to allow it to sustain itself based on consumption of water, the number of people served per residence, or another equitable basis. Furthermore, earlier in the statute it says that the funding of this system is to be by an established scale of rates set by the commissioners. Not by taxing individuals who do not use the system. Even if someone were to argue that subsidizing this system with taxpayer dollars was not technically “illegal” it would be an inherently unfair practice.

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