



## Hill Water Works – Commissioners Meeting

**Meeting Minutes**

**\* APPROVED \***

**MAY 14<sup>th</sup>, 2024**

**Regularly Scheduled Meeting** – A regularly scheduled Water Commissioner's meeting was held in the Hill Public Library at 6:30 p.m. located at 30 Crescent Street Hill, NH 03243.

**Board Members Present** Charles Estes, Stephen Thomson and Anthony Cartier

**Public Attendance** – David Thomson

Digital audio recorder was started at 6:29 p.m. Stephen Thomson declared the meeting open at 6:30 p.m.

### **Old Business-**

**Approval of Previous Minutes** – Charlie provided commissioners with a copy of April's Minutes. Minutes were reviewed. Charlie had a couple typos to correct. The motion was made to accept April Commissioners meeting minutes as amended. Tony seconded. Motion passed unanimously.

- Charlie presented Tony with the previous billing warrant for \$`10,050.60. Tony signed the Warrant 04. The Commission reviewed the current Billing Warrant 05. Meeting reading was completed on May 12<sup>th</sup>. Warrant was signed with a due date of June 19<sup>th</sup>. Bills to go out before the end of the week. (May 17<sup>th</sup>,)
- Two treasurer's warrants were signed. The Commission reviewed and approved invoices to be paid.
- Charlie reported to a previously raised question - We do not incur any changes from overdrafts from the sweep account. Balance transfer to cover any debt is done before the close of business day. All deposits, Credits and Debits are made to the Business Checking account ending in 3762. At the close of business day the balance sweeps to the Water Fund ending in 3068,
- The commission discussed the Auto Dialer modification. There were 3 invoices in March that were reviewed and discussed. A note was read regarding an intermittent issue related to a ground fault. The Auto Dialer is to be re-programmed to call out the commissioners first. Stephen questioned John Benham's awareness of invoices and billing. Charlie to send John another email to program the auto dialer to contact all 3 commissioner's cell phones. The phone works during power outage but auto dialer goes out. John to look into the battery back up.
- Charlie looked into the approved \$65,000 warrant article from 2018 that was allocated for the purchase of a Generator for the Pump House. There is no mention of the generator again in 2018 and no mention in ANY town meeting minutes about the funds collected from taxation. David Thomson questioned if the \$65,K was raised from taxation David asked if any funds came from a Grant?

David asserts that he raised the same question with the Selectmen. Shaun and Frank stated they never got the Grant and deny any knowledge of the grant. Charlie reported that there was no matching Grant applied for by the water commission. Shaun Bresnahan claims that he reviewed documentation and the funds were not applied. Charlie explained the DES Pre-Application process. David asked the Selectmen as interim water commissioners if they had applied for a grant prior to the Warrant Article. Did the tax payers actually get taxed? The Warrant passed. The town's people were taxed. the funds were collected and then appear to have been reallocated. Taxes collected by the Town / tax collector would not automatically transfer to the Water Department. No records indicate the \$65K ever transferred to the water department. Commissioners will review the Audits to see if any notes were made about the money going to capital reserves. Charlie explained that because the Selectmen in 2018 requested the \$65,

- The commission discussed the upcoming requirement of Lead and Copper inventory and system abatement of all copper and lead materials. PSI & SKR are involved in the process. The commission received a letter from Pump Systems Inc., with question to address. The letter requests a list of physical point of use addresses of all system distribution points. Stephen suggested using the 911 list.
- The Commission discussed software related issues with Avitar and Sensus that are still challenging. Things are improving greatly but still need work. The Audit of Billing and Accounting continues. Avitar confirms they will take any actions needed to prevent unauthorized modifications.
- Commissioners reviewed abatement forms. Joshua Tucker, Thomas Pavelka, The Frasers and Melanie Thomson. approved and signed.

#### **New Business / Continued Discussions -**

- The Tank inspection is scheduled for May 30th. Charlie had a meeting with Greg Paradise, Road Agent to discuss the access road repairs to the tank site March 8<sup>th</sup> at 10:00 am. Greg reports that after discussion with Shaun Bresnahan about the Streets and Highways department working with the water commission to prepare for the Tank inspection, Shaun's view is that the Water Department should pay a vendor opposed to the Town providing any support to the Water Department. Gregg silently disagreed with Shaun's decision. Stephen asked why was Shaun discussing this independently with Gregg. Charlie read the text exchange between he and Gregg. The text exchange was professional and cordial. On April 1<sup>st</sup> a follow up text occurred. Gregg has meeting scheduled for April 2<sup>nd</sup>. Stephen raised the issue with the Selectmen proposing a joint meeting. The joint meeting was denied. Charlie informed the commission of meeting with Eversource after arranging to meet an engineer and tree cutting service. the locks were changed and the Water Department now has access to the road to the tank. it was done within 48 hrs of contacting Eversource. Stephen spoke up and said OK the reason I brought this up was because...David interjected that he was in attendance at the meeting Stephen is speaking of when asked about the gate key and who had any knowledge of this, Shaun Bresnahan claimed the key was probably in the lock box on the wall in the Selectmen's office. Shaun made a grand statement denying and knowledge of the installation of the gate. Shaun claims he knew NOTHING about it since his resignation as an interim water commissioner on May 2<sup>nd</sup> 2023. Eversource engineer Christopher Poison told Charlie on May 13<sup>th</sup> that Eversource installed the gate WITH SHAUN BRESNAHAN'S APPROVAL and when asked if the Town of Hill wanted to meet the response was that there was no need to meet. Bresnahan has been again caught misrepresenting and partly explains his refusal for interdepartmental collaboration. The inspection process was discussed and cost of the inspection was budgeted and approved. Road construction, tank and engineering was performed

- Discussion of Loans, according to all records, account 1102 shows what funds were received and how the funds were paid out for several years. The funds were received by The Town of Hill. Money came into the water works from DES 2006, State Revolving Fund (remaining balance of \$8k ((Inaccurately stated as \$18K)), and 2008-2012, 2019 refinance of NHMBB Loan (remaining balance of \$275k.) Questions remain around how the funds were paid out. The amount received, to amount paid to improvements and repairs, DOES NOT RECONCILE. Stephen stated “We made a vote.” We voted to not pay the loans until it has been proven that the Water Department received the funds from the loans. Stephen states his personal opinion is that we should The records have not been reconciled to show the Water Department actually received the total \$435,000 from NHMBB Loans. Stephen states – but again the current commissioners can find no records that account for the total amount of debt service being carried by the Water Department.

\*\* The question remains - How much money from loans was paid to cover water system improvements and how much went to cover Town of Hill operating expenses and appropriations from the operating budget? The Commission will continue to audit Town records as they become available. \*\*

- The Commissioners then discussed the letter to be drafted to the Town assessor for an assessment of the Water System. The Commissioners discussed again the purpose behind establishing a Memorandum of Understanding (MOU). The Commission requires having the system assessed by the Tax assessor. Charlie will draft a letter to the assessor seeking an assessor’s report of the system. Rod is under contract to assess the system. D.O.R. states the Water Department, having a separate water fund and operating as a separate entity SHOULD NOT be part of the town operating budget establishing an amount to be raised by taxation “Like was done in 2023.” Charlie again faults Shaun Bresnahan’s misrepresentation of the Water Works Income / Expenses as a means to raise taxation without applying the funds to their stated or allocated purpose. (\$6,152 inflated 2023 budget to be raised by taxation for the Water Department.) It was brought up during budget season and was ignored. Stephen’s concern is that without an assessed value, we have no assets management program. David Thomson interjects that without an assessed value, you don’t know what being insured – “You can’t insure it.” Stephen states I still contend that an insurance company should still cover some of these water system repairs. Stephen advocated for an assets management system. Stephen asks wouldn’t it be better that we declare the asset?

Charlie states – No matter how many times the Selectmen want to dance around the issue, we have to have a joint meeting and these issues need to come out for discussion. Charlie stated that when the current Selectmen sat in the position of interim water commissioners, they saw the need for an assets management program because they instituted Diamond Mapping software and now deny the need for a Water System value assessment. To deny now, that they are sitting in a different position, what they themselves started over a year ago, is not right.

Stephen also raised the issue of establishing a Coop. out of the Water Works owned by the customers. Charlie stated the State DOR refers to District or Precinct which requires a vote of the Legislative Body. the system is a subsidy of a bigger mess. David questions the loans.

The Water Works is a Governmental Department of the Town of Hill. Charlie states again the Water Department requires an Memorandum of Understanding (M.O.U.) Stephen states there needs to be a standard. David states it’s going to happen that these two boards are going to change. Charlie states we need to have an operations manual. An M.O.U. is a place to start and requires a

- Stephen again raised the issue of Loans and repayment. Charlie explained the debt service balance of loans need to be paid back. Retained Earnings still is a mystery of accounting. Shaun Bresnahan claims he has no knowledge of the retained earnings but then attempted to explain the accounting of the water system during budget season without any supporting documents or ability to show he knows any of what happened. David Thomson states no matter how you look at it, it seems like the customers of the water system are carrying the debt service for funds the Town used for general expenses during times of cash flow problem. David asks what's the course of action? Charlie believes the M.O.U. should address these issues. While coming to an understanding of the M.O.U. the suggestion is that the Water Works repays loans with an understanding that the Town Selectman accept repayment of funds or provide an alternate proposal. 10-year plan is for the Water Works to repay debt service every 12 months and the town repay ½ every 12 months. David states you guys are talking on behalf are the users and it sounds like you're doing everything possible for the customers on the system and the Selectmen keep kicking the can down the road. Stephen suggests documenting this all.
- Charlie asked Tony Cartier – what are your thoughts. Tony asked, if the Water Works was to go bankrupt, does that bring the state in to do an audit or what happens? Stephen suggests that DES would step in and take over. Charlie states - If the water works goes bankrupt, the first remedy would be that the town would have to assume responsibility for the water works.
- Stephen asked again about uncollected debt. All 2023 unaccounted funds have been collected. Prior to January 2023, all uncollected funds were "written-off." The claim from the town was that they always paid off the uncollected debt. The records from 2003 to 2023 show a total of just over \$19K collected for the decade. The records show the money collected was paid into town taxation but not paid to the water department.
- At approx. 7:53 Chief Labonte entered the meeting seeking access approval for use of a hydrant for hose testing. Testing company to arrive approx. 10am and will take approx. 4 to 6 hours. Stephen asked for location, Mark responded Commerce Street. Form for access was signed approved and signed. Charlie to do posting.
- Commission reviewed bank statements. Mail has been delayed. confirmed that there are 3 accounts and statements. Commission confirmed change of address with bank. Warrant for transfer includes change of address.
- Letter to the Selectmen to reappoint Stephen Thomson as Commissioner. Charlie and Tony signed letter. Charlie will provide the letter to the Selectmen.

Having no other business – Stephen made a motion to adjourn Tony 2<sup>nd</sup>. Motion carried  
The meeting adjourned at 8:02 p.m. The recording was stopped.

Respectfully Submitted - Charles Estes