

Rye Water District Annual Meeting
Saturday, March 26, 2022, 10:00 a.m.
Rye Junior High

On March 26, 2022 at 10:00 a.m. at the Rye Junior High School, Moderator Joshua Scott convened the meeting with the pledge of allegiance. Moderator Scott introduced the Water District Commissioners Thomas Clifford, Ralph Hickson and Arthur Ditto.

Article #01 To choose a Commissioner for the ensuing three (3) years.

Moderator Scott called for nominations for commissioner.

Jaci Grote, 124 Washington Road, nominated Scott Marion as water commissioner. She noted that she has known Scott Marion for at least ten years. He has served on the Budget Committee and is familiar with the budget of the Rye Water District. Mr. Marion's approach to problem solving in his profession is pragmatic and practical. She encouraged everyone to support the nomination.

Bill Epperson seconded the nomination.

Moderator Scott asked for further nominations or discussion on the motion. Hearing none, he called for a vote on the nomination of Scott Marion.

Motion passed.

Moderator Scott congratulated Scott Marion and thanked Tom Clifford for his work on the Commission.

Article #02 To see if the District will vote to raise and appropriate the sum of \$852,000.00 (gross budget) for the Wallis Road Water Main Replacement, 1,165ft from the intersection of Wallis Road and Ocean Boulevard to the intersection of Wallis Road and Odiorne Drive, and all costs incidental thereto and connected therewith: and to authorize the issuance of not more than Eight Hundred Fifty- Two Thousand Dollars (\$852,000.00) of bonds and notes in compliance with the Municipal Finance Act (RSA Chapter 33); and to authorize the Rye Water District Commissioners to issue and negotiate such bonds and notes and to determine the rate of interest thereon; and to authorize the Rye Water District Commissioners to expend the proceeds so raised to that stated purpose. This warrant article supersedes Warrant Article #04 passed by the voters at the Rye Water District Annual Meeting on July 11, 2020. A 3/5 ballot vote is required.

THIS ARTICLE IS RECOMMENDED BY THE BOARD OF COMMISSIONERS: 3 - 0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE: 9-0

Motion by Ralph Hickson to move Article #02 to the floor. Seconded by Arthur Ditto.

Commissioner Ditto explained that this started back in 2016 when the Water District developed this particular project. At that time, the estimate for the work was \$315,000. The project was submitted to the NH Drinking and Groundwater Revolving Loan Fund and was approved at that dollar value. A warrant article was then developed for the Water District's annual meeting in 2020. Unfortunately, the District's annual meeting in 2020 kept getting bumped down the road, due to Covid, and was not held until July. The voters approved the project in July, but it missed the "bubble" for getting a contract at that estimate. The intent was to get the bids in by that summer and the RFP didn't get out until late fall of 2020. Bids started coming in over the spring of 2021 and were much higher because of increased costs due to Covid issues. As a result, the Water District tried to negotiate with the contractor to get it to an approved dollar amount; however, that was unsuccessful. Subsequent to that timeframe, the District was able to better define the estimate which came out to be \$500,000., which happened to be the bid received that spring. The Water District went back to the NH Drinking Water and Groundwater Bureau, who authorized the loan for the State of New Hampshire, and got the ceiling amount raised to \$852,000 which is proposed today. The Water District has an approved loan from the State for this amount. The project now needs to be approved by the voters through this warrant article.

Commissioner Ditto continued that some of the issues that came up relative to increasing the cost of the project include the fact that ledge was found. This water line runs from the intersection of Route 1 and Wallis Road, up Wallis Road and across from the marsh. In the location across from the marsh, more ledge was found than was anticipated and that increased the cost. That area would involve using HDPE pipe, which is a plastic pipe that is more forgiving in the marsh environment and is more cost effective from a corrosion standpoint than a steel pipe. The other aspect of the project will realign the valves between the water line going down Ocean Boulevard and the water line at the intersection of Wallis Road to meet DOT requirements. All those reasons added up to increased costs. Also, the cost of materials has increased due to Covid issues. Included in the cost of the project is a ten percent contingency for the budget.

Steve Borne, 431 Wallis Road, pointed out that 1218 Ocean Boulevard is tied up in the courts right now. However, when that project starts, the road is going to be ripped up in that area. He asked if there could be discussions with DPW about how the Town wants that intersection to be. He asked if all the work can be done at once so it is less disruptive to the town's people.

Commissioner Ditto replied that the District tries to do that. For this particular project, when it was originally planned, the District was going to coordinate the paving with Public Works, so paving would only have to be done once to save money on both sides. The drainage upgrades in that area were going to be coordinated with DPW, so the work would be done at the same time to help minimize the disruption to the public. He pointed out that the work has to be done in the spring or fall, as summer is a busy traffic season. Whatever development or work that is going on in that area at the time of the project, will be coordinated to link the work together. The District tries to do this as best they can. Assuming this project goes through, the District will coordinate its activities with whoever else is doing work on that particular area to help minimize the impact to the motorists and to maximize the costs savings for all parties involved.

Moderator Scott called for further discussion. Hearing none, he called for a vote on Article #02.

Motion passed.

Article #03 To see if the District will vote to raise and appropriate the sum of Thirty Thousand Dollars (\$30,000) to be placed in the District's existing Equipment and Buildings Capital Reserve Fund established for the purpose of purchase, repair, modification, or replacement of equipment and buildings that support operations of the water distribution system. This appropriation is in addition to the operating budget. (Majority Vote Required.)

THIS ARTICLE IS RECOMMENDED BY THE BOARD OF COMMISSIONERS: 3 - 0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE: 9-0

Motion by Arthur Ditto to move Article #03 to the floor. Seconded by Thomas Clifford.

Phil Winslow, 100 Harbor Road, asked the balance of each of the capital reserve and trust funds. He also asked what the last expenditure was from each one of the funds.

Commissioner Ditto explained that the balance for this particular fund is \$78,860. Last year, the voters approved a warrant article for the purchase of a new truck, which is still in process. The plan is to take out \$60,000 for the new truck. The truck is pending delivery due to Covid issues. The delivery time has been delayed at least six months. After the \$60,000 is used for the truck, there will be a balance in this account of \$18,860. The District usually replaces the trucks on a six year cycle.

Moderator Scott called for further discussion. Hearing none, he called for a vote on Article #03.

Motion passed.

Article #04 To see if the District will vote to raise and appropriate the sum of Thirty Thousand Dollars (\$30,000) to be placed in the District's existing Storage Tank Maintenance Expendable Trust Fund established for the purpose of maintaining the water storage tanks. This appropriation is in addition to the operating budget. (Majority Vote Required.)

THIS ARTICLE IS RECOMMENDED BY THE BOARD OF COMMISSIONERS: 3 - 0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE: 9-0

Motion by Arthur Ditto to move Article #04 to the floor. Seconded by Thomas Clifford.

Commissioner Ditto noted that the current balance in this particular capital reserve fund is \$152,498. This fund is for storage tank maintenance. To date, this capital reserve fund has not been used, as it was established about four years ago for the painting of the tanks. However, the District has an upcoming project on the books for the painting of the tanks. Depending upon the level of effort of what needs to be done, it's probably going to exceed the level of funds that are

in this particular fund. The intent is to use the fund within the next two years for tank maintenance, depending upon when a contract can be issued

Moderator Scott called for further discussion. Hearing none, he called for a vote on Article #04.

Motion passed.

Article #05 To see if the District will vote to raise and appropriate the sum of Fifteen Thousand Dollars (\$15,000) to be placed in the District's existing System Replacement Capital Reserve Fund established for the purpose of replacing or enlarging the distribution system. (Majority Vote Required.)

**THIS ARTICLE IS RECOMMENDED BY THE BOARD OF COMMISSIONERS: 3 - 0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE: 9-0**

Motion by Ralph Hickson to move Article #05 to the floor. Seconded by Arthur Ditto.

Commissioner Ditto noted that the current balance in this particular reserve fund is \$137,115. The last time this fund was used was approximately four years ago in preparation for the Garland Road pumphouse maintenance. The Town was going to pave that road. At that time, about \$80,000 was spent for piping that was going to connect to the re-piping of the Garland Road pumphouse, so it wouldn't interfere with the paving of that road. This is just another example of the District trying to coordinate its work with the town's work to minimize disruption and double paving of a road.

Moderator Scott called for further discussion. Hearing none, he called for a vote on Article #05.

Motion passed.

Moderator Scott read Article #06.

Article #06 To see if the District will vote to raise and appropriate the sum of One Million Seven Hundred Sixty-One Thousand Seven Hundred Sixty Dollars (\$1,761,760) for general District operations and to defray Water District charges for the ensuing year. This article does not include appropriations contained in any other article addressed. (Majority Vote Required.)

**THIS ARTICLE IS RECOMMENDED BY THE BOARD OF COMMISSIONERS: 3 - 0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE: 9-0**

Motion by Thomas Clifford to move Article #06 to the floor. Seconded by Ralph Hickson.

Moderator Scott opened for discussion.

Mr. Borne commented that the budget is at 1.7 million. The only thing the Town spends more money on besides the schools is fire and safety, DPW and Rye Water. It's a huge part of what the residents choose to spend their money on every year. He would like there to be more actions

to get it tightly integrated into what is going on in the Town. There needs to be tighter integration with DPW and planning.

Referring to the Natural Resource Inventory, Mr. Borne commented that he wants to be sure the Commissioners have seen it. If not, when will the Commissioners review it and discuss how it will impact the Rye Water District? Referring to the Route 1 development, Mr. Borne noted there was a select board meeting where RWD Superintendent Arik Jones presented and discussed sensitivity impact. With all that extra development, if there were to be a drought, there could be more water shutdowns and more restrictions could impact the rest of the residents. If there's huge development on Route 1 and not enough water, it could impact the residents through water restrictions.

Mr. Borne asked if a high-level overview could be provided on what is happening with the wells. There's been construction and the District has been down one well. He pointed out that the water treatment plant has been moved up in priority and it seems that the District is closer to the reality of that happening. He asked about the timeframe. He commented that running a water treatment plant is really going to increase operation costs. The 1.7 million operating budget is probably going to rise even more. As a resident of the Rye Water District, he would really like to see the District say that they are not going to approve or support more development on Route 1, until there's a comprehensive plan of how the potential water and sewerage needs are going to be met. Both need to be done. He would like to see the Water District take that hard stand for the residents of Rye.

Commissioner Ditto noted that the Rye Water District does not deal with waste water. As far as saying "yes" or "no" to providing water, he doesn't know if they can legally say "no". That is something that the Commissioners would have to look into from that standpoint. If the District has to provide water, they just need to find a way. His feeling is that they need to look at how the water is used overall in the Rye Water District, typically the seasonal use is when a large amount is used for irrigation. The irrigation aspect is probably the most detrimental and biggest concern that he sees. Commissioner Ditto pointed out that in the budget for this year, there is a project for source investigation, which addresses finding new water sources and how to better manage the water that the District now has at hand. This gets into how the water is used on a daily basis. As far as looking for new wells, this is a difficult task. It involves finding a location to even put a well in, generating the necessary wellhead protection sanitary radius and finding water that is going to be of reasonable quality which can actually be used without some sort of treatment. The issue of the treatment plant comes into play with the changing of the regulations. Right now, there is a regulation that has been changed for manganese which lowers the standard. One of the wells is right at the cusp for that particular standard. The other standard that is probably going to be changing are the PFAS levels, which may drive the need to put in a treatment plant. The District is looking at the treatment plant and how it can be used, if and when it's built. He commented that he hasn't seen the Natural Resource Inventory, but will look at it at some point.

Mr. Borne pointed out that the Natural Resource Inventory is on the Town's website. It will also be linked to the Rye Civic League News. The Conservation Commission just presented a high-level overview to the Select Board; however, there is a ton of information in the document.

Ms. Grote stated that there is a commission that was legislated by the N.H. House called Seacoast Safe Drinking Water Commission. The Rye Water District is part of that commission. She sits on the commission, as does Danna Truslow and representatives from all the seacoast towns. This issue is not just Rye. It's a seacoast issue. It's a New Hampshire issue. It involves not only public water and sewer, but also involves septic systems and private drinking wells. She will send a link to the Commissioners so they can share it on the Rye Water District website. The Natural Resource Inventory is on the Town's website under the Conservation Commission.

Moderator Scott called for further discussion. Hearing none, he called for a vote on Article #06.

Motion passed.

Article #07 To transact any other business which may legally come before this meeting.

Moderator Scott opened to discussion or questions.

Commissioner Hickson noted that Tom Clifford is retiring after seven plus years as a commissioner. His hard work and dedication to the Rye Water District is greatly appreciated.

Hearing no further business, Moderator Scott called for a motion to adjourn.

So moved by Arthur Ditto at 10:28 a.m. Seconded by Thomas Clifford.

Moderator Scott closed the Rye Water District Annual Meeting.

Respectfully Submitted,
Donna DeCotis
RWD Clerk