

Winnepesaukee River Basin Program

Advisory Board Special Meeting

Laconia Compound Tuesday February 6, 2012 10:00 AM

Paul Moynihan/Chairman-Laconia	Jeanne Beaudin-Belmont	Bob Veloski-Sanbornton	Ray Korber-Bay District
Brian Sullivan-Franklin	Dave Clapp-NHDAS	Sheldon Morgan-Gilford	Johanna Ames-Tilton
Phil Warren-Meredith	Scott Myers-Laconia	Ron Ulm-Bay District	
Elizabeth Dragon-Franklin	Scott Dunn-Gilford		
Sharon McMillin-WRBP	Steve Dolloff-WRBP	Tracey Russo-Clerk	
Representative Frank Tilton			

P. Moynihan called the meeting to order at 10:02 am.

1) Discussion with Rep. Frank Tilton regarding HB1130: weighted WRBP Advisory Board voting

P. Moynihan had been contacted by Rep. Tilton in regards to speaking with the Advisory Board and community representatives about his proposed legislation on amending RSA 485-A:52 to address Advisory Board voting. These discussions are intended to help Rep. Tilton decide the direction he will pursue with HB1130. Meeting attendees introduced themselves and their affiliation. Rep. Tilton was introduced and gave a brief overview of his history with the WRBP, including his chairmanship of the Advisory Board for 10+ years.

S. McMillin handed out copies of HB1130, the RSAs for the WRBP, and the draft MOU.

S. Dunn provided background on the creation and work of the WRBP Governance Group with representatives from each member community and the Dept. of Administrative Services (Lakes Region Facility). Legislation was drafted to amend the WRBP statues, but after deliberation the Group felt that legislative action was premature given the on-going flow metering project which would affect cost allocations to communities. He further indicated that the Group had created two drafts (that are on hold) regarding weighted voting. He went on to say that the Advisory Board and communities are doing a good job (please let us keep on that path) but that no final agreement has been reached for voting and/or changing the statutes. The Governance Group wrote the MOU and passed it along to the Advisory Board and DES. One of the key items in the MOU is future review and revision of the statutes. The Advisory Board is on track as far as the meter study and the execution of the MOU.

Rep. Tilton said DES never imposed anything without the concurrence by the Advisory Board. Rep. Tilton provided the example of when former Commissioner Varney had deferred to the wishes of the Advisory Board to continue to operate the WRBP using in-house staff rather than entering into contract operations. He recognized that the MOU now provides a written document delineating the Advisory Board practices that he felt had already been taking place. Frank further indicated that, toward the end of her tenure, Eileen Cabanel agreed with Frank that DES was "not the enemy" and that WRBP "was not broken".

B. Sullivan said there have been discussions about proportional shares, and the Advisory Board is actively looking at new formulas and changing percentages. The proposed formulas will not be just flow based, but the flow metering project is a needed step before the final cost allocation formula can be implemented. We are not through with flow metering and he suggested that Rep. Tilton hold off. B. Sullivan suggested that the Advisory

Board keep in touch with Rep. Tilton and updated on our progress; inviting Rep. Tilton to the planned workshops. A group has also been formed to look into forming a Utility Authority and determining if such an Authority would be beneficial to the Program in the long run. In summary, the Advisory Board has concerns about proportional shares and formula but would like to see a positive transition.

Rep. Tilton responded by saying he doesn't disagree with what's being said. However, the bill that was drafted is based on voting by population which is how the state currently votes for state budgets and is how the Solid Waste CO-OP votes. He says Laconia would benefit by using a cost allocation formula and not population. He indicated that the current voting system of one-community, one-vote is actually more weighted than the legislation. He provided the example of the current, disproportionate weight of having each community allocated one vote by referencing some of the information included in the 2007 WRBP brochure (such as Bay District with 210 sewer users of their 808 population, Moultonborough 100 sewer users of 2,206 population so combined total of about 310/3000+ = @10% sewer users comprising the Bay District having the same vote as Laconia which has over 14,590/15,575 or 94% sewer users in their population. By having Bay District's vote equal to Laconia's vote, it actually gives the Bay District a disproportional weighted vote for their 300 sewer users equal versus Laconia's 15,000+ sewer users. Therefore, the proposed legislation would actually help to eliminate weighted voting. He is willing to delay the legislation if the board will give him a commitment that they will continue to work on implementing a more equitable approach to weighted voting. He would likely propose an interim study. The bill could then have to be re-submitted for the 2013 session.

B. Sullivan said the Advisory Board knows Laconia has the highest cost allocation percentage, until the flow metering project is implemented and a cost allocation formula is developed, the current proportional allocation is unknown. That is a top priority of the Board to figure out.

E. Dragon recognized that Laconia pays the largest portion of the WRBP budget. However, from Franklin's perspective, they have the highest sewer rates and 76% of the money collected goes directly to the WRBP. She went on to say that the rate payers in Franklin will be significantly impacted since the City doesn't have as many rate payers as Laconia to share the burden. She says a ton of work has been done so far concerning the MOU; that was a huge effort by all and recognizes there is still a lot to be done. She feels like the bill would be circumventing that work.

Rep. Tilton agreed and recognized the work done so far. He states that all voting for the WRBP used to be verbal done by consensus alone. E. Dragon stated we are headed in the right direction and hopefully we will all be satisfied with the end result but to please let us finish.

J. Ames said the Advisory Board has become very active and worked very hard. There is only one member in support of the bill, and she felt blindsided by the article in the newspaper. She stated it would have been nice if Rep. Tilton or other co-sponsors come to the board or their respective communities first.

Rep. Tilton replied there was a very small window of time to put in the bill for consideration.

E. Dragon thanked Rep. Tilton for the opportunity to speak with him today.

R. Korber said this is not the only issue that has had to be dealt with; there are many others the Board has been working on. He felt that this was a timing issue given the many priorities of the Program.

Those present agreed to continue to look at amending the statute regarding Advisory Board voting, with Rep. Tilton to pursue an interim study this session and introduction of legislation in the next legislative session.

2) Other Business

S. McMillin provided attendees with a first draft of Governance Guidelines (e.g. bylaws) which include reference to the MOU, the CIP executive summary, and RSAs. She indicated that she referenced CO-OP documents and that this was just a starting framework to facilitate future discussion.

The MOU was reviewed given that some of the milestone dates have passed and the items were not completed. The following are dates changed in the MOU.

- #5- the date will change from December 31, 2011 to June 30, 2012
- #7.2- the date will change from March 31, 2012 to September 30, 2012
- #7.4- the date will change from June 30, 2012 to December 31, 2012
- #8- the date will change from December 31, 2011 to April 30, 2012
- #10- the date will change from June 30, 2012 to December 31, 2012

J. Beaudin made a motion to accept the amended dates as discussed; S. Morgan seconded; all were in favor; motion passed. S. McMillin will amend and send to Harry Stewart to be forwarded to the DES commissioner for his review by the target date goal of March 1st.

S. McMillin provided additional information regarding pending legislation in the House and Senate that could affect the WRBP Replacement (Sinking) Fund, in addition to a number of other dedicated or fee fund accounts in various agencies. The legislation would move these funds to the general fund. HB 1669-FN is scheduled for executive session on Tuesday 2/7 at 1:30pm. Rep. Tilton was unaware of this pending legislation and agreed to approach the Finance Committee to make sure they were aware of the potential consequences of the proposed legislation.

J. Beaudin asked if the final CIP documents would be provided in hard copy booklets to each community. S. McMillin confirmed that the documents would be provided but asked how many copies each member needed. A count was provided (except for Northfield which was absent). Further discussion regarding availability of electronic copies led to a commitment to pursue posting the final document on the WRBP website so it could be printed and providing a disc with the final CIP to each member.

S. McMillin provided members with the final draft of the minutes from the last meeting which included amendments provided via email prior to this meeting. B. Sullivan made a motion to accept these 1-17-12 minutes; J. Beaudin seconded; all were in favor; motion passed.

Again, attendees thanked Representative Tilton for joining the meeting today and listening to the Board and Community concerns.

Adjournment B. Veloski made a motion to adjourn at 11:08; seconded by B. Sullivan; all were in favor; meeting adjourned.