

**Minutes of Haverhill Select Board Work Session**  
**Monday November 18, 2019**  
**5:30 PM**

**Board Members Present:** Darwin Clogston, Chair; Tom Friel, Vice Chair; Fred Garofalo; Howard Hatch; and Matthew Bjelobrk.

**Town Employees Present:** Brigitte Codling, Town Manager; Jennifer Boucher, Finance Officer; and Colton Grant, Road Agent.

**State Officials Present:** Bob Giuda, Senator and Rick Ladd, Representative

**Woodsville Precinct Commissioners Present:** Richard Guy, Paul Kidder, and Steve Wheeler.

**Members of the Public Present:** Joe & Margo Longacre, Dawn Lavoie, Bob Clegg, Greg Mathison, and Gary Hebert.

**Call Meeting to Order:** Senator Bob Giuda called the meeting to order at 5:32 P.M.

**Agenda:** To discuss how the Town funds the Woodsville Highway Department

**Discussion:**

- Senator Bob Giuda provided the group with draft legislation revised by the Senate staff writers “2020 Session 20-2986.0”.
- Rick Ladd provided his account of Select Board and Commission actions related to the Woodsville Highway legislation and memorandums in 2008/2009.
- Rick Ladd provided an overview of the “HIGHWAY BLOCK GRANT AID” fund from the NHDOT; as well as Scenario 1 which shows how the Block Grant has been distributed to the Precinct to-date and Scenario 2 which shows how the fund is calculated by the State and so should also be how the money is distributed to the Precinct.
- Rick Ladd explained that only Haverhill still has multiple precincts with duplication of department and services. Conway used to, but they have “come together”.
- Town Manager provided a document “Highway Department Options” with three (3) Scenarios:
  1. Continue to operate and fund the Woodsville Highway Department under a funding formula, which requires corrections to legislation, the funding formula, definitions, and stipulation as to what is included.
  2. Combine the two highway departments; which requires negotiations regarding logistics to do so. Also, would require a modification to legislation to remove highways from the prevue of the Woodsville Fire District Precinct.
  3. Fully split the two highway departments and their funding; which would require two separate tax rates on the tax bill and a change in legislation to clarify the change.

- Commissioners provided a document “*DRAFT CONCEPT*” with two (2) Scenarios:
  1. Combine the two highway departments; which requires negotiations regarding logistics to do so. Also, would require a modification to legislation to remove highways from the prevue of the Woodsville Fire District Precinct.
  2. Fully split the two highway departments and their funding; which would require two separate tax rates on the tax bill and a change in legislation to clarify the change.
- The group chose to discussed combining the two highway departments first. Discussion included concerns, thoughts, and logistics related to combining the two departments.
- The group discussed fully splitting the two highway departments and their funding so that those residents within the boundaries of the precinct would be taxed for the full financial burden of the Woodsville Highway Department and residents living outside the boundaries of the precinct would be taxed for the full financial burden of the Haverhill Highway Department.
- It was agreed by most participants that fully splitting the two departments and their funding would be the easiest logistically to achieve; however, it is not a desirable option because it does nothing to help unify the Town of Haverhill
- It was agreed by most participants that combining the two highway departments was the favorable option and should be pursued further. The commission and the Town agreed to begin discussions to establish Warrant Articles for the Town at-large (all of Haverhill) as well as separately (only) residents within the boundaries of the Woodsville Precinct to vote on at Town Meeting in 2020.
- It was agreed that even though the Town and the Woodsville Precinct will continue discussions on how to move toward unifying the two Highway Departments, there was still a need for modifications to the law and the funding formula to correct errors, to clarify stipulations and definitions, and to establish equity in the law and funding until such time that the Town and Woodsville Precinct can develop a Memorandum of Understanding and achieve a positive vote by the residents of Haverhill and residents within the boundaries of the Woodsville Precinct.
- Senator Bob Giuda agreed to introduce the Senate Bill 20-2986 with a modification to include language that supports Scenario 2 to include funding from the Highway Block Grant.

**Adjourn Meeting:** Meeting was adjourned at 7:22 P.M.

*Minutes produced by Brigitte M. Codling, Town Manager*



STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty*

AN ACT changing the formula for the distribution of highway funds in the Woodsville fire district.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 Distribution of Highway Funds in the Woodsville Fire District. Amend 1887, 204:3, as  
2 amended by 1899, 196:2; 1990, 37:1; and 2009, 147:1 to read as follows:

3 SECT. 3. Said district at each annual meeting shall elect by ballot a moderator, a clerk, one  
4 auditor, a treasurer, and three commissioners. All of said officers shall be elected by a majority vote  
5 of all the voters present and voting at the annual meeting. Said officers shall exercise in relation to  
6 district meetings the like powers to those of moderator, clerk, and selectmen of towns. The  
7 commissioners shall have within the district all the powers of the mayor and aldermen of any city  
8 respecting highways, sidewalks, and sewers. They shall control and direct the expenditure of all  
9 moneys raised under authority of the district and by the town of Haverhill for expenditure in the  
10 district. They shall have sole authority to appoint a highway surveyor in said district, and in default  
11 of such appointment shall themselves perform the duties of that office. The surveyor or  
12 commissioners performing the duties of highway surveyor in the district shall give bond to the town  
13 to account for all money coming into their hands, and for the proper care and custody of the property  
14 of the town or district which may come into their custody or control, and shall be deemed officers of  
15 the town. Nothing in this act shall be construed to impose any distinct or special liability upon the  
16 district respecting highways within its limits. Vacancies that may occur in the office of  
17 commissioner in the district shall be filled by appointment of the remaining commissioners or  
18 commissioner, but any commissioner appointed to fill a vacancy shall hold office only until the next  
19 annual district meeting. Commissioners shall be residents of the district. ~~[The money appropriated~~  
20 ~~for the distribution of highway funds in the district which is attributable to the town of Haverhill~~  
21 ~~shall be determined by a fraction, the numerator of which shall be the assessed valuation of the~~  
22 ~~properties in the district, and the denominator of which shall be the assessed valuation of the~~  
23 ~~properties in the entire town of Haverhill as determined annually from the town MS-1 form.] The~~  
24 town of Haverhill shall appropriate ~~[the percentage represented by such fraction]~~ for distribution to  
25 the highway fund in care of the Woodsville fire district commissioners ***an amount equal to the***  
26 ***Woodsville fire district's percentage of the town's net highway operating budget, when***  
27 ***calculated as the percentage of the class V road mileage in the district as compared to the***  
28 ***class V road mileage of the entire town of Haverhill inclusive of all districts and precincts.***  
29 The district shall also receive a proportionate share of the state highway block grant funds received  
30 by the town in the previous year ~~[based on the population and road mileage of the district compared~~

Section 3 Header

- Page 2 -

1 ~~to the population and road mileage of the entire town of Haverhill],~~ *excluding other special*  
2 *distributions or any unanticipated revenue from the state or other sources, calculated as*  
3 *the percentage of the class V road mileage in the district as compared to the class V road*  
4 *mileage in the entire town of Haverhill inclusive of all districts and precincts. For*  
5 *purposes of this section,*

6 *I. "Highway operating budget" means the budget approved by the town to provide*  
7 *highway services, excluding amounts appropriated into or out of capital reserve funds or*  
8 *trust funds, amounts appropriated in special warrant articles, amounts appropriated by*  
9 *federal grants or awards designated for a specific project, amounts awarded by the state*  
10 *for specific projects, health insurance premiums paid by the town for highway employees,*  
11 *and excluding any amounts expended without appropriation from capital reserve funds or*  
12 *trust funds by agents authorized to expend such funds.*

13 *II. "Net highway operating budget" shall mean only that portion of the highway*  
14 *operating budget to be raised by general property taxation from all Haverhill property*  
15 *taxpayers regardless of district or precinct based on property values as determined by town*  
16 *of Haverhill assessment.*

17 2 Effective Date. This act shall take effect upon its passage.



## HIGHWAY BLOCK GRANT AID

By law, all municipalities in the State having Class IV and V mileage are entitled to Highway Block Grant Aid. RSA 235:23 stipulates the funding apportionments. Highway Block Grant Aid is distributed to municipalities by the State of New Hampshire on a yearly basis with partial disbursements made four times a year. Sixty percent (60%) of the funds are distributed in the first two payments (30% in July and October) and the other 40% in the final two payments (20% in January and April). **The funds can only be used for construction, reconstruction and maintenance of each municipality's Class IV and V highways.** It can, therefore, be used to be part of the match for a project in the bridge aid program. It also can be used towards equipment to maintain the local roads. The intent here is that it be used towards the local roads; i.e., not used to build a new library or school or buy a fire truck.

Highway Block Grant Aid funds represent a portion of the State's highway revenues received in the preceding fiscal year including revenues resulting from SB 367. There are two "pots" of money from which allotments are made. The first, identified as Apportionment A, represents 12% of the State's highway revenues. One-half of that "pot" is distributed among the municipalities based on their population in proportion to the entire State's population and the other half is disbursed based on a municipality's Class IV and V road mileage in proportion to the total statewide Class IV and V mileage. In general, the allocation of these funds represents a disbursement of approximately \$1,500 for each mile of Class IV and Class V highway inventoried by each municipality and \$13 for each person residing in a municipality based on the state planning estimate of population.

The formula for dispensing funds from the second "pot" of money (a set sum of \$400,000) is less straightforward. It was established to assist those municipalities having high roadway mileage to maintain and whose overall value of property (on an equalized basis) is very low in relationship to other communities. In FY 2020, 18 municipalities received funds from this "pot".

As the New Hampshire Department of Transportation (NHDOT) is responsible for determining the actual disbursements of funds, it is important that they be provided accurate and current information regarding each municipality's Class IV and V mileage. This is typically accomplished by filling out the "Information Report" sent to municipalities each year by the Bureau of Planning and Community Assistance. At the conclusion of each municipality's yearly legislative meeting (i.e. Town Meeting), the NHDOT should be notified of all changes to the community's roadway system. The information should include the length and location of all Class IV and V highways reclassified, accepted, and/or discontinued by the municipality that year.

The total amount of funding distributed statewide annually over the last five state fiscal years is:

FY 2016 \$34,843,581  
FY 2017 \$34,931,513  
FY 2018 \$35,859,434  
FY 2019 \$36,342,370  
FY 2020 \$36,915,537

**For more information contact: Bureau of Planning and Community Assistance,  
NHDOT, PO Box 483, Concord, NH 03302-0483. Telephone: 603.271.3344**

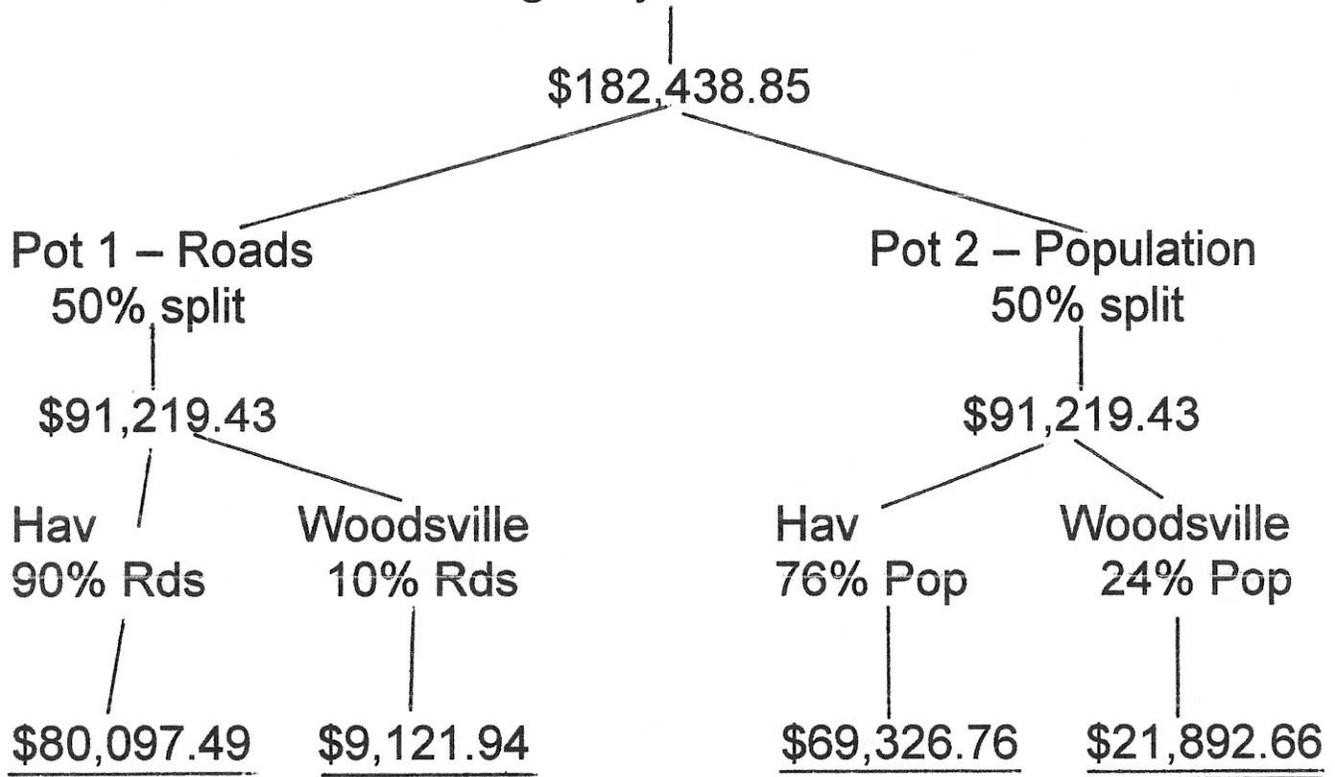
STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION  
BUREAU OF PLANNING AND COMMUNITY ASSISTANCE

Highway Block Grant Aid Supporting Numbers Detail for All Towns/Cities  
BGA/State Fiscal Year: 2020 Run Number: 1

Town / City Name	Town Class 4 Miles	Town Class 5 Miles	Town Class 4 & 5 Miles	Town Population	Town Equalized Value	Town Mile Dollars	Town A Pop Dollars	Town A Total A Dollars	Town B Class 5 Dollars	Town B Equal Dollars	Town Total B Dollars	Town Adj Mile Dollars	Town Adj Pop Dollars	Town Total Adj Dollars
HAMPTON FALLS	0	26.441	26.441	2312	514,595,238	35,417.90	27,461.17	62,879.07	100,330.64	566,054.76	0.00			0.00
HAMPTON FALLS SB367	0	26.441	26.441	2312	514,595,238	4,723.71	3,662.51	8,386.22						
HAMPTON SB367	13.481	64.512	77.993	15236	3,910,241,468	13,933.51	24,135.83	38,069.34						
HANCOCK	0	48.105	48.105	1665	260,206,125	64,436.97	19,776.32	84,213.29	182,534.90	286,226.74	0.00			0.00
HANCOCK SB367	0	48.105	48.105	1665	260,206,125	8,594.00	2,637.58	11,231.58						
HANOVER	4.607	90.186	94.793	11541	2,419,257,363	126,975.85	137,080.17	264,056.02	342,211.68	2,661,183.10	0.00			0.00
HANOVER SB367	4.607	90.186	94.793	11541	2,419,257,363	16,934.85	18,282.47	35,217.32						
HARRISVILLE	0	31.813	31.813	964	206,499,477	42,613.73	11,450.07	54,063.80	120,714.75	227,149.42	0.00			0.00
HARRISVILLE SB367	0	31.813	31.813	964	206,499,477	5,683.42	1,527.10	7,210.52						
HARTS LOCATION	0	1.058	1.058	44	17,387,763	1,417.20	522.62	1,939.82	4,014.59	19,126.54	0.00			0.00
HARTS LOCATION SB367	0	1.058	1.058	44	17,387,763	189.01	69.70	258.71						
HAVERHILL	0	78.389	78.389	4712	344,848,880	105,002.59	55,967.57	160,970.16	297,447.84	379,333.77	0.00			0.00
HAVERHILL SB367	0	78.389	78.389	4712	344,848,880	14,004.26	7,464.43	21,468.69						
HEBRON	0	13.475	13.475	630	314,060,053	18,049.85	7,482.93	25,532.78	51,131.02	345,466.06	0.00			0.00
HEBRON SB367	0	13.475	13.475	630	314,060,053	2,407.32	986.00	3,405.32						
HENNIKER	0	74.171	74.171	4970	479,820,416	99,352.55	59,032.01	158,384.56	281,442.60	527,802.46	0.00			0.00
HENNIKER SB367	0	74.171	74.171	4970	479,820,416	13,250.71	7,873.14	21,123.85						
HILL	0	25.764	25.764	1104	91,682,520	34,511.05	13,112.95	47,624.00	97,761.76	100,950.77	0.00			0.00
HILL SB367	0	25.764	25.764	1104	91,682,520	4,602.76	1,748.88	6,351.64						
HILLSBOROUGH	0	70.112	70.112	6005	544,949,872	93,915.49	71,325.40	165,240.89	266,040.69	599,444.86	0.00			0.00
HILLSBOROUGH SB367	0	70.112	70.112	6005	544,949,872	12,525.57	9,512.71	22,038.28						
HINSDALE	0	30.573	30.573	4066	334,411,268	40,952.74	48,294.60	89,247.34	116,009.55	367,852.39	0.00			0.00
HINSDALE SB367	0	30.573	30.573	4066	334,411,268	5,461.89	6,441.08	11,902.97						
HOLDERNESS	0	30.557	30.557	2136	779,896,927	40,931.30	25,370.70	66,302.00	115,948.84	857,886.62	0.00			0.00
HOLDERNESS SB367	0	30.557	30.557	2136	779,896,927	5,459.03	3,383.71	8,842.74						
HOLLIS	0	84.099	84.099	7901	1,442,825,637	112,651.17	93,845.46	206,496.63	319,114.50	1,587,108.20	0.00			0.00

# Scenario I

## State Highway Block Allocation

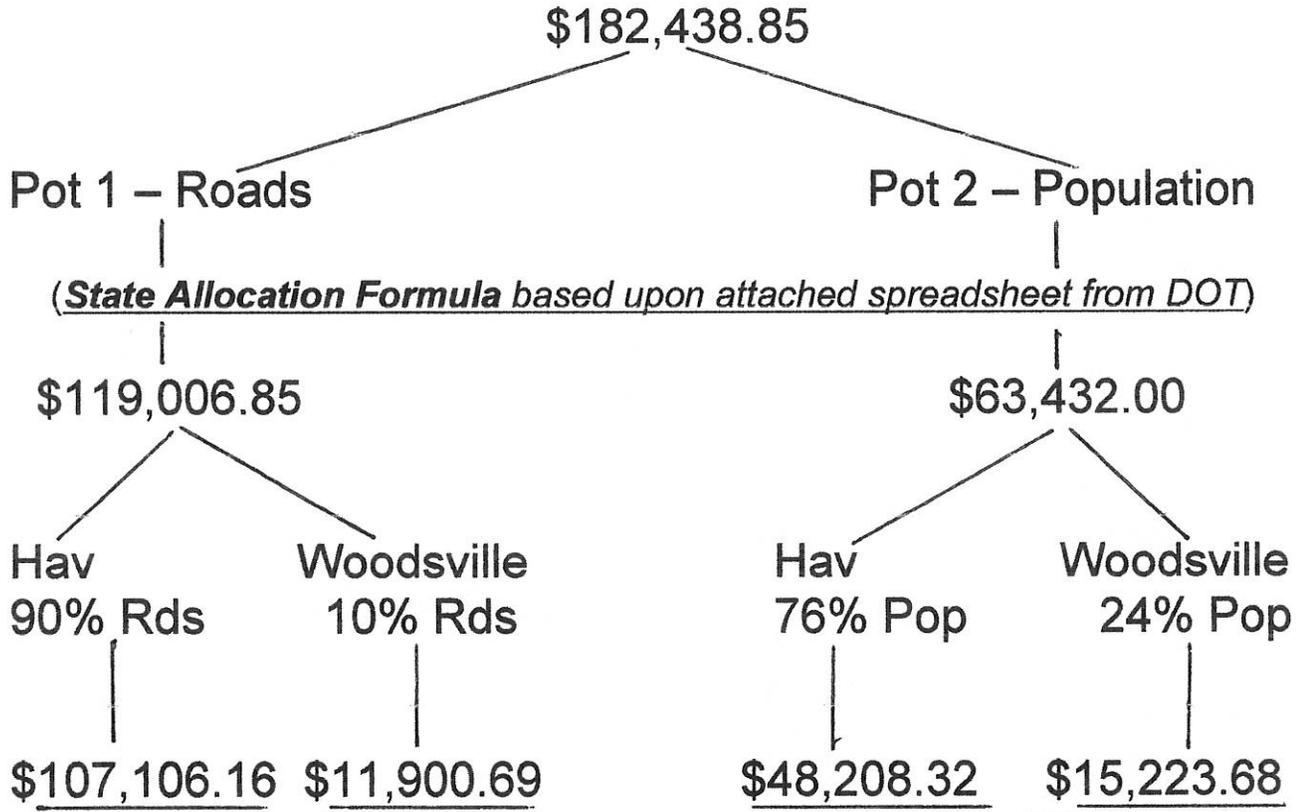


## Total Revenue to Haverhill and Woodsville

Haverhill	\$151,424.25 or 83% of Total Hwy Block Grant
Woodsville	\$ 31,014.60 or 17% of Total Hwy Block Grant
	<u>\$182,438.85</u>

## Scenario 2

### State Highway Block Allocation



### Total Revenue to Haverhill and Woodsville

Haverhill	\$155,314.48 or 85% of Total Hwy Block Grant
Woodsville	\$ 27,124.37 or 15% of Total Hwy Block Grant
	<hr/>
	\$182,438.85

## Highway Department Options

### Option 1 – Continue discussions related to the Woodville Highway Department Funding

- Discuss definitions:
  - Highway Operating Budget
  - Net Highway Operating Budget
- Discuss “highway related” operations (what is and is not included)

<b>Highway Department Comparison</b>	
<b>Haverhill</b>	<b>Woodville</b>
<i>Highway Related</i>	
72 +/- Class V Roads	8 +/- Class V Roads
25.99 miles are paved	7.65 miles are paved
46.48 miles are gravel	0.66 miles are gravel
72 +/- roadway to clear snow from	8 +/- roadway to clear snow from
25.99 miles of pavement to maintain	7.65 miles of pavement to maintain
46.48 miles of gravel to grade and maintain	0.00 miles of gravel to grade and maintain
0.66 miles of Woodville gravel to grade and maintain	n/a
46.48 miles of ditching, embankment, and shoulders to maintain	n/a
Installation and maintenance of cross culverts for proper water flow to ditching	n/a
Driveway permits and assignment of E911 addresses	n/a
Driveway culvert oversight & monitoring for effective water flow	n/a
72 +/- miles of roadside mowing	n/a
Removal of hazard trees and other obstructions	n/a
Installation and Maintenance of road signs	Installation and Maintenance of road signs
Street and gravel road apron sweeping	Street sweeping
n/a	Line striping for parking
Drop inlets and catch basins for roadway run off	Drop inlets and catch basins for roadway run off
<i>Not Highway Related</i>	
Sidewalks maintained by precinct	Sidewalks maintained by precinct
Water systems (three of them) maintained by precincts	Water system maintained by precinct & Woodville Water and Light
Fire Hydrants tied to water systems maintained by the Fire Depts	Fire Hydrants tied to water systems maintained by the Fire Dept
Sewer lines maintained by Town	Sewer lines maintained by precinct & Woodville Water and Light
Sewer pump station maintained by Town	Sewer system maintained by consultant overseen by the precinct
	Grading & Reseeding Ball Fields
	Street Lights maintained by Woodville Water & Light

- Discuss exclusions to the formula:
  - Unanticipated revenue
  - Appropriations of Federal Grants or Awards
  - Appropriations in Special Warrant Articles
  - Appropriations into Capital Reserve Funds
  - Appropriations out of Capital Reserve Funds
  - Appropriations out of Trust Funds
  - Expended funds out of Capital Reserve Funds
  - Expended funds out of Trust Funds
  - Health Insurance Premiums paid by the Town for Hwy Employees
- Discuss Highway Block Grant:
  - Apportionment A – part 1 = based upon population vs the entire state
  - Apportionment A – Part 2 = based upon Class V road mileage vs the entire state
  - Apportionment B – Haverhill does not qualify

**Option 2 – Agree to combine the Woodsville and Haverhill Highway Departments**

- Discuss logistics, timing, equipment, etc.,
- Haverhill tax payers at-large would fund the combined highway department
- Craft the law to support this change

**Option 3 – Fully separate the two Highway Departments and their funding**

- Residents living within the Woodsville Precinct would fund the Woodsville Highway Department
  - Highway taxes paid by Woodsville Precinct residents go to the precinct only
  - Separate tax rate established by the precinct for Woodsville Highway Department
- Residents outside the Woodsville Precinct would fund the Haverhill Highway Department
  - Highway taxes paid by those outside the Woodsville Precinct go to the Town only
  - Separate tax rate established by the Town for Haverhill Highway Department
- Craft the law to support this change

**NOTES:**

1. Need a clause in the law that states; if the Precinct secedes or is dissolved then the law is mute.

# DRAFT CONCEPT:

This is a draft only and needs to be vetted by all parties involved

## **Turn ownership and maintenance of Fire District streets over to Town of Haverhill**

### PLAN:

1. Selectboard to include proposal on Town warrant for 2020 annual meeting. (Selectboard decision can be reversed by the next selectboard after Fire District dismantles its Highway department so this must be agreed to by the Town voters as a permanent arrangement.)
2. Commissioners will include proposal on Fire District's March 31<sup>st</sup> 2020 annual meeting warrant as well. (Property ownership change requires voter approval.)
3. Effective date TBD by both boards. Existing funding to continue until effective date.
4. Fire District will liquidate its Highway Department equipment. Any funds garnered by this liquidation need to be retained in an escrow type account for any possible future need to return to the present arrangement.

### STIPULATIONS:

Fire District voters will demand that any arrangement continue to provide services that have been provided by Fire District. They would expect as a minimum that Haverhill voters must:

1. Guarantee equal or better maintenance of Fire District's streets presently maintained by Fire District Highway Department to include immediate and continuous snow and ice removal at all times and under all conditions.
2. Agree to maintain all underground sewer systems in a manner meeting the standards required by the US Environmental Protection Agency and the NH Department of Environmental Services. This will include keeping all maintenance plans, drawings and permits up to date as required by NH DES.
3. Agree to maintain all storm water systems in accordance with all Federal and State requirements.
4. Agree to the present schedule of street rebuilding and to bear the costs thereof
5. Agree to maintain all properties presently maintained by Fire District Highway Department
6. Agree to emergency responses for problems with any of the systems presently maintained by Fire District's Highway Department.
7. Any other stipulations as deemed necessary by parties involved.

# DRAFT CONCEPT:

This is a draft only and needs to be vetted by all parties involved

## **Discontinue complicated and easily misunderstood road funding formula and use direct taxation for each Highway Department**

### PLAN:

1. Fire District to raise funds for its Highway Department directly from Fire District property owners through its Precinct tax.
2. Haverhill to raise funds for its Highway Department directly from property owners in the Town of Haverhill outside of the Fire District. This requires two steps:
  - A. Separate out all expenses related to Highway Department in Town of Haverhill budget (as is done presently) and bill these costs to "non-Fire District" property owners as a "Highway Tax".
  - B. Remaining Haverhill government costs to be taxed to all property owners throughout the Town including Fire District.
3. No highway money is sent from either entity to the other excepting NH Highway block grant funds. These funds are presently received by the Town and distributed to the Fire District on a prorated basis according to population and road mileage and this shall continue.
4. Highway Departments return to mutual assistance as has been done.
5. Road grading in Woodsville shall be done by Haverhill or other contractor at a cost mutually agreed upon.