

Pillsbury Lake Village District Public Hearing Meeting
Adoption of a resolution and amendment to the Municipal Water Ordinance
January 20th, 2022 6:30pm Via Zoom & Clubhouse

Present: Commissioner Robinson, Commissioner Goodwin, Commissioner Marks, Treasurer Doherty, and Clerk Heather Doherty

Attendees: John DiAngelis, Mary Lou DiAngelis, Donna Kenney, Peter Kenney, James Steinkrauss (Legal Counsel Rath, Young and Pignatelli, P.C.), Pam Waite, Bruce Waite, Peter Burgess, Sandy Estep

Via Zoom: Joan Desmarias, Kimberly Heath, Debbie Grotheer, Mark Grotheer, Kathleen Dymont, Jamie Dow, Claudette Levesque, Jay Bachelder, Dan Driggers, MJ Turcotte

Commissioner Robinson opened the meeting at 6:33pm; All were in favor. She went on to say that this meeting was to talk about the Water Ordinance and that Treasurer Doherty will read it outloud to the community members, to which the board will then discuss how it came about and then would open for public comments. She went on to say that this information was posted on the PLVD website for people to view prior to the meeting. Treasurer Doherty stated that the board passed out this information to everyone at the meeting in person and then screen shared the same document to those on zoom. He then went on to read the Water Ordinance handout to the community members. Commissioner Robinson stated that the purpose of this is because at the time this was voted on to do the Concord Drive Project there was no real resolution as to who was going to pay for it, except for water users only. That there were a lot of minutes dating back that were conflicting as to what water users would have to pay and when the payment would start. That there was a lot of back and forth but no actual votes were taken back then. In order to resolve that issue, as none of the current board members were on the board at the time, that why this water ordinance was created. She went on to say that the liens would be put on much like a mortgage to ensure that if someone is buying a property, they understand that they will need to pay for that also, as they would now be a part of the water system. Commissioner Marks added that it was clearly stated in the minutes that it was voted that the water customers would be responsible, that we know 2/3 of the voters voted yes for water customers to pay. The fact was, it was unclear when it came to who be water customers at the time it goes into effect, so that is why the board reached out to get guidance from the attorneys and came up with this ordinance, to ensure that the boards honors what the voters indeed voted for, that the water customers will always be responsible for paying this. She went on to say, in order to do this that the board had to put liens on the water customers properties, that are considered to be water customers. That it also ensures that anyone outside of the water customers will not have to pay.

Public Comment

Sandy Estep asked if you're on the water system now, you'll be responsible for paying that bill? And if someone goes off the system at this point to put in their own well, will they still be responsible for that payment? Commissioner Robinson stated yes to both questions. *Bruce Waite* asked if the board has an estimate for over all costs Concord Drive/Penacook Circle Water Main Project. Commissioner Goodwin stated most of the costs are in for that, the actual project cost for the water main replacement was \$342,500 and an additional improvement to that is the bedrock well permitting which will be an additional \$9,750 and then the estimated labor and equipment in addition to that could be up to \$14,460 according to the proposal the board had received. So, the total with the estimates before grants

is \$366,710. He went on to say that right now the SRF loan is a 20-year loan, at 1.296% APR, which would be \$1,735 per month, divided by the 63 water customers would be \$27.64 per month, per customer. *Bruce Waite* and *Donna Kenney* asked if that price includes interest. Commissioner Goodwin stated yes, and that's also before the grants, because the grants may be applied additionally towards the DRW8 permitting, that at least with the grant money they know of for now, the \$157,500 with that figured, would bring down the project costs with permitting to \$209,210 total and with a 20-year loan at the same interest rate would be \$990 per month, and divided by the 63 water customers would be, \$15.72. *Donna Kenney* asked if the whole project is done now? Commissioner Robinson stated no, that the bedrock well 8 permitting was left to do. *Donna Kenney* asked what the price of that was. Commissioner Robinson stated that they were estimating it in with everything included. *Donna Kenney* if Penacook Circle was supposed to have some work completed. Commissioner Robinson stated that yes, that the water main work was done on the road as well. Commissioner Goodwin stated that the Penacook Circle work had been wrapped up in the Concord Drive Water main Replacement Project. *Mary Lou DiAngelis* asked if the district would be getting any more grants for this current project? Commissioner Goodwin said the board is always looking and would certainly not turn any down. He went on to say that the board is in touch with DES and the Engendering firm we used for the Concord Drive Water main Replacement Project, and any grants that could be applied to previous projects. *John DiAngelis* wanted to confirm that the liens the board were referring to were the liens being put on the 63 water user's properties now. Commissioner Robinson stated yes. He went on to ask the reason why the board is putting the liens on, so that the water customers are the only ones who will owe the money, that's the board's only reason. Commissioner Robinson and Commissioner Marks stated it was not the only reason, it was one of the reasons. Commissioner Robinson went on to say the other reason for the liens is for collection, that the board needs to have some form of surety that invoices will be paid. *John DiAngelis* stated that in the past before this change, there had been a clear guideline that was kind of standard as to what would happen if you didn't pay your water bill, that the board would then put a lien that house. He went on to ask why the board can't just do the same for the 63 water customers, because if somebody were to sell their house under this new method, they wouldn't know what to do. Would they have to pay off their entire portion for that project? Commissioner Marks stated right now way it's done is if a water user doesn't pay their water bill, after a certain period of time, yes, the board puts a lien the property. That with this ordinance we decided to do it differently because this is a loan we have to pay back just like a mortgage on your house. She went on to state that this was intended to protect future purchasers by trying to be transparent to any people purchasing property, this way someone who is buying a property that is on the system, will know that they will be responsible for continuing that payment. *John DiAngelis* stated he understood what she was talking about but feels like it's a heavy burden on the water customers and asked the board to think about keeping it the "traditional" way. He went on to ask Commissioner Robinson that if this passes and someone of the 63 water users decides to get a private well, they are still obligated to pay on this bond? Commissioner Robinson stated yes and that was another reason for the liens. Commissioner Marks went on to state that the board had discussed these different options with the PLVD attorney's and the guidance that was provided was based upon many other projects dealing with sort of situation, which has resulted in liens on their properties in that situation as well. *John DiAngelis* asked if what she was saying was, that there were other water districts with projects similar to our Concord Drive project and that she would be able to tell the community who they are? Commissioner Marks stated the attorney mentioned Bedford and Enfield and that they were sewer projects loans not specific to water, but similar in nature. *James Steinkrauss attorney on behalf of the Kenney's*, wanted to point out that at the time of the votes it was clear as to who the water users only, but he didn't think it was clear as to who the waters users were and he understands that's the reason for the ordinance tonight, second that he wanted to ask to table the vote tonight because there's two errors or edits on the resolution itself, first the resolution

paragraph one doesn't specifically mention the Concord Drive Water Main Project it's very broad and doesn't match the ordinance that the board is trying to adopt. The commissioner's took note of that. *James Steinkrauss* went on to say his second point was on paragraph 3C there's language that says, board of commissioner shall determine annually the rates of interest on installments not yet due and payable based upon the annual cost of borrowing funds from by the district. He went on to ask that the resolution be amended and changed to, "the board of commissioners shall determine the annual rate of interest on installments not yet due and payable based on the annual cost of borrowing funds by district." He then addressed the commissioner to point it out on the paperwork and stated that it sounded like the board could change the interest rate annually and that's it's and SRF Loan that has fixed rates. Commissioner Robinson took note and said she understood what he was saying and requesting. *Donna Kenney* stated that she wanted to mention that she was contacted today by *Gary French* and he also said they there were a significant amount of residence, non-well users, they're private well users, who would be amenable to this being moved to the whole district paying and that they would like to get a petition out in the mail and to bring it forward at the annual meeting. Commissioners Marks and Robinson stated that they can't because it was already voted on. *Donna Kenney* went on to say that "You haven't voted on this." Commissioner Robinson stated it was voted for the water users to pay for it. *Donna Kenney* responded with, "Okay, so you're denying that." and then went on to ask why the board chose January 1st for the date? Commissioner Robinson stated, because the board decided to move forward with all the conflicting statements that were made by the previous board and because no vote was taken, that the board can't make a vote when they were not even on the board at the time this project was created. *Donna Kenney* asked why they can't they have the customers who were on the water system when the first application for the loan was put in, why wouldn't the board choose that date. Commissioner Robinson stated because that is what the PLVD attorney advised them to do. *Donna Kenney* pointed out that it could be challenged. Commissioner Robinson replied that yes, you can take it to court. *Donna Kenney* stated that 396 Deer Meadow Road listed as one of the water users and asked if the board would be paying the bill, assessing usage chargers and there will be a lien attached to 396 Deer Meadow Road? Commissioner Robinson stated yes. *Donna Kenney* went on to say that is not what you said at the last meeting when this was discussed. Commissioner Robinson stated that wasn't true, that every time she asked her that, whether the board would pay a water bill for this property and everything else, that she had said yes. *Donna Kenney* went on to say that she would forward Commissioner Robinson the transfer from the auto recording that she did of that meeting. Commissioner Robinson stated, okay. *Mary Lou DiAngelis* asked if the board could explain about #5 on abatements, what that entails and how that would work? Commissioner Robinson stated that the abatements are in there for the reason that if there is something that comes before the board and asks for an abatement for any reason, then the board has the opportunity to discuss that as a board and abate something if they needed to. That as of right now, the board does not know of any reasons to abate at this time, but it was put in case of emergency and for good cause, that's why it states "For good cause shown.". *John DiAngelis* asked again about the liens on the houses and what does a person have to do if they're selling their house, do you have to pay off the loan? Treasurer Doherty and Commissioner Marks stated, that they would do nothing. Commissioner Marks went on to say it's associated with the deed, and when they pull the deed, they will see the lien and their obligation in full transparency, that they're liable to pay that loan. *Debbie Grotheer* stated that Commissioner Marks was incorrect and that she needed to check with the attorney before answering a question like that. She went on to say that if there's a lien on the property it must be cleared before the person can take control of that property, that was the law. The whole board stated that this was something that was already checked by the PLVD attorney. Commissioner Goodwin stated that the lien is on the land associated with the deed. *Debbie Grotheer* stated that the board really needed to have attorney present the board is going to start answering legal questions. *Mary Lou DiAngelis* asked if there were going to be

minutes for this meeting? Clerk Doherty stated of course. *Mary Lou DiAngelis* then stated that she felt that this meeting was set and was obligatory, that the board just wanted to placate, get it done and be done with it, that the board doesn't really want to answer questions and that she comes offended because of some of the board members demeanor. *John DiAngelis* addressed Treasurer Doherty by his first name and stated his attitude was awful. Commissioner Robinson stated that was out of order, and that the meeting needed to continue and the board needed to hear from people online. *Debbie and Mark Grotheer* asked if there is an estimate at this time and is coming to a vote and addressed that, that had already been answered earlier in the meeting. *Debbie Grotheer* went on to ask if the board has been collecting on this bill currently? The Commissioners stated no. She went on to ask when this was this assessed, March of 2020? Commissioner Robinson stated that it hasn't been assessed yet, that's what the board was creating right now, the actual ordinance to collect on it, because one was not voted on by the previous board when the project was created. *Debbie Grotheer* asked when it was dated that the well users would be paying this, what is the attorney going to charge for putting on the liens and when the next vote comes up to add board members? Commissioner Robinson stated March 2020 and went on to say that the board hasn't received a quote of the cost to put liens on yet, but Commissioner Marks stated she had spoken to the attorney about this, but confirmed that there was no set price yet. Treasurer Doherty went on to state that at the annual meeting in March of 2022 would be when the community members can vote for new commissioners and such and that the board is looking for commissioners, treasurer and clerk. And asked if she would like to put her name on the ballot. *Debbie Grotheer* stated yes, for the treasurer position as she does not trust the billing that has been coming out. *Kathleen Dymont* asked about the land that the district owned that was logged a long time ago to pay for some projects, and asked if there was a reason the board didn't go this way for this current situation? Commissioner Godwin said that there are a lot of reasons but more so because the SRF loan can only be paid by the water customers, and also the land needed to be surveyed before it can be logged again because there were issues in the past with that. *Peter Burgess* stated that back when they logged that area, they logged into another property. Clerk Doherty confirmed that and went on to say that the board would need to pay to get it surveyed which would be a lot of money. Treasurer Doherty stated that the board is setting aside money every year to get it surveyed but at this time they're \$2000 short. Commissioner Goodwin also pointed out that when you log an area, you have to wait a certain amount of time for regrowth so that in the future that are trees to cut down. *Kathleen Dymont* asked that if there's more repairs that need to be made will the water customers have to pay that as well? She went on to address her concerns about the water bill being high and worried it will go up in the future, that her property taxes went up and not down. Treasurer Doherty stated he could set up a time with her to explain the water rates and such, but that repairs such as leaks that pop up and such are paid through taxation and water revenues. *Joan Desmarias* asked that if a property owner wanted to pay their portion of the loan off all at once up front, would that include the interest and that would mean the lien would be taken off that property? Commissioners Goodwin and Robinson stated that yes, they could pay it all off at once. Commissioner Goodwin stated that the interest is accrued over 20 years so it's paid at the beginning. *Joan Desmarias* asked that if this ordinance went through, that the board would share this information with the water customers. The Commissioners stated yes. *Kimberly Heath* asked if someone were to come off the water system will they still be reliable to pay that loan because the date will be set at January 1st 2022? She went on to ask if anyone on the water system currently pays the same in this plan that the board is talking about or is it different for water customers based off the benefit to them, because some of the wording in the ordinance sounded like there would be an assessment to decided the benefit of each property, that she wasn't sure if some benefited more than others based on their location? Commissioners Marks and Robinson stated yes, if you come off the system you will still be reliable to pay that loan back. Treasurer Doherty stated that every water customer pays the same amount, that the amount of the loan is divided by the 63 water costumers so

it's fair for everyone. *Kimberly Heath* asked if the documents that were handed out at this meeting was either sent out via email or some place that can be viewed by the water customers? Treasurer Doherty stated everything was uploaded on the PLVD website under News & Announcements. *Kimberly Heath* went on the state that there were two pieces she wanted the board to consider on, one being not to consider putting liens on the property unless someone is late paying their bill and would also like to see options that would allow not to have a lien, such as payment in full as of a certain date before put into place. Treasurer Doherty confirmed that if you pay in full there would be no lien. *Kimberly Heath* asked if they knew when the date would be for the payment? Commissioner Goodwin stated that when Bedrock Well 8 permitting is complete, that at the current time the board does not know the completion date for that. Treasurer Doherty stated that the first loan payment is due one year from the completion date. Commissioner Goodwin stated that the Well permitting is still in the beginning stages and that once the board receives the final bill for that then they'll know the Date for first loan payment. *Kimberly Heath* asked when that vote happened to have water customers pay. Treasurer Doherty stated March 2020 at the annual meeting. *Dan Driggers* asked how many wells support the system? Commissioner Robinson stated that there were 5 wells. He went on to ask what the age of the pump system is and are there any under 10 years old? Commissioner Robinson stated she didn't know the answer to that question but that she could research that for him and get back to him at one of the monthly meetings or send an email, that tonight was a special meeting just about the ordinance. Commissioner Robinson asked Jamie Dow what her recollection was from the March 2020 annual meeting and who were the people who were going to be responsible for paying for this project? *Jamie Dow* stated it wasn't clear at the time as to what water customers it would be, as to whether it was going to be water customers were current customers at the time of the annual meeting vote or whether it would be customers that were current when the actual loan was taken out and the project done or whether it would be current customers when payments were due, that was something the board back then hadn't finalized with DES along with the attorney. *Joan Desmarias* stated that she wanted to thank the board for doing all this work on community members behalf, that she feels the improvements in the water system will help over time to reduce cost and again wanted to thank the board for their efforts. The board thanked her. *Mary Lou DiAngelis* asked the board if they could get a statement from the attorney as to the process when a member sells their house, if the board does put a lien on the water customers house, to be very clear that the sellers will not have to pay that loan off before selling and if the attorney gets paid for the liens put on the houses, will the water customers have to pay for that? Commissioner Marks confirmed that she would reach out to the attorney to get specifics in writing on how the lien process would work when selling a house on the water system. Commissioner Marks went on to stated that this was brought up to the attorney and that they have spent hours going over past two months going over this ordinance with him and the bill he sent to us was only \$61 and he did not indicate that it would be anything of concern as far as paying for those. *John DiAngelis* asked the board to reach back out to the attorney to see if there is other way other than putting liens on the properties. Commissioner Robinson stated that this was already addressed with the attorney and that this is what he suggested the board to do. She went on to say that all the documents provided at the meeting and published on the website were written by the PLVD attorney and this is what he advised the board to do. Commissioner Marks stated that the attorney stated that this should have been done way back when this was voted on at the March 2020 annual meeting, that the board at that time did not seek legal advice about this topic. Commissioner Goodwin stated that the liens also lock in the water customers, meaning it holds them responsible for paying the loan even when they choose to come off then system, that way if there was one person left of the system, they wouldn't be stuck paying the loan themselves. *Donna Kenney* asked if the attorney wrote all the documents for this ordinance, did he also choose the January 1st date. Commissioner Robinson stated it was a collaboration between the attorney and the board. *Donna Kenney* stated, given how much the water bills increased have you thought about giving the water customers an option about

using a credit card, that there is an RSA that allows the board to do that? Commissioner Robinson stated that was something the board has been talking about and still something that the board is working on. At 7:50pm the board went over the amendments to the Resolution Authorizing Water Assessment that were asked during the meeting. The following were changed as requested during the meeting:

a) Purpose. The purpose of this resolution is to provide a reasonable and proportionate methodology for assessing individual properties that are served or benefited by the water main and associated improvements for their just share of the expense, including any capital debt or interest, of constructing the **Concord Drive Water Main project** and associated improvements; to amend the Pillsbury Lake Village District Water Ordinance; and, to implement the obligation of the water customers to reimburse the district's water general fund.

i) Interest on the assessment shall be charged from the date of the assessment to the date of full payment thereof. The Board of Commissioners shall determine, **annually, the annual the rate of** interest **rate** on installments not yet due and payable based upon the annual cost of borrowing funds by the district. Interest shall accrue on any payment not made when due at the annual rate provided in RSA 76:13 and RSA 80:69.

Commissioner Marks verbally went over changes with the community members. Commissioner Marks made a motion to accept the Water Use Ordinance Resolution Authorizing Water Assessment, Commissioner Goodwin seconded; all were not in favor. Treasurer Doherty stated that the vote passed, two out of three. Commissioner Robinson wanted to go on record that her vote was No. Commissioner Robinson closed the meeting at 8:12pm.

Submitted by,

Heather Doherty, Clerk

