

PUBLIC BOND HEARING  
8/12/09  
for  
SPECIAL MEETING of AUGUST 20, 2009  
RELATIVE TO AMERICAN RECOVERIES AND REINVESTMENT ACT  
MINUTES

The meeting convened at 6:20 p.m. in the training room at the Wastewater Treatment Plant, 104 Sawmill Lane North Conway, NH. The following were present: Chairman James Umberger, Commissioner Robert Porter, Commissioner John Santuccio, Superintendent David Bernier, Chief Patrick Preece and Recording Secretary Kristine Cluff.

Chairman Umberger called the meeting to order at 6:20 p.m.

Chairman Umberger explained the purpose of this public bond hearing to discuss the warrant articles pertaining to the stimulus money the Precinct is now eligible for under the American Recoveries and Reinvestment Act also know as Chapter 229, Laws of 2009.

Chairman Umberger read Article 1 and then turned the meeting over to Superintendent David Bernier to explain the article.

**ARTICLE 1.** To see if the voters of the North Conway Water Precinct will vote to raise and appropriate the sum of Eight Million Three Hundred Thousand Dollars and No Cents (\$8,300,000.00) for the construction of New Sewers along Kearsarge Road, North of Intervale Cross Road to Hurricane Mountain Road, Ash Street to Dinsmore Road (cross country), Ash Street, Maple Street, Ledgewood Road, Ledgewood Road to Ash Street (cross country), Duprey Road, Pierce Road (cross country), Crestwood Avenue, Wyman Avenue, and Longview Terrace. In addition to New Water Mains in the following areas: Kearsarge Road, Ash Street, Maple Street, Ledgewood Road, Crestwood Drive, and vicinity of Wyman Avenue, Route 16A, and Duprey Road, and all ancillary equipment and modifications necessary to support said improvements; and expenses related to the issuance of municipal bonds; to finance said sum by the issuance of bonds or serial notes in accordance with the provisions of the Municipal Finance Act (RSA 33) as modified by Ch. 229, Laws of 2009 and in an amount up to Eight Million One Hundred Ninety Thousand Dollars and No Cents (\$8,190,000.00) thereby reduced by any federal, state, or private grants that may be made available in conjunction with said purpose; to authorize the Commissioners to apply for and accept said grants of federal, state, or private aid; to authorize the Commissioners to issue, negotiate, sell, and deliver said bonds and notes and to determine the rate of interest, the maturity, and other terms pertaining thereto; to authorize the Commissioners to take any other action or to pass any other measure relative to said purpose and financing, including the authorization to expend funds for other necessary work related to this project as determined by the Commissioners within the amount appropriated; to continue to allow the Commissioners as agents to expend funds up to One Hundred Ten Thousand Dollars and No Cents (\$110,000.00) from the Water Infrastructure Improvement Capital Reserve Fund and the Sewer

Infrastructure Improvement Capital Reserve Fund as necessary to fund this project, and receive loans and grants for the funding of this project. A vote in favor of this Article shall rescind the bond authorization of Article 6 taken at the 2007 Annual Precinct Meeting in the amount of Seven Million Nine Hundred Eighty Two Thousand Four Hundred Dollars and No Cents (\$7,982,400.00) and the bond authorization of Article 2 taken at the 2009 Annual Meeting in the amount of Three Million Three Hundred Seventy Thousand Dollars and No Cents (\$3,370,000.00). (The Precinct's Charter authorizes a majority vote for this item; Ch 229, Laws of 2009 requires a 2/3 vote under certain circumstances; as a result, for this item a 2/3 ballot vote will be required for approval.) **(Recommended by the Board of Commissioners 2-0-0)**

Superintendent Bernier explained that essentially the Precinct will be receiving more grant money than any other Precinct Project has ever received. The Precinct will be receiving slightly more than 52% even if you take out the \$110,000.00 local funding portion (which is about 1%) and the interest rate is 2.75%. The interest rate is a full 2% lower than the Precinct has ever received from Rural Development. This is because of the ARRA (American Recoveries and Reinvestment Act) funding and essentially saves the Precinct \$1,000,000.00 in interest.

Superintendent Bernier explained why we are rescinding the original articles and bringing forward a new article. Basically, the Precinct's general counsel felt it be best to write a new article because the projects were based on two separate projects - 7.9 million from the 2006 warrant and 3.370 million for water from the 2009 warrant. Superintendent Bernier explained the Board of Commissioners have decided to curtail sewer lines on Skyline Drive, Pendexter Woods, Forest Ring Drive and lower end of Hurricane Mountain Road until the Precinct can have some discussion, in detail, with the Board of Selectmen from the Town of Bartlett. There has been discussion to complete the sewer lines within the Town of Conway done before we reach the 10,000 census number. We also added sewer to Duprey Road, all of Ledgewood Road, and a cross country line to Pierce Road. We will go as far as we can on Route 16A to about the vicinity of Limmer Boot Shop. Washington Avenue will not have sewer because of the depth and the pipe would essentially pop out of the ground.

Karen Umberger questioned the reason we are doing Pierce Road in Bartlett is because it is cross country and Superintendent Bernier stated we can do that as a cross country line without interfering with any Town of Bartlett road and Route 16A is a state road. The Precinct has authority by its charter to construct in any State Road. Karen Umberger stated the two original articles were for 11 million and by taking out the Skyline etcetera brought it down to 8.3 million and Superintendent Bernier responded in the affirmative.

Superintendent Bernier explained all of this area has been surveyed and we know what the soils are like and we have also completed test borings in this area. Superintendent Bernier explained the design work is also most ready to be mailed to Rural Development. Bill Hounsell noted the Precinct is trying to fast track this with the stimulus eligibility. Mr. Hounsell explained the Bartlett roads would not allow the Precinct to continue on the fast track because the Precinct needs to know the Bartlett Road standards. The time frame to work on the standards would encumber the project. Superintendent Bernier explained the Precinct had zero grant dollars on this project and then we got 2.7 million in grant and we told them they were getting warm. Mr. Hounsell explained everyone worked hard on this project – our engineer, our office manager and superintendent did a wonderful job of detailing all these projects.

Karen Umberger questioned where the \$110,000.00 of local funding was coming from and Superintendent Bernier explained this will come from the Water Infrastructure Capital Reserve account. The Marriott Hotel's buy fee was \$162,000.00 this year and is more than enough to cover it. Mrs. Umberger questioned if this would have to be replenished on the 2009 warrant and Superintendent Bernier explained that we do not replace funds when taken from the buy in fees.

Chairman Umberger asked if there are any other questions or comments on article one. With no questions or comments coming forward, we will move on to article two.

Chairman Umberger read article two in its entirety and then turned it over to Superintendent Bernier to explain the article.

**ARTICLE 2.** To see if the voters of the North Conway Water Precinct will vote to raise and appropriate the sum of Five Million Nine Hundred Thousand Dollars and No Cents (\$5,900,000.00) for the construction and installation of Energy Efficient Blowers and Aeration Systems, Computer Controlled Dissolved Oxygen System, Septage Receiving System Upgrades, and the installation of Wind Turbines, Geo Thermal and/or Solar Systems in order to decrease the Wastewater Treatment Plant Electrical Dependency, and all ancillary equipment and modifications necessary to support said improvements; and expenses related to the issuance of municipal bonds; to finance said sum by the issuance of bonds or serial notes in accordance with the provisions of the Municipal Finance Act (RSA 33) as modified by Ch. 229, Laws of 2009 and in an amount up to Two Million Four Hundred Thousand Dollars and No Cents (\$2,400,000.00), thereby reduced by any federal, state, or private grants that may be made available in conjunction with said purpose; to authorize the Commissioners to apply for and accept said grants of federal, state, or private aid; to authorize the Commissioners to issue, negotiate, sell, and deliver said bonds and notes and to determine the rate of interest, the maturity, and other terms pertaining thereto; and to authorize the Commissioners to take any other action or to pass any other measure relative to said purpose and financing, including the authorization to expend funds for other necessary work related to this project as determined by the Commissioners within the amount appropriated; additionally to participate in the State Revolving Fund ("SRF") RSA 486:14 for this purpose and to authorize the Commissioners to expend such monies as become available from the Federal, State government, or Private Sources and to pass any vote relating thereto and furthermore to authorize the Commissioners to apply for, receive, and expend federal and state grants. This article is contingent on the Precinct receiving grant money in any amount up to Two Million Nine Hundred Fifty Thousand Dollars and No Cents (\$2,950,000.00). A vote in favor of this article shall rescind the Bond Authorization of Article 3 taken at the 2009 Annual Precinct Meeting in the amount of Five Million Nine Hundred Thousand Dollars and No Cents (\$5,900,000). (The Precinct's Charter authorizes a majority vote for this item; Ch 229, Laws of 2009 requires a 2/3 vote under certain circumstances; as a result, for this item a 2/3 ballot vote will be required for approval.) **(Recommended by the Board of Commissioners 2-0-0)**

Superintendent Bernier explained the reason for rescinding the original article is because this article is specific to American Recoveries and Reinvestment Act language. The total article is 2.4 million with 50% loan forgiveness. The 1.2 million will be administered through a 20 year note with the State of New Hampshire Revolving Loan Fund. Superintendent Bernier further explained that we have another

project within this article if any other community that was awarded stimulus money falls off the radar for any reason, the Precinct would have another project ready to go on line and be eligible for stimulus money through the State Revolving Loan Fund. This project scored the highest in the state and the state gave us the opportunity to choose which project we wanted to do. We chose the largest dollar amount project first. We will be pursuing the geothermal wells and solar energy. Cushing Well from Walpole, New Hampshire will be here next week to install the test well and we will be looking at 140,000KW of electricity through 700 solar panels. Maureen Westrick Forbes questioned if the well company has experience in geothermal. Superintendent Bernier explained they are a very old well known well company throughout the state. Superintendent Bernier explained the geothermal well is southwest of the water maintenance garage and further explained that February 2010 is the latest date the state has set that date for all communities to have projects ready for stimulus funding.

Chairman Umberger asked if there are were any other questioned or comments on article two. With no questions or comments coming forward, we will move on to article three.

Chairman Umberger read article three in its entirety and then turned it over to Superintendent Bernier to explain the article.

**ARTICLE 3.** To see if the voters of the North Conway Water Precinct will vote to raise and appropriate the sum of Three Hundred Thousand Dollars and No Cents (\$300,000.00) for improvements to the Artists Falls (main) Sewer Pump Station; said improvements to include the installation of solids handling and dewatering equipment and all ancillary equipment and modifications necessary to support said improvements; and expenses related to the issuance of municipal bonds; to finance said sum by the issuance of bonds or serial notes in accordance with the provisions of the Municipal Finance Act (RSA 33) as modified by Ch. 229, Laws of 2009 and in an amount up to Three Hundred Thousand Dollars and No Cents (\$300,000.00), thereby reduced by any federal, state, or private grants that may be made available in conjunction with said purpose; to authorize the Commissioners to apply for and accept said grants of federal, state, or private aid; to authorize the Commissioners to issue, negotiate, sell, and deliver said bonds and notes and to determine the rate of interest, the maturity, and other terms pertaining thereto; and to authorize the Commissioners to take any other action or to pass any other measure relative to said purpose and financing, including the authorization to expend funds for other necessary work related to this project as determined by the Commissioners within the amount appropriated. A vote in favor of this article shall rescind the Authorization of Article 15 taken at the 2008 Annual Precinct Meeting to withdraw from the Sewer Infrastructure Improvement Capital Reserve in the amount of Two Hundred Twenty-Two Thousand Dollars and No Cents (\$222,000.00). (The Precinct's Charter authorizes a majority vote for this item; Ch. 229, Laws of 2009 requires a 2/3 vote under certain circumstances; as a result, for this item a 2/3 ballot vote will be required for approval.) **(Recommended by the Board of Commissioners 2-0-0)**

Superintendent Bernier explained the Precinct applied for this project at the last minute for American Recoveries and Reinvestment Act through State Revolving Loan Fund. We are the sub government of a town that got two projects funded through the stimulus project. Originally this project was funded in

total by the Precinct as a design build project and now it qualifies for stimulus funding we will need design plan, spec book and put it out to bid and this will require Camp Dresser and McKee do a little more work.

Superintendent Bernier explained the unit needs to be special made because of size and explosive resistant along with all the light fixtures. This project is \$300,000.00 with a loan forgiveness of \$150,000.00. Superintendent Bernier explained this represents a \$72,000.00 savings to the Precinct and urges everyone to vote in favor of this article and take advantage of the savings. Karen Umberger stated we had previously voted to take this out of the sewer infrastructure capital reserve. Superintendent Bernier explained we need to enter into a loan agreement with the State Revolving Loan Fund in order accept the stimulus funding. Superintendent Bernier explained the terms on the agreement have not been decided whether it will be a five or ten year note and we also have the option of still looking at paying the note from capital reserve funds. This has yet to be determined.

Chairman Umberger asked if there are were any other questioned or comments on article three or any other concerns to be addressed. With no questions or comments coming forward, Chairman Umberger closed the Public Bond Hearing at 6:49 p.m.

Respectfully,

Kristine M. Cluff  
Recording Secretary

I, Karen C. Umberger, Clerk of the North Conway Water Precinct hereby attest these are the minutes of the Public Bond Hearing held on August 12, 2009 relative to the Special Meeting to accept stimulus funding through the American Recoveries and Reinvestment Act.

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Karen C. Umberger, Clerk