

**MERRIMACK VILLAGE DISTRICT  
BOARD OF COMMISSIONERS  
MARCH 29, 2022  
ANNUAL MEETING  
MEETING MINUTES  
(approved April 18, 2022)**

The Merrimack Village District Annual Meeting was conducted by the Merrimack Village District Board of Commissioners on Tuesday, March 29, 2022 at 7:00 p.m. at Merrimack High School, 38 McElwain Street, Merrimack, NH.

Chairman, Donald Provencher presided:

Members of the Board present:     John Lyons  
  Kenneth Ayers

Members of the Board Absent:     Wolfram von Schoen, Vice Chairman  
  Paul McLaughlin

Also in Attendance:                 Ron Miner, Superintendent  
  Jill Lavoie, Business Manager/Water Quality Support  
  Michele Holton, Finance/H.R. Director  
  Marc Nozell, Moderator

**ANNUAL MEETING**

Moderator Marc Nozell called the annual meeting to order. At this time, he explained the process to the public. Moderator Nozell then introduced Chairman Don Provencher. Chairman Provencher introduced the members of the MVD Board of Commissioners. The ballot boxes were declared open by Moderator Nozell at 7:08 p.m.

**Article 1:** To choose one (1) Commissioner for a three-year (3) term of office. (Written ballot vote required)

*The purpose of this article is to allow you to vote for your choice of a candidate for office. If you would like to vote for someone whose name is not on the ballot, simply write in the candidate's name of your choice in the space provided on the ballot.*

**Article 2:** To choose one (1) District Moderator for a two-year (2) term of office. (Written ballot vote required)

*The purpose of this article is to allow you to vote for your choice of a candidate for office. If you would like to vote for someone whose name is not on the ballot, simply write in the candidate's name of your choice in the space provided on the ballot.*

**Article 3:** To see if the Merrimack Village District will vote to raise and appropriate the sum of four million eight hundred eleven thousand eight hundred forty-six dollars (\$4,811,846) for general municipal operations for the 2022-2023 fiscal year with said sum to come from water related charges. This article does not include appropriations contained in special or individual articles addressed separately. (Majority vote required)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

Moderator Nozell read the following statement:

*This is the operating budget warrant article. This article funds the operation of the District for the year beginning July 1, 2022 ending June 30, 2023 for all departments; Administration, Distribution, Treatment, Debt Services and Insurance/Benefits.*

Paul Micali, Merrimack, brought forth a question of order, asking who moved it and who seconded it.

**MOTION BY COMMISSIONER K. AYERS TO ACCEPT WARRANT ARTICLE 3 AS PRESENTED**

**MOTION SECONDED BY COMMISSIONER D. PROVENCHER**

Tom Koenig, 1 Danforth Road, asked if someone would provide a brief explanation beyond what had been read. Commissioner J. Lyons explained that MVD has seen an increase in demand over the past year due to the expansion of the town. He also noted that MVD has been faced with a significant expense to remove PFAS from the water. Director Holton agreed that these are the biggest trends MVD is working with. She noted that MVD's work towards having three PFAS treatment facilities to treat all of MVD's water has been quite an undertaking. She stated that MVD has done well with their funding sources and being able to get much more favorable rates, as well as grants.

T. Koenig noted that there have always been past conversations of adding more apartment buildings to town, along with there being plenty of water to do so, but in turn the residents of Merrimack are always faced with an odd-even water restriction. He asked if there was anything in the budget to try to improve this. Chairman D. Provencher answered that the odd-even restriction is now standard and no longer considered to be an emergency action. He explained that MVD is required by NHDES to have a conservation plan and odd-even restrictions is part of the way the conservation plan is addressed. Irrigation is allowed all day on those days, dependent upon your odd-even association. He continued to explain that in drought situations MVD will begin to restrict the time of day that one can irrigate. An irrigation restriction has been placed in the past, and irrigation was only allowed between the hours of 5:00 am – 8:00 am and 5:00 pm – 8:00 pm. If the drought conditions worsen, further restrictions will be placed, allowing for irrigation only between the hours of 5:00 am – 8:00 am. Chairman Provencher further explained that MVD is looking into additional source development and has commissioned a study by Underwood Engineers to identify and evaluate additional source alternatives. These sources range from new well sites, to Artificial Recharge (AR), to wholesale agreements to purchase water from Manchester Water Works (MWW) or Pennichuck Water Works (PWW). Each option brought different volumes and different cost per gallon. MVD is still evaluating the best option. Chairman Provencher explained that Underwood has advised MVD that they do have the capacity for the upcoming apartments.

**The article was declared passed by Moderator Nozell on a hand vote.**

**ARTICLE 4:** Shall the Merrimack Village District vote to establish a contingency fund, pursuant to RSA 52:4-a, by raising and appropriating the amount of twenty thousand dollars (\$20,000) to meet the cost of unanticipated expenses that may arise during the fiscal year 2022-2023 with said funds to come from water related charges? (Majority vote required)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

Chairman D. Provencher read the following statement:

*RSA 52:4-a states:*

*“Every village district annually by an article in the warrant may establish a contingency fund to meet the cost of unanticipated expenses that may arise during the year. Such fund shall not exceed one percent of the amount appropriated exclusive of capital expenditures and amortization of debt by such village district during the preceding year. A detailed report of all expenditures from the contingency fund shall be made annually by the commissioners and published with the report.”*

**MOTION BY COMMISSIONER K. AYERS TO ACCEPT WARRANT ARTICLE 4 AS PRESENTED**

**MOTION SECONDED BY COMMISSIONER D. PROVENCHER**

Tom Koenig asked if this was a new program that is being established or if this was something that has been in place and money is being added to annually. Chairman D. Provencher answered that he believed this to be a recurring warrant article. T. Koenig asked if the contingency fund was established each year, spent, and reestablished the following year, with no carry over of funds. Superintendent R. Miner answered that the contingency fund has never been spent. Director Holton explained that the money has never been spent and the money lapses. If it were to be spent, MVD would need to provide a detailed account of it in the annual report. Koenig asked if this was in addition to the funds from the warrant article that had just passed (Warrant Article 3). Director Holton explained that it was and noted that there is an RSA that allows for the additional amount, calculated on the prior year numbers.

Juanita Dangle, 17 Westminster Lane, asked where the money goes when it lapses, and if it goes into a general fund, what the current amount is. Director Holton answered that the general fund at the end of the fiscal year '21 was at roughly \$1.2M. She explained that the \$20,000 goes back into the general fund and is for unforeseen things that may arise during the budget year. She reiterated that there is an RSA that allows for it, but MVD has never spent it. Once the funds lapse, it is returned to the unassigned funds balance.

**The article was declared passed by Moderator Nozell on a hand vote.**

**ARTICLE 5:** Shall the Merrimack Village District vote to raise and appropriate the sum of one hundred thousand dollars (\$100,000) to add to the District’s Non-Capital Reserve Fund under provisions of RSA 35:1-c, for the purpose of emergency water and/or the operations and maintenance of GAC Treatment facilities. This sum to come from unassigned fund balance. (Majority vote required)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

Commissioner J. Lyons read the following statement:

*The purpose of this article is to use a portion of the unassigned fund balance to be set aside for future use in the District’s Non-Capital Reserve Fund. Should the need for emergency water and/or unanticipated operations and maintenance of the GAC Treatment facilities arise in future years the Board of Commissioners would have these funds available for such purposes.*

**MOTION BY COMMISSIONER K. AYERS TO ACCEPT WARRANT ARTICLE 5 AS PRESENTED  
MOTION SECONDED BY COMMISSIONER J. LYONS**

Tom Koenig questioned the amount of money in the Non-Capital Reserve Fund. Director Holton answered that the Non-Capital Reserve Fund currently has \$100,600. Koenig asked if MVD was looking to add an additional \$100,000, to which Director Holton answered yes. Koenig then asked if MVD was spending money out of this fund throughout the year. Director Holton answered that MVD has not spent money out of this fund yet. The fund was established in the prior year and the additional \$100,000 would come from the unassigned fund balance. Koenig asked if MVD has a number that they are attempting to maintain in the unassigned fund balance year to year. Director Holton explained that the fund balance policy has been drafted and is under discussion at this time. She stated that MVD is unique in that it is a stand-alone water works. The Department of Revenue Administration and the New Hampshire Government Finance Organizations have references for total municipalities and what they should hold. Director Holton explained that the industry is quite varied and MVD has been doing research on the matter. MVD is currently work with their consultants Underwood Engineers on an appropriate amount for the balance, and the plan should MVD fall below that amount.

**The article was declared passed by Moderator Nozell on a hand vote.**

**ARTICLE 6:** Shall the Merrimack Village District vote to raise and appropriate the sum of two hundred thirty-six thousand nine hundred twenty-three dollars (\$236,923) under provisions of RSA 35:1, I and II to add to the District’s “System Development Capital Reserve” fund for the future system expansion and improvement of the existing system? This sum to come from the fiscal year 2020-2021 unassigned fund balance; these are the system development charges collected during the 2020-2021 budget year.

**(Majority vote required)**

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

Commissioner K. Ayers read the following statement:

*The MVD’s Board of Commissioners adopted a System Development Charge (SDC) on August 19, 2008. This charge is applied to “new” customers and those existing customers who increase their water service demand beyond 20% of their current or prior use. The charge can best be described as a “buy-in” fee to achieve an equal equity position with the existing customers. This one-time payment will cover their share of the value of the existing infrastructure. Fire service entrances are not subject to the SDC. The “System Development Charge Use of Funds” policy (08-02-B) was approved by the BOC on 10/27/08.*

**MOTION BY COMMISSIONER K. AYERS TO ACCEPT WARRANT ARTICLE 6 AS PRESENTED  
MOTION SECONDED BY COMMISSIONER D. PROVENCHER**

**The article was declared passed by Moderator Nozell on a hand vote.**

**ARTICLE 7:** Shall the Merrimack Village District vote to raise and appropriate the sum of two hundred thousand dollars (\$200,000) under provisions of RSA 35:1, I and II to add to the District’s “Equipment and Facilities Capital Reserve” fund for associated costs with existing storage, transmission and production of water? This sum to come from unassigned fund balance. (Majority vote required.)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

Chairman D. Provencher read the following statement:

*The purpose of this article is to use a portion of the revenue surplus to be set aside for future use in the District’s Equipment and Facilities capital reserve fund. Should an emergency arise in future years, for which there was no appropriation, or should there be need for an unforeseen special piece of machinery in a pump station, for example, the Board of Commissioners would have these funds available for such purposes. This fund was established by the March 26, 1996 Annual Meeting.*

**MOTION BY COMMISSIONER D. PROVENCHER TO ACCEPT WARRANT ARTICLE 7 AS PRESENTED**

**MOTION SECONDED BY COMMISSIONER K. AYERS**

Tom Koenig asked what the balance of the fund is. Director Holton answered that the balance on the fund is currently \$2.9M. Koenig asked if it has been used at all for unanticipated needs or if it has just been accumulating. Director Holton explained that it has been used at times, and the replacement of the John Deere backhoe a few years back was one of the more recent uses. In the coming future MVD is looking to replace one of the dump trucks. Superintendent R. Miner explained that it has also been used to offset and match grants for PFAS filtration. Koenig stated that he was curious how this was established and asked if it was set up in a way that allows the MVD to draw from the fund at any point during the year or if it needs to be brought to the voters on an annual basis. Superintendent R. Miner explained that the commissioners are agents to expend.

**The article was declared passed by Moderator Nozell on a hand vote.**

## **ELECTION RESULTS**

**Article 1:** To choose one (1) Commissioners for a three-year (3) term of office.

Ken Ayers – 22

**Article 2:** To choose one (1) District Moderator for a two-year (2) term of office.

Marc Nozell – 21  
Brian McCarthy – 1

## **ADJOURNMENT**

**MOTION BY JUSTIN SLEZ TO ADJOURN**

**MOTION SECONDED BY THE SUPERVISOR OF THE CHECKLIST FRAN L'HEUREUX**

*The annual meeting was declared adjourned at 8:20 p.m. by Moderator Nozell.*

Date: 4/19/22

Signed: Jill Lavoie

Jill Lavoie, District Clerk

Submitted by Amanda McKenna, Recording Secretary