

SPECIAL WATER COMMISSIONERS' MEETING  
DECEMBER 11, 2002  
6:30 P.M.

MEMBERS PRESENT: David Dunbar and Francis McNamara; Samuel Briguglio was absent.

GUESTS PRESENT: Supt. Paul Rafuse, Atty. Jacob Diemert, Bill Nunnery, Peter Collins, Jim Johnson, Paul Concemi, Atty. June Riddle, Pierre Comtois and Jean Dinon, clerk; Daniel Murphy was absent.

Paul Concemi opened the meeting at 6:44 p.m.

Paul Concemi asked for Peter Collins' interpretation between revenue bond and debt inclusion. Peter Collins said that any bond question would be excluded from debt. Peter Collins said the first one is somewhat nebulous in terms of tax exempt. It becomes more point of exempt status when the bond is issued through the town because the town is tax exempt. The notion of the bond being issued under the district as revenue bond Peter Collins doesn't understand why the tax exempt status would be negated.

Commented [PC1]:

Atty. Jacob Diemert explained to Peter Collins that the district would be granted eminent domain and that at least one of the two criteria under federal tax law is tax exempt from federal tax base. It would be OK even if didn't have the tax power as far as tax exempt nature.

Paul Concemi wanted to know the differences to go and debt of which cannot cover revenue.

Peter Collins asked if willing to face these questions at town meeting in time of fiscal crisis to get this district passed. Peter Collins said that this is the question that will have to be answered between the Water Commissioners. Peter Collins' feeling is that right now when the state is predicting revenue cuts between the next 2-3 years that people are going to be debt adverse and to see that a new entity formulated within the confines of the town has the ability to levy tax that just in it of itself is going to be a major statement.

David Dunbar stated that he's been on Board for six years and have never overspent our budget. We've always had surplus, and it's gone into funds for water mains replacement.

Atty. June Riddle asked if could support legislation with taxing authority if taxing authority required either supermajority vote or ballot question.

Paul Rafuse said it's a tool to get funding at better rate. It's going to be hard for town's people to understand. It needs to be there for financial reasons.

Atty. June Riddle said you could fashion the supermajority to be what you want. You might take both of Atty. Jacob Diemert's suggestions.

Atty. Jacob Diemert said needs 2/3 vote to borrow and then need 2/3 vote to be funded by taxation. He also said you wouldn't necessarily tax just because you were borrowing; you could build it into the rates.

Atty. June Riddle stated that in order to save money for all people you have to have taxing power; without taxing power, borrowing rate is higher. Atty. June Riddle suggested that in the legislation put a provision that the district cannot tax unless it holds an election and that the 2½ question is 51% or any percentage you want. Atty. June Riddle said you would have to start at section 6, line 4. If you want ballot, you will have to re-write section 6.

The next scheduled meeting is Wednesday, January 8, 2003.

DECISION: The meeting was adjourned at 7:44 p.m.

Respectfully submitted,

Jean R. Dinon, Clerk