

WATERVILLE ESTATES VILLAGE DISTRICT

February 19, 2021 PUBLIC HEARING MINUTES

Attendees: Matt Smith, Maureen Patti, John Herlihy, Gerry Panuczak, Judy Kinney, Robert Diefenbach

Guests: Ned McElroy, Stan Bujalski, Nick Sceggell, Mike Hering, Harry Bertino, Jim Murphy, Jaime Oldmixon, Mark Canfield, and other unidentifiable parties via Zoom.

Call to Order: Mr. Herlihy called the meeting to order at 9:05 AM.

Roll Call: Ms. Patti, aye, Mr. Panuczak, aye, Mr. Herlihy, aye.

Adoption of Agenda: The agenda declared to accept a grant from NH DES pursuant to RSA 31:95b and to accept an increase in Village asset value from the Associations use of CIF totaling \$34k, for work in the Women's Locker Room.

Water Master Plan Grant: Mr. Herlihy described the grant as \$20k requiring a 100% match from the village district. The grant is for asset management and requires that the Village hold a workshop to present study results and develop a long term funding plan. Mr. Sceggell, of DuBois and King, said the work will be done in conjunction with the Master Plan. The workshop at the end of the process will cover a review of the plan, Capital Improvement Program needs, and describe what level of service the water system is intended to provide. Mr. Herlihy thanked Mr. Sceggell for putting together the grant paperwork. Mr. Bertino asked where the Master Plan stood. Mr. Sceggell said work on the plan had been put on hold until the Village could accept the grant, but would now continue. Ned McElroy asked if additional funds had to be committed to get the grant money. Mr. Sceggell said no, the village had appropriated \$50k and the \$20k was additive. Ms. Patti asked what the workshop was about. Mr. Sceggell said it was required to get the grant and was a way of disseminating the information to the public. Mr. Bertino asked what the requirements of the grant were and stated he thought the purpose was to save money, not spend more. Mr. Herlihy stated it was meant to be additive and re-iterated the requirements previously described. Mr. Sceggell said next steps were to accept the grant and provide the deliverables per the grant application. He said it was part of the scope of work for DuBois and King. Mr. Herlihy detailed the Village needed to issue a match commitment letter, insurance certifications, certificates of authority, and a vendor code, then Mr. Sceggell could proceed. Mr. Oldmixon clarified that the \$20k can be used to offset costs of the \$50k appropriation, that it is not required to be additive. He recognized that the cost of putting on the workshop was above and beyond the current scope of work. Mr. Sceggell agreed and said a couple of items in the grant will require additional money to be spent. Mr. Herlihy observed that development of the grant paperwork was not in the original scope and made a motion to accept te grant, seconded by Ms. Patti, and passing by unanimous roll call vote. Mr. Sceggell asked to be kept posted about the next meeting. Mr. Herlihy asked if Mr. Sceggell could help us determine what our water rate should be, Mr. Sceggell referred him to Mr. Scruton of Municipal Resources, Incorporated.

Village Asset Increase from Association's Use of CIF for Women's Locker Room: Mr. Herlihy described the issue as accepting a \$34k unanticipated increase in Village District asset value. Ms. Patti clarified that while, per Village Counsel, 31:95b was the relevant statute, no money was being transferred. The Association is spending money which will result in an increase of value to Village District assets. Mr. Herlihy stated that because the value was \$10k or more, a public hearing was required. Mr. Bertino asked if CIF is used on a village asset would it be considered a tax. He observed that CIF is for improvements to Association assets so if it is used on a municipal building it's a tax. Mr. Herlihy stated those concerns should be addressed by the association. Mr. Bertino asked if we were letting contractors hired by the Association in, Mr. Herlihy said yes, under our supervision. Mr. Bertino said it looks like a tax, is not authorized by the Association Bylaws, and that they should be updated. Mr. Herlihy stated we are not here to address Association issues. Mr. Bertino asked how stuff was being paid for and Mr. Herlihy said we will be approving expenses. Mr. Oldmixon stated it is permissible for a municipality to allow a municipal tenant to improve space they lease. Mr. Panuczak cited two provisions in the Recreation Management Agreement that allow this to transpire. He stated that we are in charge of the work and the General Manager is in charge of managing the CIF money. Mr. Bertino stated that the purpose of CIF money was for improving Association property.

Village Asset Increase from Association's Use of CIF for Women's Locker Room (continued): Mr. Canfield asked what the lease allows. Mr. Herlihy stated there is no lease, but one is being worked on. Ms. Patti said we

expect to present a lease to the Association soon. Mr. Bertino said the Village District does not change the Bylaws, the Association does. He said the transaction reduces Association asset value and increases the Village District's asset value. He said New Hampshire law can't be changed through a contract between the Village and the Association. Mr. Herlihy moved to accept the increase in value to the Village, Mr. Panuczak seconded, and the motion carried by unanimous roll call vote.

Set the Next Meeting: Ms. Kinney indicated the next meetings would be 3/13/21 to review Warrant Articles and 3/30/21 for a Budget Hearing. Discussion took place around meeting times. Ms. Patti made a motion to accept the dates with the 13th being held at 8:00 AM and the 30th being held at 5:00 PM, Mr. Herlihy seconded and the motion carried by unanimous roll call vote.

Covid Zoom Declaration: Ms. Patti read the declaration authorizing a zoom meeting per the Governor's orders.

Village Asset Increase from Association's Use of CIF for Women's Locker Room (continued): Mr. Bujalski asked if there was a scope of work or if proposals for the Locker Room work had been solicited. He also asked how we arrived at a value of \$34k. Mr. Panuczak observed that the General Manager is the Project Manager and that Mr. Bujalski reach out to him.

Water Master Plan Grant (continued): Mr. Bertino observed that if Mr. C. Smith works for the Village District and the Association at the same time, this could be considered an Association project. Mr. Bertino asked what the proposed change was for the water rate. He indicated that his understanding was that a flat rate was not legal as it was not equitable. Mr. Panuczak stated we could look to the RMA and the General Manager job description and see that use and management of CIF is contemplated in both documents. He said therefore, it was appropriate for the General Manager to be the Project Manager. Moreover, there are CIF moneys and municipal funds being used in the project. Mr. Herlihy said that the General Manager, Mr. C. Smith, is an employee of the Village District. Ms. Patti said we are in the early days of water rate discussions with Village Counsel and Consultants and a response was one to two meetings out. Mr. Herlihy agreed and said setting an equitable rate was part of the Water Master Plan. Mr. Bertino indicated the current problems with the water rate were created by previous Commissioners, not the current Board of Commissioners.

Adjournment: Mr. Herlihy motioned to adjourn the meeting, Ms. Patti seconded, and the motion passed unanimously by roll call vote at 9:54 AM.