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Town of Danville
Board of Selectmen
March 8, 2021
7:00 PM

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Meeting is Video-Recorded

Selectmen Present: Shawn O’Neil, Chair; Steve Woitkun, Vice Chair; Sheila Johannesen, Dottie Billbrough, and Dr. Kim Farah

Others Present: Kimberly Burnham, Selectmen Administrator; Karen Steele, presenter; Stacy O’Connor, Colby Pond resident

Shawn called the meeting to order at 7:00PM and opened the meeting with a moment of silence for the troops who put themselves in harm’s way. All stood for the Pledge of Allegiance

I. Delegates

Hampstead Area Water Company (HAWC) presented by Karen Steele: Shawn introduces Ms. Steele, explaining that she is heavily involved in HAWC issues and Rockingham County issues with dry wells. He notes that she has an understanding of HAWC water withdrawals throughout Rockingham County and has shed a lot of light on the topic. Shawn explains that he had a conversation with her after the issue with the Fire Dept. Recently, when fighting a fire in Sweet Hill, the Fire Dept. had to draw water from HAWC (via the hydrant) and HAWC did not meet the requirements they were supposed to meet. HAWC also has an expansion project that will add more houses on their system, reducing water capacity even further. Shawn states that he wants to tie the issues together and then have a representative from HAWC meet with the BOS to discuss these issues, particularly addressing the Fire Dept. issues and needs. Shawn notes that in his opinion the fire “was an opportunity for HAWC to shine and they failed miserably”.

Ms. Steele introduces herself and states her qualifications. She states that she is on the Withdrawal Committee for SAU55 and a mechanical engineer by trade. She clarifies that she does NOT work for HAWC and does not represent them; and in fact, is currently fighting HAWC’s most recent request for a rate increase. Ms. Steele has prepared a PowerPoint presentation for the BOS that details some background of HAWC as well as upcoming issues. Data in the presentations is from DES (Department of Environment Services) and the PUC (Public Utilities Commission). The website referenced is <https://www4.des.state.nh.us/DESOnestop>. This data is public and available to anyone who wishes to access it.

Slide #2 All Wells in Danville: This chart shows the number and depth of water wells drilled in Danville since the 1980’s. In 1984, Danville well depths averaged 260’. In 2020 the average well depth was 380’. Ms. Steele notes this is actually very good compared to wells in Atkinson and Hampstead. The deepest wells in Danville are approximately 1000’. Ms. Steele compares this to Windham where there are wells that are 3000’ deep and still do not have any water. Ms. Steele notes that the website also provides information on drain requests and lists remediation sites. The site also lists and provides information on registered water user wells such as HAWC.

Slide #3 HAWC Wells in Danville: This slide shows the actual wells owned by HAWC that are in Danville. Data begins in January 2004 with Colby Pond BRW (Bedrock Wells) #1 and #2. Water withdrawals demonstrate the cyclical nature of water demand, with the highest demand in the summer. Ms. Steele notes that for many years, most people were not aware that HAWC had wells in Danville or Atkinson. She notes that she learned this when there

was a large spill of 1,4 Dioxane that contaminated wells in No. Atkinson. Ms. Steele explains that most of the residents in Danville have private wells. In April 2013, HAWC began using a new well (BRW #1) and stopped using the Colby wells #1 and #2. In September 2019, HAWC drilled another well (BRW #3). They had previously drilled a well (BRW #2), but it didn't appear to produce any water. HAWC is currently using these two active wells, BRW #1 and BRW#3 to supply water to Danville residents on the HAWC system. Shawn asks why the water withdrawal graph does not reflect a cumulative increase as new homes are added to the system and add to the demand for capacity. Ms. Steele notes that as of the 2019 Annual Report, HAWC only has 166 customers in Danville. She explains that she does not have a timeline of the growth pattern when new homes come online. Sheila states that she believes it is only Colby Pond that has HAWC water and the rest of the Town's residents have private wells. Shawn notes that he cannot confirm this information. Ms. Steele states that she is aware of the new development known as Cotton Farm, but does not know if that will be on HAWC water. She also notes that the graph shows only the amount of water that has been pumped from the wells and that there could have been some major leaks that HAWC has since repaired. She states that in 2006-2007 HAWC was losing 33% of the water they were pumping and she expects that HAWC has made major improvements to their infrastructure since that time.

Slide #4 Water Withdrawal Permits: Ms. Steele explains anyone who pumps more than 20,000 gals of water per day is considered a "registered water user" and must register with DES. She notes that in theory, a neighbor could be pumping 19,999 gals of water per day and no one would know that. Once someone is a "registered water user" they must submit water extraction data to DES. Ms. Steele notes that Danville withdraws approximately 28 gals per minute which is under the limit for DES. Water withdrawals of 57,600 gals/day or 40 gals/minute requires a "large groundwater withdrawal (LGW)" permit that takes between 18-24 months for approval. HAWC has made two known applications for large groundwater withdrawal permits in Atkinson and one in Hampstead. Shawn asks if these limits are based on each well or is it cumulative if someone is using multiple wells. Ms. Steele confirms the withdrawal limits are based on each well, but notes that if the large groundwater extraction is from wells in the same area (a well field), the DES will watch that. Ms. Steele reiterates that at only 28 gals/min Danville is consuming far less water from HAWC than is required to meet the requirements of a large groundwater withdrawal permit. She notes that Page Farm in Atkinson LGW had requested permission to extract 89,000 gal/day but was only permitted to extract 64,800 gals/day.

Ms. Steele explains that Kent Farm in Hampstead had two wells and was grandfathered to drill BRW#4 which HAWC called a "replacement well". As of 2018 HAWC was pumping 131,800 gals/day from this well, significantly higher than the limit of 57,500 gals/day limit for LGW. This over pumping caused 32 private wells in Hampstead to run dry in July 2018. HAWC's current request for LGW in Hampstead is for 230,000 gal/day. Ms. Steele notes this information gives a perspective of what the wells in other towns are pumping in comparison to Danville. She also notes that HAWC's request to extract 230,000 gal/day was not approved, and like the Page Farm in Atkinson, HAWC was authorized only for a much smaller withdrawal amount.

Slide #5 Kent Farm BRW #4 Monthly Pumping Volume: This chart shows the withdrawal data for one of HAWC's wells. They officially notified DES that they started extraction from this well in August 2017, but they actually began extracting from this well in July 2017 as their other wells were already shut down. During July 2017, when HAWC began pumping from Kent Farm BRW #4, the private well at 414 Main St. Hampstead ran dry. This well was originally dug in 1999 to a depth of 340' and produced 100 gals/min and had never run dry before. The owner drilled a second well to 500' on Aug. 28 and there still was no water. On Sept. 8, the owner drilled a third well to 1500' (now the deepest well in Hampstead) and still there was no water. On Oct. 17, 2017 the owner drilled a fourth well to 700' but gets only 2 gals/min. Ms. Steele notes that demand for water is much less in October. The owner now has drilled three (3) replacement wells in six (6) weeks for 2 gallons of water/minute.

In the Spring of 2018, the owner of 414 Main St. Hampstead sold the home and did not disclose that there were water issues. Ms. Steele notes he even bought a fake rock to cover up one of the wells. The Anthonys bought the house which had been advertised as having a "brand new well". Ms. Steele notes that buyers need to do their research on wells when purchasing a home. Six (6) weeks after the Anthonys move in, their well is completely dry. The well remains dry for six (6) months. DES finally requested that HAWC lower their pump rate from the Kent Farm

well. The pump rate was finally lowered in December of 2018 and within days, the Anthonys had water in their well. However, the water was so acidic (pH3) that it destroyed their pipes and appliances and was not potable. DES tested HAWC's Angle Pond well #3 during February vacation in 2019 and in Sept/Oct. 2019 gets a court order against HAWC that they cannot exceed pumping of 35 gals/min. The maximum that HAWC was pumping in July 2018 was 116 gals/min (5M gals/month from that one well). The Anthonys have won a preliminary court order that HAWC must provide them with 400 gals of water per day. The case has been extended; they are asking that HAWC pipe water to their house.

Shawn asks how, if HAWC is pumping only 93 gals/min, they are keeping up with demand. Ms. Steele explains that HAWC has about fifty (50) other wells in the Atkinson/Hampstead core that they are withdrawing water from. She also notes that Angle Pond well #3 came online during that time and that while waiting for their LGW permit HAWC could still pump up to 57,600 gals/day from each of their wells. Ms. Steele explains that she went to many of the court hearings with the Anthonys and did a lot of research for them. A water expert testified that the reason their water was so acidic was because there is always water in bedrock, but it never is exposed to oxygen. During those six months the well was dry, all those minerals were exposed to oxygen causing them to acidify. The expert explains that even with reduced pump rates, it will take decades for the water to recover from this as the bedrock has been totally destroyed. Unless the Anthonys have water piped to their house, they will never have potable water, and of course, without water they cannot sell their house. Ms. Steele notes this case is ongoing.

Slide #6 HAWC Customers by Town: This chart shows the towns serviced by HAWC, their populations and the number of customers based on the 2019 annual report filed with the PUC. Ms. Steele explains that the current discussion of water rate increases is due to the new Southern New Hampshire Regional Water Pipeline. Currently only Atkinson and Hampstead are connected to this pipeline, but Danville HAWC customers will also be getting a letter regarding a rate increase even though they are not getting any benefit from the new pipeline. The rate increases are detailed on slide #9.

Slide #7 HAWC Franchise in Danville: Ms. Steele asks if the BOS was aware that the entire Danville Town Forest was in HAWC's franchise area and asks if HAWC has any easements in the Town Forest to drill for water. Sheila states that she does not believe that HAWC has any such easements. Shawn asks if she is sure of that fact. Dr. Farah asks for clarification of the term "franchise". Ms. Steele explains that no one can drill for water and sell it in a "franchised" area. (whoever owns the franchise owns the water rights.) She gives an example of this past summer when her well and those of several of her neighbors' ran dry. If they got together and wanted to drill a "community well", they could not do that. Only HAWC (who owns the franchise) could drill such a well. Ms. Steele notes that it is ultimately a monopoly. Dr. Farah clarifies that such franchises do not prevent the drilling of private wells. Shawn states that he does not believe that can always happen. He explains that Colby Pond owners have it written in their deeds that they cannot drill private wells, and must only use HAWC water. Shawn notes that Peter Lewis (Lewis Builders and original HAWC owner) retained all the water rights when selling those homes. Sheila confirms that is written into the deeds of the Colby Pond homeowners. The owners of Colby Pond are already facing issues with the rate increases because they cannot drill their own wells, they own the land, but not the water rights. Ms. Steele states that these easements are very powerful. Shawn notes that the Town Forest is adjacent to Colby Pond and he believes that Peter Lewis donated some of the Town Forest land to Danville during the Colby Pond development, but apparently retained the water rights in the Town Forest. Shawn asks what that entails and suggests the BOS needs to research the details of this issue. Dr. Farah asks how HAWC gets an easement or franchise. Ms. Steele explains that it is the PUC that regulates franchises, so HAWC must request the franchises from them. Ms. Steele notes that HAWC started with small franchise requests for community wells like Sandown, but the Danville franchise request was much larger and done at one time. She notes that HAWC had been making small, but frequent franchise requests in Atkinson, and now almost all of Atkinson is franchised to HAWC. Dr. Farah confirms the franchised area in Danville with Ms. Steele and expresses concern that it such a large area of the Town. Shawn expresses his concern that by granting these franchises, the PUC is giving up the rights of private landowners. Dr. Farah expresses her concern that landowners in a franchised area cannot drill a private well. Ms. Steele clarifies that unless private wells are prohibited in the deed, owners can drill private wells, they just cannot sell the water. HAWC can mandate no private wells in Colby Pond because in addition to the franchise, they also own the easements for drilling. She further

explains that if another developer came in and built within the franchised area, they would have to use HAWC water. Ms. Steele gives an example of the Winchester property in Hampstead. HAWC said they were unable to provide water to the developer who then sold the property to another Lewis company \$30,000 less than it was worth thirty (30) years ago. Ms. Steele notes that this is a conflict of interest that she has raised with the PUC because Lewis Builders is one of the largest developers in the state and holds water rights through huge franchises allowing them to refuse to provide water to other developers in those franchise areas. She clarifies that she is discussing “cluster” developments such as condos which require community wells, not private homes that can drill their own wells. The Winchester property developer wanted to do thirty-two (32) condos that required a community well. Ms. Steele reiterates her issue is with the same family owning such large water franchises (HAWC) **and** owning such a large development company (Lewis Builders). She suggests that Danville remain aware of this issue.

Slide #8 Notes from the Planning Board re: Fire Hydrants: Ms. Steele asks for clarification of the recent issue with the fire hydrant. She notes the expectation in the notes that the hydrant on Boulder Dr. would provide 500 gals/min. Shawn confirms the agreement was for 30,000 gals/hr. Steve explains that the Fire Dept never tested the hydrant prior to it’s running dry while filling tank trucks for the Sweet Hill fire. Steve further explains the trucks hold 2500 gals of water, so four (4) trucks would withdraw 10,000 gals of water. It would take twelve (12) tanker trucks to reach 30,000 gals of water/hr. He notes that he feels the Fire Dept probably exceeded that amount. Shawn asks if the Fire Dept. could recreate the timeline of the water withdrawals through their radio logs. Steve states that probably would not be possible, noting that “when working a fire like that, the Fire Dept. does not want radio traffic”. Sheila asks if it was possible the hydrant ran dry because it was winter and there may have been ice, reducing the amount of water available. Dr. Farah notes that the hydrant water is below the frost line and would not be frozen. Shawn reminds the BOS that with the data presented, they should also expect extra capacity because this was not during the high-demand summer months.

Steve explains that he was verbally assured that HAWC had the storage capacity and could provide the water for the hydrants. He suggests sitting down with HAWC to develop alternatives, and have them increase their storage capacity to benefit the Town. Ms. Steele suggests the BOS look up how many and how big the HAWC storage tanks are on the DES website, noting that HAWC just built a 1M gal. tank in Atkinson as well as having one (1) tank at corporate headquarters in Atkinson and one (1) storage tanks in Hampstead. Steve notes that when the hydrants were originally put in approximately thirty (30) years ago, there was supposed to be a water tower on top of GH Carter and the whole neighborhood was supposed to have hydrants. He explains there was an argument between Lewis Builders and the Planning Board at that time regarding the width of the road. Because the issue was not resolved, Lewis Builders pulled out of the project with no hydrants and no water tower. Dr. Farah states that if the agreement is to use the water in the hydrant and that 500 gals/min would be available, then the BOS needs to write to HAWC and inform them that the Town tried to use the hydrant on Boulder Dr. and it was not pumping water at the agreed rate. HAWC needs to inspect the hydrant, determine the source of the problem and come up with corrective action. Steve states that he believes the hydrants did meet the agreed upon capacity, but went dry because he was putting through twelve (12) tanker trucks per hour until the hydrants ran dry. He notes that he feels he needs to be fair to HAWC and that no one ever anticipated using that rate of water flow for ten (10) hours. Steve reiterates that he feels this is an unreasonable expectation especially when the only reason that HAWC gave the Town the hydrants was to get a waiver for 300’ of roadway. Steve again states that he wants to work with HAWC and look at the present agreement for a subdivision. Dr. Farah asks Steve if he has looked at the agreement. Steve states that he has not. Sheila states that she has never thought the agreement was fair to the Colby Pond development and that she believes that property owners should be able to put in their own wells. Shawn agrees, but notes that the restriction is documented in their deeds and is fully disclosed.

Slide #9 HAWC Proposed Water Rate Increases: Ms. Steele clarifies how water companies are regulated. The DES controls the water in the ground and the wells that access that water. The PUC controls the franchises and how much water companies can charge for their water. Anytime a water company wants create a franchise or increase their rates, they must create a “docket” through the PUC. The current HAWC rate increase request is Docket #DW 20-117 (DW= Drinking Water). They are requesting the following increases:

- 1) A temporary rate increase request to change the Volume rate from \$6.11/ccf to \$7.22/ccf. CCF equals one

hundred (100) cubic foot of water or 748 gallons. This is an 18% increase.

- 2) A more significant rate increase request is to increase the Monthly charge from \$10.00 to \$16.33. This is a 63% increase.

Ms. Steele explains there are two parts to a water bill. The first part is the monthly fee just to have the water piped to the home (Monthly charge) and then the actual usage bill for every 748 gallons of water used (Volume charge). The Volume charge would also be increased from \$6.11/ccf to \$10.24/ccf, for any resident or Town buildings using a larger pipe. This is another 67% increase in the rate.

Ms. Steele also notes that HAWC is requesting a change in how they charge for fire hydrants. Currently, towns pay a \$2000 annual fee and then pay \$200/month for each hydrant. The new proposal eliminates the annual fee, but increases the monthly charge for each hydrant to \$1419. Ms. Steele notes that Danville currently only has two (2) hydrants, so they would only pay \$2838 for their hydrants. Atkinson has seventy-six (76) hydrants and the proposed rate increase would cost the town over \$90,000. Hampstead, with 47 hydrants, would see an increase of over \$60,000. Dr. Farah asks what the rationale is for HAWC's rate request.

Slide #10 HAWC's Capital Spending: Recent and Future: Ms. Steele explains that HAWC has spent \$3.5M and is seeking to recover those costs. The Southern New Hampshire Regional Water Pipeline is owned by Chuck Morse who also owns the purse strings for hundreds of millions of dollars to the State. Plaistow suffered two of the worst MTBE spills in the state, and this is one of the reasons that they are bringing water from Manchester to Plaistow through this pipeline. NH won hundreds of millions of dollars in lawsuits for the MTBE contamination which was used to establish the Drinking Water Trust Fund. The State is using approximately \$30M from that fund to bring water to Plaistow by connecting Manchester to Derry (Pennichuck East Utility), Derry to Salem, Salem to Atkinson (HAWC water) by the Country Club. The pipeline then goes down East Rd in Atkinson to Plaistow. Because the Drinking Water Trust Fund is donating the money to build the pipeline to bring water to Plaistow, HAWC is essentially getting \$5M - \$6M in free infrastructure from this project. This benefit is known as a "contribution in the aid in construction" (CIAC). New IRS rules in 2017, taxes CIAC on "for-profit" companies. HAWC is the only for-profit water company on the pipeline, and must pay \$1,500,000 in CIAC taxes on the pipeline. The Pipeline project also paid 100% of the costs to install a 500,000-gallon water storage tank in Atkinson to support water demand from Plaistow. HAWC increased the size of the water tank to 1M gallons of water with an increased cost of \$1.1M.

Ms. Steele goes on to explain that HAWC does not need to purchase water from Manchester, the pipeline is just a conduit to Plaistow. However, HAWC *chose* to purchase 250,000 gals/day from Manchester. These costs are reflected in the Merrimack Source Development Charge (MSDC). There is a one-time purchase fee of \$3.57/ gal for a total of \$892,500 that was paid in 2019. HAWC will now pay the going rate per gallon for 250,000 gals/day to Manchester Waterworks plus additional taxes from Salem and Derry. HAWC will be paid for water that is sent from Atkinson to Plaistow. This is how that 3.5M was spent that HAWC is seeking to recover from their ratepayers.

Ms. Steele explains that she has "intervened" on the docket with the PUC. She clarifies that she has never been an "intervener" before and she does not know what expenses HAWC is allowed to pass on to their ratepayers. She notes that the PUC regulates everything about the water companies and gives an example that HAWC needs PUC approval to purchase two pick-up trucks for their company.

Ms. Steele explains further that HAWC has requested, but not committed to, the purchase of an additional 500,000 gallons of water/day from the pipeline. If they do this, they will pay a one-time fee of \$1.9M. Ms. Steele states that her understanding is that of the \$892,000 already spent on the initial purchase of Manchester water, only \$392,000 of those costs would be passed on to HAWC ratepayers. Morse and Lewis would pay the remaining \$500,000. Ms. Steele also notes the unknown future costs if HAWC is a potential court-order to pipe water to the Anthonys and if those costs must come out of HAWC's bottom line or if they can be passed on to the ratepayers.

Stacy O'Connor states that she had just received a letter from HAWC regarding the rate increase. She notes that she lives in Colby Pond and is the first house in from the pump house. In fourteen (14) years she has never lost her water, but had no water for 3-4 hours after the hydrant ran dry. Shawn and Ms. O'Connor both note that she would

have been the first one to get her water back after the hydrants ran dry. Ms. O'Connor notes that after this issue, they then get the letter from HAWC with the rate increases. She figured out that her water bill would go from approximately \$30/month to \$114/month. She notes that she has never had an issue with HAWC, but is now concerned because she cannot put in a private well and that is written into her deed. She is also concerned that the developer is building an additional eighty (80) houses further down directly on Colby Pond. Shawn agrees the additional house will add to the water load. Ms. O'Connor expresses her concern that even with these additional homes, there will still only be two tanks at the pump house.

Dr. Farah clarifies that if HAWC taps into the MSDC, they would not be pulling groundwater from their wells and that might alleviate the issue with private wells going dry. Ms. Steele reminds her that only Atkinson and Hampstead are connected to the new pipeline. Dr. Farah suggests that by not using those wells in Hampstead and Atkinson, it would perhaps allow for more water in the Danville wells.

Ms. Steele explains that Atkinson and Hampstead were interconnected in 2009. The Country Club in Atkinson (also Lewis owned) is approved for and building 288 condo units. The plan before the PUC in October 2018 shows an ultimate goal of 800 condo units, a hotel, and an entertainment complex to be built on the Country Club property. She states that she believes it is not a coincidence that the condo project which was originally approved in 2006, was not started until after the pipeline was available. Ms. Steele also notes that there is a Warrant Article on the Atkinson ballot to build an Assisted Living and Nursing home on the Country Club property. She notes that Atkinson and Hampstead together on the pipeline currently use 385,000 gal/day of water. HAWC has already purchased 250,000 gals/day and may purchase another 500,000 gals/day for a total of 750,000 gals/day. Shawn observes that HAWC is asking the ratepayers to pay for purchasing this extra capacity. When this planned development happens all that extra water would then slide to those new facilities that are also owned by the Lewis family. Ms. Steele confirms this is her concern, that the rate increase is to support the development projects of Lewis Builders.

Ms. Steele confirms Dr. Farah's comment that HAWC's purchase of the pipeline water will lessen the load on the Atkinson and Hampstead wells. HAWC must use the purchased water first, before drawing any additional demand from their own wells. Ms. Steele suggests that HAWC may also want to eventually connect all their towns to the pipeline; but it is an expensive project. It costs \$1M for each mile of pipeline. Sheila states the Town should have received some sort of notification from HAWC because the hydrants are on HAWC water. Ms. Steele notes that on March 3, 2021, HAWC was given three (3) days to get the letters out regarding the water rate increases. HAWC had actually put in the request for the rate increase to the PUC on November 24, 2020 and was supposed to send the letters to their customers at that time. They did not comply and the PUC mandated that the letters must go out regarding the rate increase within three (3) days. Ms. O'Connor confirms her letter is dated for November 24, 2020. Ms. Steele explains that HAWC was expecting that everyone would have to pay the rate increase retroactive to December 2020.

Dr. Farah notes that the information presented is interesting and useful, but does not know if the BOS can intervene with any issue other than the issue with the fire hydrants; and the BOS needs to review the documents to confirm the agreed amount of water capacity. She states the Townspeople on HAWC will need to appeal to the PUC. Ms. Steele explains that the PUC is accepting interveners until March 26, 2021, and it can be done online. She notes the Town (BOS) can become an intervener on behalf of its' citizens. Ms. Steele notes that the issue with the ratepayers was one reason that Shawn asked her to come and share her information. Shawn agrees, stating that while many different issues have been raised, they are all intertwined. Dr. Farah asks what is involved with becoming an intervener. Ms. Steele explains the most important piece is that interveners can ask for discovery and force HAWC to prove why they should be able to charge their proposed excess rates.

Ms. Steele notes that that hearing for the Temporary rate increase is currently scheduled for May. This is the request for the Volume increase from \$6.11/ccf to \$7.22/ccf. The hearing for the larger increase that ratepayers received the letter for will not be until 2022. Ms. Steele confirms that Atkinson BOS has intervened due to the increased costs of their hydrants, and because their town buildings also use HAWC water and have the larger pipes. They estimate the rate increases will result in over \$100,000 in additional costs to the taxpayers. Sheila asks who is providing water

for the new development Cotton Farm. Ms. O'Connor notes that only Lewis Builder developments get HAWC water. Shawn explains how the HAWC franchises and water rights work with other developers, that HAWC can deny them access to the water. He explains that HAWC does not have to own the land, but just the water rights to control any other developer. He notes there are multiple layers of conflict-of-interest in this whole issue.

Dr. Farah suggests that if the Town wants to intervene with the PUC, to have Town Counsel contact the Town Administrator in Atkinson to understand the process. Shawn is surprised that Hampstead has chosen not to become involved in the issue. Ms. Steele notes the BOS and/or the ratepayers could also write letters to the PUC, but they do not appear to be an effective method to address their concerns. Ms. O'Connor notes the residents of Colby Pond are very unhappy. This rate increase request of 67% is in addition to previous, smaller rate increases that have occurred over the past few years with no notice. Ms. Steele reminds the BOS that Danville is not even benefiting from the new pipeline that the ratepayers are being asked to pay for.

Ms. O'Connor asks where the water that HAWC is purchasing is coming from. Ms. Steele explains the water sources for the new pipeline. In Phase #1, 1.1M gal/day will come from Lake Massabesic through the Southern New Hampshire Regional Pipeline. HAWC purchased their 250,000 gals/day in this Phase #1. In Phase #2, 3.1M gals/day will come from the Merrimack River. 7.15M gals/day will be pumped from the Merrimack River in Hooksett and sent to Manchester. Shawn asks where the water comes from in Lake Massabesic. Ms. Steele explains that Manchester Waterworks owns 99% of Lake Massabesic. There is not a single building on that lake. She notes that kayaking is only allowed in the Auburn-owned part of the lake. On the other side of the lake is pump house for Manchester Waterworks. Ms. Steele notes that Manchester Waterworks has received approval for their LGW from the Merrimack River and is just going out to bid on the filtration house for Phase #2, so that will not be in place until 2022.

Shawn states he is still interested in having HAWC meet with the BOS regarding the fire hydrant issue once the research on the documents is completed. He expresses his concern that HAWC could not deliver the water now and they (Lewis Builders) are still adding another development onto the existing pump house. Ms. O'Connor notes that years ago, HAWC had stated they would add another pump house for any new development, but they have not done so. The latest development was tied into the original pump house through Ward Way. Shawn confirms that Colby Pond is on HAWC and that water supply is self-contained. Ms. O'Connor confirms all the homes are depending on the existing pump house for their water. Shawn reiterates his concern that for this reason any new homes will reduce water capacity and there is no other water supply from HAWC that can augment that demand. Ms. O'Connor agrees noting that the Colby Pond residents have been concerned with the new developments. She notes there are over 100 homes that depend on that one pump house and the new development has added another 50-60 houses onto that same pump house. She notes her concern if there is another drought this coming summer.

Dr. Farah suggests they do as Ms. Steele has done and intervene with the PUC. There is a brief discussion that letter writing appears to have no impact on the Commission. Ms. Steele explains that as an intervener, she can now attend the "technical sessions" and can submit requests for discovery and force HAWC to answer her questions. This is a far more powerful route than simply writing letters. Shawn reiterates his concern that Danville HAWC customers are expected to pay for all these costs with no benefits. He confirms there are only 166 wells on the HAWC system, not counting new homes. Sheila again asks if Cotton Farm has private wells. Shawn agrees the BOS needs to investigate that issue.

Ms. Steele explains the online process to request to be an intervener on the docket (DW 20-117). She notes that she asked to intervene as a taxpayer noting that HAWC water charges represent 1.8% of Atkinson's Town Budget. She also explains that now that Atkinson has signed on as an intervener they work jointly and submit their requests together. Ms. O'Connor states that they (Colby Pond residents) need the BOS to help them. Dr. Farah confirms that Danville is a HAWC ratepayer. The town buildings and the fire hydrants are on HAWC water. Dr. Farah suggests that Kim connect with Atkinson's Town Administrator for more information and then ask Town Counsel for assistance. Shawn suggests that Danville can just replicate Atkinsons' petition, noting that the first step is simply to be recognized as an intervener by the PUC, then the BOS can move forward and formulate their position and issues.

Shawn asks Ms. Steele to put the BOS in contact with the appropriate people in Atkinson so they can begin the process of becoming an intervener. Dr. Farah notes the second issue is with the fire hydrants. She reiterates that the BOS needs to review the documents. Steve notes the documents give the number of gallons per minute, but does not state the length of time that rate of water withdrawal must be maintained. Dr. Farah expresses concern that this means there is nothing to hold HAWC accountable for. Steve suggests three steps: 1) the BOS vote to proceed with and expend money for Town Counsel. 2) The BOS should contact Danville's State Representatives for assistance because the PUC is a state agency.

3) If it is legal, and HAWC is found to be in violation of their fire hydrant agreement with the Town, to have the building inspector refuse to sign off on the new homes. Dr. Farah questions the ability of the BOS to hold HAWC accountable if there was no time frame for the water rate stated in the agreement. Steve notes there were verbal agreements made when the original waiver was granted and asks if there are video recordings of those meetings. Dr. Farah reads some of the excerpts from the notes provided by Ms. Steele (slide #8). Steve explains the fire hydrant and fire protection issue started with the approval of Ward Way. He states the issue was with the length of the road, and that Lewis Builders need waivers from the Fire Chief, the Fire Wards, and the Planning Board in order to get the length of the road they wanted. The resulting compromise was the two (2) fire hydrants. Steve notes he assumed the water would last at the agreed capacity and granted the waivers. The waiver allowed Ward Way to be constructed without a bridge. Steve agrees it is unfair for Colby Pond residents to have to pay the rate increase without any improvement in their water infrastructure and believes this is a PUC issue.

Ms. Steele agrees the Town has a valid case, especially if HAWC maintains they are raising their rates because of what they spent on the pipeline, because Danville is not on the pipeline. Shawn suggests using Atkinson's "taxpayer" reasoning to sign on as an intervener, but to be sure to raise Danville's own issues as they move forward in the process. There is a short discussion regarding water for the Cotton Farm development.

Dr. Farah motions to engage Counsel to assist the Town in becoming an intervener on this project. Second by Dottie. Vote is 4- yes, 1- no, 0- abstentions. Steve votes no. (4-1-0). The motion passes. Shawn states that he will get the information from Atkinson and forward it to Town Counsel. He asks Ms. Steele if Danville can join with Atkinson's Counsel. Ms. Steele explains there are some differences in the two town's approaches and interests. Shawn reiterates his concern that HAWC is buying water capacity now for future business interests. Ms. O'Connor states that she does not feel that Colby Pond residents would object to paying for additional fire hydrants, noting it is for their own fire protection. Their issue is that the rate increases are for a pipeline that Danville is not using.

Steve reiterates his wish to sit down with HAWC and find a solution to the fire hydrant issue. He states that he is very concerned with the expenses for Town Counsel and feels the BOS should go through the process in place with Danville's State Representatives and the PUC unless they reach a dead end. He states that he feels the Town pays an exorbitant amount for legal Counsel and that was the only reason he opposed the motion to ask Town Counsel for assistance. He believes the BOS should take the first steps on their own. He agrees the BOS should go to the PUC because the Townspeople should not see these kinds of rate increase. Steve notes that the PUC approving rates increases without any improvements to HAWC's water system is ludicrous. There is further discussion on the process of the Town becoming an intervener and who would be taking on this work. Shawn notes that time is of the essence as the deadline is March 26. Ms. Steele suggests the BOS simply use Atkinson's letter of petition, noting that it is in a very formal format citing NH RSA's language. The BOS could simply change it to reflect Danville's information and submit it. The PUC responds to the petition within a few days. Sheila suggests the BOS start the process this way. Shawn agrees and asks Kim to also contact Danville's State Representatives Scott Wallace and Joshua Yokela and ask them to attend the next BOS meeting. Kim confirms that he also wants her to request that the Town be an intervener with the PUC without contacting Town Counsel.

Steve asks Ms. Steele about the new structure at the intersection of Shannon Rd and West Side Dr., behind Dick Wood's house. Ms. Steele explains this is HAWC's pipeline connection from Salem that goes to Plaistow. She notes there is also a pumphouse there and 350,000 gals/day go through that pipeline for HAWC and Plaistow. Shawn thanks Ms. Steele for her research and presentation.

II. Old/ New Business

Asset Forfeiture Account: Shawn explains that the Police Dept. had requested and was approved by the BOS to purchase a trailer sign using funds from their (the Police Dept.'s) Asset Forfeiture Account. After that purchase the Police Dept had applied for and received a grant that covered 50% of the cost of the trailer sign. The BOS needs to determine where to put those grant funds when they are received. Shawn states he believes that like any Capital Reserve fund, the grant money should be returned to the Asset Forfeiture Account, noting that if the Police Dept. was aware of the grant prior to purchasing the sign, they would not have requested the full amount from that account. Shawn further explains that if the grant funds are not returned to the Asset Forfeiture Account, they will be considered "unanticipated revenue" and returned to the General Fund. Dr. Farah states that she believes it should still be accounted for as "unanticipated revenue", noting that accounting for the funds cannot go backwards and it needs to be traceable via the paperwork. Shawn agrees, but notes the BOS still needs to decide where to allocate the grant funds. Shawn also notes that LT Merced has been in contact with someone at the State level that oversees the Asset Forfeiture Accounts and that person has also indicated the grant funds should be returned to the Asset Forfeiture Account. LT Merced has requested that information be provided to the BOS in writing and they should be receiving that letter shortly. Steve notes he has never heard of applying for a grant retroactively and wants everything documented in writing. Shawn agrees and asks that the matter be put back on the agenda when the grant funds and the letter from the State have been received. The issue is tabled until then.

Notification of funds from the State: Shawn explains that Kim received a letter stating that Danville had received \$300,000 from the State. Dr. Farah explains that she contacted the State for clarification and that \$312,000 has been disbursed to Danville from the "Oil Fund" over the past several years. Dr. Farah explains that the funds came from the State for such things as the leaking underground storage tank at Danville Village Market, and the waste oil on Back Rd; these are all disbursements from the State. Shawn clarifies this is what the State has paid for these incidents on behalf of the Town. Dr. Farah explains that the BOS now has the details of where these funds were spent and the amount spent for each incident. She suggests the letter be kept on file as this is a DES issue and is related to Stormwater. Dr. Farah notes that the original letter simply listed the towns and amounts received with no explanation. She has asked Kim to forward the e-mail that she (Dr. Farah)received from the State today. Dottie notes that she assumes this is when the State came down and tested the Library's water and all the area around the center of Town on multiple occasions. Dr. Farah states she believes that was actually part of the MTBE lawsuits. She notes that her understanding is that this "Oil Fund" program is more for remediation issues.

Town Toter Policy: Kim has provided a draft of the policy to the BOS for their review and reminds the BOS there is currently no policy in place. Dr. Farah notes the proposed policy charges \$200 for an extra Toter and asks Kim what the actual costs are. Kim explains that the original cost was \$250 and has been reduced to \$200 as that is what Casella is charging the Town. Shawn recommends the BOS review the draft and address any comments or questions at a later meeting. Dr. Farah asks why there are so many accessory dwelling and non-compliant apartments in Town. Kim explains these are people who did not get the appropriate building, electrical, fire, etc. permits and so will not be getting the extra Toters for free. Shawn explains there are a number of non-compliant apartments in Town. Dr. Farah asks why this is allowed. Shawn and Kim explain that these are units that are "discovered" after the fact. Shawn notes it is a very "touchy subject". Dr. Farah expresses her concern that by addressing these units in writing, the BOS is giving tacit approval of these units. Shawn suggests running the issue by Town Counsel to be sure the BOS is not setting any precedent. Shawn explains that these residents come looking for an extra Toter for their non-compliant apartments. Dr. Farah suggests that the response should be for the resident to bring their unit into compliance and then they can have a Toter. She notes she is still very concerned with the legal issues around this policy. Kim confirms the BOS will review the draft policy before involving Town Counsel.

Zoning Ordinance Violation: Shawn notes this is in reference to the ongoing issue of the rock wall boundary at the Olde Meeting House. Dr. Farah notes the multiple e-mail conversations on the topic resulted in a request for Town Counsel to give the owner/developer ninety (90) days to conform. Shawn reviews the issue and notes that the Heritage Commission has also reviewed the issue and taken pictures of the current situation. The Heritage Commission does have jurisdiction over the matter and has declared that the current "repair" is not acceptable. Shawn states he wants to delegate the matter to the Heritage Commission and when the rock wall has been repaired

and is in compliance, for the Commission to let the BOS know. The BOS will work with the owner/developer to ensure that he has the opportunity to repair the wall correctly. Shawn explains the owner/developer is supposed to come before the Heritage Commission with a plan for repairing the wall. When the Commission approves the plan, the owner/developer must then complete the plan, and when the plan is completed to the satisfaction of the Heritage Commission, the issue is resolved. Shawn notes the whole process still needs to happen. Sheila explains that the land is part of the Historic District which is why the process is in place. Kim clarifies that Heritage Commission is looking for a vote from the BOS to have Town Counsel move forward to give the owner/developer the ninety (90) day period to bring the rock wall repair into compliance. If the owner/developer does not comply with the Heritage Commission's process, the BOS reserves the right to enforce all the RSA's on the existing violations (i.e.: reinstate the Cease-and-Desist order, etc.). Dr. Farah motions to allow the owner/developer to continue for ninety (90) days, and authorizes Heritage to act on behalf of the BOS to ensure that the issue is resolved correctly or the BOS will reinstate the Cease-and-Desist. Second by Shawn. Discussion follows.

Steve asks if the developer will be allowed to get his building permit during those ninety (90) days. Kim confirms the permit has not been issued yet. Dr. Farah asks if further discussion should be Non-Public as the e-mails contain comments from Town Counsel. After a short discussion, Dr. Farah withdraws her motion and Shawn withdraws his second. The issue will be discussed further in a Non-Public session.

Town Facilities: Kim explains that after the windstorm there was "shrapnel" hanging from the roof of Town Hall. She rented a lift so "Norm" could remove the damage and found the window in the attic had been pushed in and all the wind was blowing into the attic. The window has since been repaired. Kim notes that today (Monday) she received an e-mail from LT Merced that there was another piece of shrapnel hanging by the door of the Safety Building. They had cut the piece in half to prevent injury to anyone trying to go through the door, but the remainder of the piece needed to be removed. Kim notes there was also additional damage to the Town Hall siding and that a large amount of the Town Hall's shingled roof had been lost and other shingles were flapping in the wind because they were not installed properly. Sheila and Steve confirm the roof was replaced within the last five (5) years. Kim also notes that the front door of Town Hall needs to be sanded and painted and that the landing is also peeling. Shawn states these are the things that the Town should be contracting for handyman services to get these projects done and he authorizes Kim to coordinate contractors to deal with these issues. Steve explains that he worked closely with Patty Hess to coordinate resources and connections. He expresses his concern that the process should not be left entirely up to Kim. Shawn agrees, but notes the Town needs to tap other resources to get the information necessary to get these projects done. Dr. Farah suggests that Kim develop a list of contractors the Town uses and works with. Steve explains that he and Patty Hess always tried to use Town residents for this type of work. Kim expresses her concern with the amount of time that went by before the storm damage was addressed. The damage happened on Friday when no one was in the office and she didn't get the e-mail until she came into work on Monday morning. She notes that she is willing to work Fridays to ensure that issues are resolved before the weekend. There is discussion regarding how she is supposed to handle these kinds of issues. There is discussion on who installed the roof and whether Kim should try to find that vendor or move forward with another roof vendor. Sheila notes that whoever does the roof needs to provide a certificate of insurance. Kim notes that she has seen a piece of the roofing that came off and it was clearly not nailed properly. Dr. Farah suggests trying to find the original vendor for the roof, and if she cannot do that to find another vendor to inspect and repair the roof. Shawn notes the town uses "Norm" often for handyman services and that he provides good service at a reasonable price and is also a Town resident. Dr. Farah notes that Kim may have to find another roofing vendor.

Dr. Farah confirms that Kim is asking the BOS how much initiative she can take the to address these types of issues and how much she needs to bring to the BOS first. Dr. Farah explains that Patty Hess would take the initiative and then present things like quotes, etc. to the BOS. That way she would have everything lined up and ready to go once the BOS approved the expenditures. Sheila assures Kim that most of the BOS members are around and only a phone call away. Kim explains that oftentimes things are happening very fast and she just wants to be sure she is authorized to make those kinds of decisions. Steve offers to contact the vendor who did the roof on the Safety Building. Kim explains she just needs to know that she can move forward on these issues as they are occurring.

RMON Quote: Kim has received a quote from RMON for a new UPS (uninterruptable power supply). She explains that the old one “went haywire” and that the Town has borrowed one from RMON. The old UPS will need to be replaced. The quote is for a new UPS is for \$755. Shawn notes this is a very reasonable price for the capacity needed. The consensus of the BOS is to accept the quote and replace the UPS.

Default Budget: Sheila suggests the BOS discuss the Default Budget next week. Shawn agrees that they should give Dr. Farah time to review it. He reiterates that the BOS should be reviewing the budget and forwarding any questions to him so that he can answer them *before* the discussion.

Signature File: The BOS review and sign the documents in the Signature File. Shawn asks Kim to notify everyone of the change in the BOS and to remove Joshua Horns’ name and add Dr. Farah’s name to the signature list. Dr. Farah states that rather than make a mess of the documents by crossing off Mr. Horns’ name, she will hold off signing anything until that change is made.

Electronic Signatures: Dr. Farah refers to an e-mail discussion regarding the use of electronic signatures for some of the Town’s documents. She notes that she uses Adobe Pro as a less expensive alternative to Pandadoc. Kim confirms that Pandadoc is more expensive and sophisticated than what the BOS needs and is not worth the extra money. She explains that she is currently looking into the “e-signature” program and notes that any program they use must be able to provide legally binding signatures. Dr. Farah notes that Adobe Pro lets her sign documents and provides a date and time stamp. Kim asks if the signature is encrypted. Dr. Farah states that she believes it is. Kim notes that she will look into that as well. Dr. Farah suggests that Kim ask RMON for more information and/or recommendations for an appropriate software for the BOS.

Trustee of the Trust Funds: Sheila notes an application for a Trustee of the Trust Funds is in the Signature File. Dr. Farah reminds the BOS that she had to resign her position as a Trustee in order to serve on the BOS. Shawn asks how the BOS would appoint someone now with such a limited time to advertise the open seat. Sheila asks if the applicant would have to be added to the ballot as a write-in candidate. Shawn again reviews the application and realizes that Nola Whitman had applied for the open seat after Dr. Farah’s resignation. Sheila reiterates she believes that Ms. Whitman would need to be a write-in on the ballot. The application is tabled.

Warrant Article: Shawn asks Kim about a Warrant Article in the Signature File. He notes that the BOS has already changed a Warrant Article that has been posted and asks why there is another issue. Kim explains there was a discrepancy, a conflict with one of the dates that was brought up by a resident. She states that as long as the content of the Warrant Article does not change, anything else can change such as dates, etc., but the BOS still must sign off on those changes. Kim reiterates this process is to address “little errors” prior to the printing of the mailers.

Home Business Application: Sheila reviews the home occupation application and asks if it meets all the criteria. She asks if the home construction applicant knows that he cannot have his construction vehicles and equipment at the house. Steve agrees that he was wondering the same thing and notes that he will check and make sure that is not currently happening. He confirms the address on the application and suggests the BOS postpone signing the application until it is confirmed the applicant is in compliance. Shawn reads the Town Announcements listed below.

Minutes: The BOS review the minutes for the February 22, 2021 BOS public meeting. Dottie notes two corrections. Line #57 and Line #63 should reflect Joshua’s name as Joshua Horns, not Joshua Woods.

Shawn notes that he thought Mr. Hantman (Town Moderator) would be at tonight’s meeting to follow-up with the BOS’ previous discussion regarding conducting a hand recount of the Town ballots. He asks Kim to ask Mr. Hantman to attend the March 22 meeting to discuss the issue. Sheila notes that she thought the issue had been cleared up after reading the e-mail from Mr. Hantman in which he informed the BOS that the Secretary of State had stated that the BOS could not conduct a recount. Shawn states that he feels the Town should challenge that and that the Townspeople own those ballots. He notes that he has had many residents contact him and tell him that they were

glad that the BOS was taking this approach. He notes that he will continue to push for the recount until the State files an injunction and that he has no problem justifying the recount in court. Shawn notes the State Senate, in a vote of 24-0 had to compel the Attorney General's office to "do their job" and audit the Windham ballots. He expresses his great concern with the gross discrepancies in the voting machines and the reluctance of the Attorney General to address the issue. Sheila clarifies that from the e-mail, she thought there was nothing further the BOS could do about the issue. Shawn states that he wants to discuss this with Mr. Hantman to find out what his official position as Moderator was on the issue.

Shawn continues to express his concerns, noting that he hopes the Mr. Hantman and the BOS will do everything possible to show the ballots were counted properly to reflect the Towns' true vote. He asks how anyone could argue that a hand count vote is not the proper way to look at the issue. He notes that "someone sitting on their soapbox says to take what the machine says and be quiet" does not sit with him. Steve asks if Danville uses the same voting machines as Windham. Shawn confirms this. Dottie explains the whole State has used the Accu-Vote machines since 2010. Shawn explains the machines are programmed prior to each election, but no one knows how the software is modified. He notes there are exceptions made for ballots that come from overseas, etc. that are counted, but do not go into the machine; but ultimately, the Town depends on what the machine tape says are the ballot counts. Dr. Farah states that when she was a selectman before, the Town had several recounts that were within 2-3 votes of the machine tallies. Shawn notes these recounts were for local elections. Dr. Farah confirms that Shawn is implicating that the software manipulated the State and National elections. Shawn agrees that is exactly what he is implicating. Sheila expresses her concern that Chris Tracy (Town Clerk) was receiving absentee ballots for weeks after the election that could not be counted because the mail delivered them late.

Shawn states that until Windham can come up with a plausible reason for the vast discrepancy in their votes, it would behoove every town and city to recount their votes and verify their machine counts. Dr. Farah asks why the State is not requesting this process. She notes they could mandate that all the towns and cities do a recount and wonders if the BOS should wait for State to do that. Shawn asks why they (the BOS) should wait for the State. Dottie notes that State law limits recounts to only five (5) days after the election. Steve states the he believes this law only refers to the candidates requesting recounts, noting the law requires a certain percentage of difference and a limited time frame for the candidates to request recounts. He notes that he is not aware of any laws that prevent a town from doing a recount. Dottie notes the ballots are sealed. Shawn agrees and adds that they also have followed a chain of custody, as they should. Shawn reiterates that he wants to confirm the value that the machine provided is valid and that he sees no harm in following through on that. There is a brief discussion regarding the location of the ballots. Shawn states the BOS will be continuing this discussion when Mr. Hantman is present to discuss his position on the request for a recount. Shawn emphasizes that he does not want to drop this issue. Sheila motions to accept the minutes for the February 22, 2021 BOS public meeting as amended. Second by Steve. The vote is 4-yes, 0-no, 1- abstention. Dr. Farah abstains as she was not on the BOS for that meeting. (4-0-1).

III. Town Announcements

Calendar

-  **March 9 (Tuesday)**- School District Elections at the Community Center 8:00AM-8:00PM
-  **March 22 (Monday)**- Board of Selectman's Meeting at the Town Hall 7:00PM
-  **June 5 (Saturday)**- Town Deliberative Session at the Community Center at 10:00AM
-  **July 13 (Tuesday)**- Town Elections at the Community Center 8:00AM-8:00PM

There being no further items to discuss, Dr. Farah motions for a Non-Public session under NH RSA 91-A 3:II(e). Second by Dottie. Roll Call Vote: Shawn- yes, Steve-yes, Sheila-yes, Dottie-yes, Dr. Farah-yes.

Non-Public session begins at 9:12PM

Minutes derived by video provided on the Town of Danville website.

Respectfully Submitted
Deborah A. Christie