

Dear Waterville Estates Owners:

Your Waterville Estates Village District Commissioners invite you to the Annual Meeting, 9 AM at the Community Center March 19, 2022 and take this opportunity to describe the proposed Water Department Budget. (Article 3) There is no impact on the TAX RATE as it is fully supported by fees.

The new Water Ordinance and rate schedule have restructured the Water Department. The 2022 water budget is designed to reflect the true costs of operation of the department with the exception of depreciation/capital improvements and administrative costs for water.

This move to funding water system operations through a rate schedule involved a great deal of time, energy, consultation with professionals, and hard work by the Water Master Plan & Roads Advisory Committee as well as WEVD management and your Commissioners. Moving to funding the municipal Water Department through rates brought the District into compliance with NH law.

Included in the Proposed Water Department Budget (Article 2) is \$50,000 for the preparation of a Strategic Plan. This plan, in conjunction with the Water Master Plan, will serve as the basis for making application for grants/loans from the state and the federal funds administered by NH.

As the Water Master Plan is being developed, as our water delivery system experiences leaks, interruptions, temporary failures, etc., and as the District reviews NH DES reports regarding the needs of our residential water system, it has become clear that the WEVD Municipal Water System will need significant expenditures in the years to come. We need to expand to meet growing demand and to replace aging infrastructure. The estimated cost of these needs runs into the millions of dollars, much of it the result of years of neglect.

Four specific areas that require attention are:

1. A new well at a different location. (Our existing wells are, effectively side-by-side. A new location would reduce the risk of losing all our water if there is a problem with the source while providing greater capacity to meet increasing demand.)
2. Resolving issues with the location of the treatment plant (on the ski run at Campton Mountain which creates problems for both access and moving hazardous materials into the facility during 4 months of the year) and the corroding aeration tank as well as various pipes and valves located inside.
3. Replacing the aging Sunset Storage Tank with a new and larger tank as it acts to raise the water pressure to the southern side of Winterbrook area of the Estates.
4. Replacement of aging and failing waterlines.

Any such state awarded grants/loans are not part of the 2022 Water Department Budget. We expect to submit applications and hope to have grants/bonds for the 2023 Annual Meeting.

The proposed budget in Article 3 also includes some money for waterline upgrades.

Thank you. Village District Commissioners

Waterville Estates Village District

March 17, 2021

Meeting Minutes

Attendees: John Herlihy, Gerry Panuczak, Maureen Patti, Ellen Witt, Judy Kinney, Corey Smith, Rob Diefenbach

Guests: Via Zoom: Jaime Oldmixon, Tom Hagerty, Keith Barnes, Mark Canfield, Mike Hering, Christopher McCormack. Physical location broadcast: Jim Murphy, Harry Bertino, Al Zulli

Call to Order: Mr. Herlihy called the meeting to order at 6:03 PM

Covid Zoom Declaration: Ms. Patti read the declaration authorizing a zoom meeting per the Governor's orders.

Approval of Agenda: The Agenda was approved with 4 additions from Ms. Patti

- Appointing Treasurer to Records Committee
- Reschedule Budget Hearing
- Motion Re: Planning Board, Master Plan Contract
- 2020 Annual Report, Additions

A Motion then was made by J. Herlihy to appoint Rob Diefenbach to the Records Committee and was seconded by Ms. Patti. Motion passed unanimously via roll call vote.

Approval of Past Meeting Minutes: None

Treasurers Report – (See attached)

Mr. Diefenbach, recently sworn in as Treasurer, has been working with C. Smith on the accounting procedures. Paperwork for R. Diefenbach's signature approval on checks is progressing. R. Diefenbach asked about taxes owed. J. Kinney responded that she has been in contact with DRA Rep. as to why towns have not paid current. Not resolved as yet. R. Diefenbach said he would also look into it, to move it along.

GM's Report – (See attached)

C. Smith stated that there is still the issue of the correct balance in the Unreserved Fund with the accountants. Mr. Herlihy accepted the report with questions regarding reference to the heading: college students work "transitioning to safety aesthetics"? A discussion continued regarding students who worked on Ski Lift now working on list of projects to be done: painting, labor, construction, demolition.

Mr. Herlihy asked about CIF funding and a discussion on status of payment and project management followed. It was pointed out that Mr. Panuczak has prepared a Warrant Article regarding a Trust to be established for future funding flow from HOA to the Municipality. Mr. Panuczak stated that the current agreement is that the HOA will pay for the Locker Rooms projects, including, supplies, labor, parts and materials.

Mr. Herlihy asked who is tracking the funding and progress and project management? Mr. Panuszak responded that Madu Challagulla, is working with GM. C. Smith stated that there is a Committee overseeing the project and that he is not making decisions or running this project. Mr. Panuszak stated

that, per Commissioner agreement, C. Smith is the Project Manager of the locker room renovation. GM stated that it was a complicated situation with regard to the existing RMA. M. Hering stated that the Village District is committing \$15,000 and the HOA is committing \$35,000. If District labor costs exceed \$15,000, the CIF budget will be adjusted to cover it.

Ms. Patti stated that, since M. Hering commented in the discussion, it is now open for public comment. She also stated that we should all work together to move the project along. At the physical location, there was a citizen who wanted to speak. H. Bertino addressed the Commissioners stating that, since it is a Capital Improvement project, that C. Smith is ultimately responsible for this property, and that he would like more info on this Committee.

Mr. Herlihy asked about progress for planning for the Annual Meeting location. Ms. Patti said she was working with C. Smith and together they performed a site visit to locate an indoor facility in case of inclement weather on the Annual Meeting date. The facility toured was not large enough due to Covid restrictions and social distancing. A discussion regarding the rental of tents to be erected on the tennis courts if rain was forecasted ensued. Ms. Patti reminded us that May 1st was the deadline for any postponement of the meeting.

Ms. Patti asked C. Smith about well sensors needed for the Master Water Plan. GM responded that they haven't been installed due to the freezing and unfreezing issue. C. Smith said the Engineer is looking for rental sensors to put in wells temporarily but advises we may need to purchase and install permanent sensors.

Committee Reports

Outdoor Courts: Committee reported 3/8/21 – (See attached)

Homeowners Association Rep: M. Hering referred to the existing regulations against signage in the Estates, including political signage. Also, that there was a complaint about vote solicitation. C. Smith said that political signs were federally protected.

Budget Advisory Committee:

M. Canfield will be reviewing the impact of Warrant Articles to be proposed and will make recommendations at the next Monday Budget Advisory Committee meeting at 4:00 PM.

Water and Roads: (See attached)

J. Oldmixon reported that he was advised by the New Hampshire Municipal Association that there must exist a Definitive Water Use Ordinance in every Municipality. He said that he could not locate one for Waterville Estates nor could the town or NH DES. He could only find a Water Rate from 2017 but it was not adequate. He continued to say that our funding mechanism currently violates the law and that we need to establish equitable rates. He said the water consultant, Dubois & King, is working on the new ordinance. He continued that water rate should be based on occupancy, Bedrooms+ 1, and needs to address undeveloped lots. Meters are the preferred solution but until such time as properties can be metered, an equitable rate ordinance needs to be established. His recommendation is, beginning 2022, to discontinue the appropriation of funds through taxes and in 2021, establish a water rate whose structure is based on occupancy. This rate structure would be included in the new Water Use Ordinance until such time as water meters are installed throughout the Village District.

Mr. Panuczak prepared a motion for consideration by the Commissioners. He made the motion which read:

1. Pursuant to RSA 38:28, the District Establish a scale of water rates for defraying the costs of acquisition, construction, payment of the interests on any debt incurred, management, maintenance, operation, and repair of water systems.
2. Pursuant to RSA 38:29, all funds received from water rates shall be deposited into a WEVD Water Fund
3. The District shall continue to utilize dedicated volunteers on the Water and Roads Committee and engage a professional engineering firm to develop an equitable basis for the water rate schedule.

Ms. Patti seconded the Motion, and it was unanimously carried via roll call vote.

Consent Calendar:

Ms. Patti moved to approve the posted Manifests. Mr. Herlihy seconded, and it carried by roll call vote unanimously.

Ms. Patti moved to accept the Committee Reports. Mr. Herlihy seconded, and it was carried unanimously via roll call vote.

General Calendar:

RMA Modification Committee Appointments:

Ms. Patti recognized volunteers for the committee: H. Bertino, J. Murphy, Ned McElroy, Ryan Timms, M. Hering and Mr. Herlihy. Ms. Patti moved to appoint these persons as members of the RMA Modification Committee. Mr. Herlihy seconded, and it was carried unanimously via roll call vote. It was also noted that other members may be added at a future date.

Posting all Warrant Articles and Corresponding Minutes

Ms. Patti updated the group on the posting of historical Warrant Articles and Meeting Minutes. AGM J. Kinney is working with an IT consultant and these will be available on the Web Site in the near future.

Snowmaking Committee:

Mr. Panuczak moved to make a Motion to create a committee to research options and recommend a solution that will provide snowmaking using non-treated water for Campton Mountain Ski Area. The committee should target the 2021/2022 ski season for phase 1 implementation of snowmaking for the entirety of the Lazy Eight ski trail.

He went on to say that he has reached out to a consultant in the area who is an expert on the subject. The committee would consist of approx. 7 members and welcomes input from the Board. Ms. Patti suggested that the request for volunteers be posted and that on 4/1 appointments could be made. Mr. Panuczak accepted the amendment. Ms. Patti seconded the Motion, and it was carried unanimously via roll call vote.

Resolving Issue with Revolving Rec Fund- Warrant Articles proposed

Mr. Panuczak proposed a Warrant Article. (see attached Warrant Article)

At the request of Mr. Panuczak, Ms. Patti described issues around the RMA and establishing rules for the Municipality and HOA relationship. She described the Warrant Article which was proposed by Mr. Panuczak that a Trust fund with the Trustee of the Town of Campton has been recommended by counsel, which would be administered by a Town Trustee. This would end recurring issues with reporting agencies and would cover unanticipated funds. Mr. Panuczak said that this Trust would also include Friends of Campton Mountain account. Ms. Patti explained that would be necessary if the NH Attorney General did not find the FOCM was funded through goods and services.

Ms. Patti read the article. She added that this would eliminate the need for more public meetings and would assure that funds would be appropriated according to their designated purpose. Mr. Herlihy moved to accept proposal for the Warrant Article, Mr. Panuczak seconded, and it was unanimously approved via roll call vote. This included both articles. (see attached)

Warrant Articles overlooked from the last meetings (See attached Warrants)

Ms. Patti moved to propose a Motion to Include Vote tally on Budget Items and Warrant Articles. She read the Warrant Article which requires that all votes by the Commissioners and the Budget Advisory Committee concerning the budget be tallied and included with the Warrant Article(s). Mr. Herlihy moved to recommend the Warrant Article, Mr. Panuczak seconded. It was unanimously recommended following a roll call vote.

Ms. Patti introduced a Warrant Article which required estimated tax impact be included in Warrant Articles. Ms. Patti read the Warrant Article. Mr. Herlihy moved to recommend the Warrant Article, Mr. Panuczak seconded, and it was recommended unanimously after a roll call vote.

Additional Items:

Budget Hearing meeting was moved to Monday, March 29, 2021 at 6 p.m.

Planning Board: The Planning Board Chair would like "to confirm the Planning Board's decision to retain to assist the Planning Board in developing a Master Plan and to approve and provide an amount, not to exceed \$13,000, to facilitate retaining MRI". The Planning Board got quotes from three vendors with prices ranging from 30 K down to MRI, the low bidder. The Planning Board reviewed and discussed the quotes over the course of two meetings, spanning two months, and interviewed all three vendors. The Board debated the pros and cons of each vendor and selected MRI. Mr. Herlihy moved to make a Motion to accept this proposal, Ms. Patti seconded, and it was passed, through a roll call vote, unanimously.

Annual Report: M. Patti proposed that the 2020 Annual Report include reports from the Homeowners Association and District Committees. AGM J. Kinney asked that the reports to be included be received by Friday, April 2, 2021. Ms. Patti moved to have reports developed and included in Annual Report by HOA and Committees. Mr. Herlihy seconded, and it was passed unanimously via roll call vote.

Date of next meeting: Mr. Herlihy indicated that the next meeting will be March 19, 2021 @ 9 a.m.

Recess: 7:32 PM for 10 minutes before Public Comment Session.

Resume: 7:43 PM. Open Public Session.

Web Site Committee: Ms. Patti made a Motion to establish a Web Site Committee. Volunteers recognized are: A. Canfield and R. Timms. Mr. Herlihy would also serve on Committee. Mr. Herlihy made a Motion to establish the Committee and appoint members. Mr. Panuczak seconded, and it was unanimously approved via roll call vote.

Public Comment:

A. Zulli asked about accusations of voter fraud per an online article. Asked if violators have been identified and any action taken? Mr. Herlihy stated that this was noted and being looked into.

H. Bertino addressed political signage and solicitation recommending that if someone does not want it, they should put up a sign saying so. Also asked if Budget Committee is Advisory? Mr. Herlihy confirmed that it is advisory.

J. Murphy questioned the equity issues with water rate system. Suggested using bathrooms as the basis for occupancy. Also raised the question of intermittent usage and that this would be inequitable. Mr. Herlihy said that the engineering firm is aware of the occupancy issues and will work toward the most equitable formula.

Non-Public Session:

The Commissioners moved to enter a non-public session. By roll call, they voted to enter a non-public session at/around 7:32 p.m. After a brief conference regarding scheduling, the Commissioners returned to the public session without having conducted a non-public session at 7:42 p.m.

Adjourn: After leaving the separate Zoom meeting for the non-public session, it took a few minutes for all parties to re-enter the public session. Mr. Herlihy moved to adjourn the meeting at 7:52 PM. Ms. Patti seconded, and it was passed by unanimously by roll call vote.

WATERVILLE ESTATES VILLAGE DISTRICT

February 4, 2021 MEETING MINUTES

Attendees: Matt Smith, Maureen Patti, John Herlihy, Gerry Panuczak, Judy Kinney, Corey Smith

Guests: Harry Bertino, Jim Murphy, Anthony Patti, Jaime Oldmixon, Jack Letvinchuk, Ryan Timms, Kerry Casey, Charles Goodhue, Susan Alessandri, Claire Denton, Keith Barnes, Alan Gould and other unidentifiable parties via Zoom.

Call to Order: Mr. Herlihy asked Ms. Patti to act as Chair for the meeting and she called it to order at 9:00 AM.

Roll Call: Mr. Herlihy, aye, Ms. Patti, aye, Mr. Panuczak, aye.

Covid Zoom Declaration: Ms. Patti read the declaration authorizing a zoom meeting per the Governor's orders.

Approval of Agenda: The agenda was approved with one modification removing item e and replacing it with a discussion on the DuBois and King proposal to assist in writing the water ordinance..

Municipal Resources Inc.: Mr. Gould provided information about his firm and the request for proposal from the Village District about the seven items we need help with covering the water fund, recreation revolving fund, staffing and accounting. He indicated that John Scruton, acting as quarterback, could handle all the items except #2. Producing formal accounting procedures to be compiled into a manual for approval by governing body to improve our following GAAP, ensure our QuickBooks folders mirror the line items of the Budget approved at the Annual Meeting, and increase efficiency. He indicated it would likely require other MRI staff (CPA's), but he believed MRI had compiled such a manual for another municipality and he believes MRI could simply provide that manual to WEVD for adoption. Mr. Panuczak asked if they could help us understand close the \$250k hole created by the Associations default on the Recreation Management Agreement. He also wanted to know if MRI could help us properly constrict the 2021 annual budget, set up proper capital preservation funds, and help the planning board with the Master Plan. Mr. Gould said yes. Mr. Panuczak asked how much money it would cost to help with the list of seven items. Mr. Gould estimated \$7500. Ms. Patti read items 1 through 5 of 7 since it wasn't in the handout. 1. Establishing the best method to correct how we fund the water system. 2. Producing formal accounting procedures to be compiled into a manual for approval by governing body to improve our following GAAP, ensure our QuickBooks folders mirror the line items of the Budget approved at the Annual Meeting, and increase efficiency. 3. Addressing the recurring problem of the language which created the 2006 Recreational Revolving Fund in both a Warrant Article and draft accounting procedures to eliminate recurring questions about the Rec Fund accounting. 4. Re-organize how infrastructure and recreational expenses are assigned to and spread between the General Fund and the Revolving Recreation Fund. 5. Update the Personnel Manual. She indicated the full list would be forwarded to the community and published on the website. There were no more questions for Mr. Gould and he left the meeting.

General Manager's Report:

General: Mr. Panuczak observed the ventilation quote for the ski lodge was \$46k compared to the \$12k estimated by the General Manager and approved by the Commissioners. Mr. C. Smith said it did not include the UV lights, that \$4k was spent on the ERV's installed in the locker room, and that he could not recommend spending the \$46k with long equipment lead times and the Phase II report dues soon. Mr. Panuczak indicated we should have a final report in a month. Discussion took place around timelines and contract statuses. Ms. Patti indicated she had talked to Village counsel about volunteers running the rope two. Discussions took place around logistics. Volunteers would have workman's compensation coverage by signing an updated volunteer agreement. Mr. C. Smith indicated having volunteers operate the ski lift is more complicated and is still waiting for answers from our insurers. Ms. Patti thanked Mr. C. Smith for taking the initiative in investigating the issue of insurance coverage for off-hours and uphill skiing (skinning).

General (cont.): Mr. C. Smith expressed concern about the check signing policy and the need to pay liquor bills in 10 days stating that we needed to make an exception to the rule. Ms. Patti observed that our powers come from

the state and we have no ability to change the rules. Discussion took place around how to manage the liquor commissions payment requirements to retain our license. Mr. C. Smith reported on an auto accident that damaged the Community Center propane tank lines. He also indicated there is a question of whether the Village or Amerigas owns the tank. Neither entity can prove ownership. He thinks the Village purchased in 1997 for around \$10k. Discussion took place around the pros and cons of owning the tank.

General Calendar:

MRI: Ms. Patti made a motion to retain MRI for an amount not to exceed \$7500 using the Consulting line item, Mr. Panuczak seconded and the motion passed by unanimous roll call vote.

Appointment of Treasurer: Mr. Panuczak indicated that Rob Diefenbach and Ryan Timms put themselves forward as interim Treasurer. Mr. Diefenbach had questions which Mr. Panuczak answered but did not hear back from Mr. Diefenbach and he was not in attendance. Mr. Timms was in attendance and answered questions about his willingness and ability to fulfill the role. Ms. Patti expressed gratitude for the many contributions of Linda Ivers as Treasurer. Ms. Patti made a motion to appoint Mr. Timms, seconded by Mr. Herlihy. The motion passed with Mr. Panuczak recusing himself from the vote and Ms. Patti and Mr. Herlihy voting aye by roll call vote. It was suggested Mr. Timms consider Mr. Diefenbach as Deputy Treasurer.

DuBois and King Phase II and III: Ms. Patti indicated DuBois and King visited the site this week. Mr. C. Smith indicated that they toured every building. Discussion continued about next phase timelines.

Water Ordinance: Mr. Herlihy thank Mr. Oldmixon for his many hours of work on this issue. He indicated that we needed professional help crafting the water ordinance and there were required statutory elements and there was a need for a policy that was consistent and fair for all users. Mr. Herlihy indicated DuBois and King quoted \$1900 for meetings and \$5500 for the document production for a total of \$7400 and made a motion to accept the proposal. Ms. Patti seconded and the motion passed by unanimous roll call vote. At this point Mr. Herlihy departed the meeting for vacation, leaving a quorum of Commissioners still able to conduct the meeting.

Ladies Locker Room: Mr. Panuczak said he was amenable for Mr. C. Smith to act as project manager provided someone else take over as PM for the HVAC study. Mr. C. Smith said he was amenable and recommend Mr. M. Smith for the HVAC PM role. Mr. Smith said he would take the role and follow up with DuBois and King on the reports. Mr. Panuczak said he was waiting for the next meeting of the Association's Locker Room Committee and that there would need to be a public hearing to accept the increased value that the Association's work in the Ladies Locker Room would add as a Village asset. Ms. Patti suggested we might add the public hearing to the February 17th agenda.

Approval of Meeting Minutes: Ms. Patti indicated minutes were not yet available and they would review at the next meeting.

Treasurer's Report:

General: Ms. Patti indicated there was a report in the handout. Discussion took place around the check manifest and in particular two payments of approximately \$700. Mr. C. Smith provided some details as they involved emergency repairs to ski operations. Ms. Patti observed that they were to be paid out of the general fund and asked whether it should be paid out of the recreation revolving fund.

Committee Reports:

Planning Board: The commissioners accepted the report as submitted with no questions.

Athletic Courts Committee: The commissioners accepted the report as submitted with no questions.

Advisory Budget Committee: Mr. Panuczak asked if the Records Committee had a budget number for records retention to recommend to the Budget Committee. Ms. Patti indicated there were two parts involved. One for email correspondence retention and another for other public records. She indicated we had some numbers on email retention but needed to resolve the Associations joint participation in the email domain. She asked Mr. C.

Smith to contact the Association and get answers so we may move forward. On other records, Mr. M. Smith is reaching out to James Dorr to see if there are more cost effective options.

Records Committee: Mr. Smith indicated there was no report as there has been no activity.

Cluster Box Unit (Mailbox) Committee: Ms. Patti has legal opinions from two sources that paying for these units is not a valid Village purpose so the Association will have to address. She will provide additional information to the CBU committee and will forward all the information collected and created to the WEA Board president.

Water and Roads Committee: With Mr. Herlihy having departed there was no discussion.

WEA Representative: Mr. Hering was not present and Ms. Denton indicated she was not in a position to provide an update.

Consent Calendar:

Check Manifests: Ms. Patti made a motion to accept the manifest, Mr. Panuczak seconded and the manifest was accepted by roll call vote with Ms. Patti, aye and Mr. Panuczak, aye.

Set the Next Meeting: Ms. Patti indicated the next meeting would be 2/17/21 at 6:00 PM. She said the Public Hearing to accept the grant money for the water system would be 2/11/21 at 9:00 AM.

Recess: Ms. Patti called for a recess at 10:16 AM to prepare for the Public Comment Segment.

Resumption: Ms. Patti called the meeting back to order at 10:23 AM.

Public Comment Period: There were no comments.

Executive Session: Ms. Patti motioned to enter non-public session for the purposes described in RSA 91A:3, II (a) and RSA 91A:3, II (I), Mr. Panuczak seconded and the motion passed by roll call vote at 10:27 AM with Ms. Patti, aye and Mr. Panuczak, aye. Non-public session was entered at 10:37 AM. Ms. Kinney and Mr. C. Smith were present in non-public session.

Resumption of Public Session: Ms. Patti motioned to re-enter public session, Mr. Panuczak seconded and the motion passed unanimously by roll call vote at 11:17 AM. Public session was entered at 11:20 PM. The non-public session minutes were sealed by a motion from Mr. Panuczak, a second by Ms. Patti and a unanimous roll call vote as divulgence of the minutes would adversely affect the reputation of someone other than a Commissioner.

Adjournment: Mr. Panuczak motioned to adjourn the meeting, Ms. Patti seconded, and the motion passed unanimously by roll call vote at 11:22 AM.



Maureen Patti maureenpatti@waterville-estates.com

Adoption of Water Ordinance & Schedule of Rates

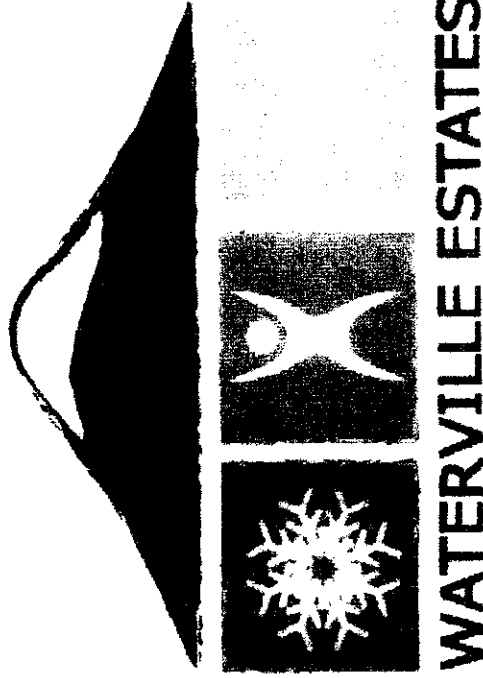
1 message

Maureen Patti - WEVD Commission Chair <wea.judy@waterville-estates.com>

Reply-To: wea.judy@waterville-estates.com

To: maureenpatti@waterville-estates.com

Wed, Nov 3, 2021 at 3:30 PM



November 3, 2021

Dear Ms. Cahllagulla:

In response to your inquiry from October 30, 2021, ("I am requesting a public meeting with all the commissioners to address the [new water policy] questions and for more clarity on this matter. I hope you can get back to me soon."), let me describe what has transpired.

When I volunteered to serve on the governing body of the Waterville Estates Village District, I was not given any materials or information about policy issues or ongoing problems with our facilities, roads, and water system. I undertook to learn everything I could about our operations while participating in training offered by the New Hampshire Municipal Association (NHMA) about NH municipal law and, in particular, municipal budgeting.

Upon volunteering, I learned that the existing method by which WEVD funded our water department was not in compliance with the state's statutes. This began with a legal opinion from NHMA. RSA Chapter 38 describes how a municipal water system is to be operated on a fair equitable fee basis as opposed to being funded by tax revenues. The Commission explored this issue with our GM, AGM, legal counsel, and our consultant from Municipal Resources Inc. (MRI).

Upon volunteering, I learned that the District had a short, inadequate water ordinance and insufficient written procedures. As best as I could tell, the District did not clearly identify to homeowners (and lot owners) on our water system what repairs and costs for providing water would be borne by the Water Department and what would be the responsibility of the owner.

On February 4, 2021, the Commission approved retaining Dubois & King to assist the Water Maser Plan & Roads Committee (WMP&R) in the development of a water ordinance. The WMP&R Committee (Jaime Oldmixon, John Herlihy, Stan Bujalski, & Terry Bennett) dedicated a great deal of time to researching and reviewing the proposed ordinance. When they arrived at a final version which was satisfactory to the committee, the Commission reviewed and adopted an amended ordinance in a public hearing on August 16, 2021. When the WMP&R Committee had compiled / received the necessary data about bedrooms, the number of residences receiving water from the District Water Department, and how many undeveloped lots are within 100 feet of a water line, they recommended a water rate schedule to the Commission. On September 16, 2021, the

Commission performed a public hearing regarding the rate schedule, adopting the schedule and setting the due dates for biannual payments. Both Public Hearings were conducted in compliance with NH law – notice was posted on the bulletin board at the Community Center, included in the calendar, Message Board, & News and Updates section of the Waterville Estates website, and published in a newspaper of general circulation.

This process, of changing how the District's water department is funded, was discussed at a number of Commission meetings. I broached the need to move to funding the Water Department in a manner which is compliant with the NH law in a January 2021 newsletter.

In accordance with RSA 38:26-29, the WEVD Commission has the power to adopt a water ordinance and set rates. It was the duty of the Commission to address this.

At the Commissioner meeting on March 17, 2021, Mr. Panuczak moved and we voted in favor of modifying our water system funding from using tax revenues (and the \$200 annual fee charged users) to the NH RSA Chapter 38, Sections 28 & 29 model.

For the April 24, 2021, Annual Meeting, the Commission elected to propose funding the Water Department in 2021 from *the unreserved fund balance* instead of using 'new' tax revenue – so we could be as close to compliant with Chapter 38 as possible. This proposed method of funding was discussed at the Budget hearing and other Commission meetings.

Please note, the Commission followed the advice of counsel as well as our MRI consultant throughout this process. The process has been open to the public and performed in accordance with NH law. [New Hampshire Constitution, Article I, Section 8: *All power residing originally in, and being derived from, the people, all the magistrates and officers of government are their substitutes and agents, and at all times accountable*

I appreciate that there is some concern about the decision to change our water system funding. I understand that this change is difficult for some. I can only reiterate what has been stated and communicated before – the Commission acted to bring the municipality into compliance with New Hampshire law. Funding the Water Department through fees avoids spending of tax revenue. **Funding the Water Department through RSA 38:28 and 38:29 makes the District eligible for state and federal monies to upgrade our water system and possibly make other infrastructure improvements.**

Commission decisions will continue to be based upon the recommendations of our advisory committees – ADA Accessibility, Budget Advisory, Outdoor Courts, Snowmaking, Records, WMP&R, and Website -- and the Planning Board. If you are interested in serving on one or more of these public bodies, please contact WEVD Management and volunteer. Committee membership is open to all citizens, regardless of residency status – full time or part time is inconsequential. Serving on the Planning Board is the only exception. With remote access, there is room for all.

Folks are always welcome to address their concerns to the Commission at our meetings. Please note that if someone is unable to attend a WEVD Commission meeting in person or remotely, they can send an email to our AGM to have their comments included in the Public Comment portion of any meeting. The Public Comment portion of our meetings follows the WEVD policy and sets a 3 minute limit.

Lastly, questions and concerns about the Water Ordinance can be directed to the Commission, the WMP&R Committee, as well as our Interim General Manager, John Scruton. Upcoming Commissioner and WMP&R Committee meetings are posted.

Thank you.

MAUREEN PATTI,
WEVD Commission Chair

Waterville Estates Association | 562 Winterbrook Road, Campton, NH 03223

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From Waterville Estates Village District Commission Chairman John Herlihy –

Greetings to the Waterville Estates community. I am the Chairman of the Waterville Estates Village District Board of Commissioners and I am sending out this letter to describe the relationship and authority between the two entities that govern our community. Some of you may be new to Waterville Estates and I hope this will help improve understanding of how our community functions.

The pandemic and the closure of WEVD facilities (Community Center and Ski Area & Lodge) ordered by Governor Sununu has impacted the ordinary workings of the District (WEVD) and the Waterville Estates Association (WEA). The District has consulted counsel to ensure the actions of the municipality comply with New Hampshire laws and protect you from Covid-19 exposure.

We have obtained from the attorney a description of both the specific authority provided to the District (WEVD) under New Hampshire law and the role WEA has, as a private organization, in relation to the District. I would like to share with you some thoughts on the matter.

WEA is a homeowner's association that was incorporated in 1972 for the purpose of renting, leasing, owning, operating, and managing certain recreational common property. The Association is funded by dues, fees, and concession revenues. As a **private corporation**, WEA is not a municipal organization and is not subject to the New Hampshire laws regulating municipalities.

WEVD is a village district created in 1977. As a municipal entity, Waterville Estates Village District was created for specific, limited purposes. In the beginning, the purpose was for the layout, acceptance, construction, and maintenance of **roads**. In 1981, the District purposes were expanded to include: (1) the supply of **water**, (2) the construction, maintenance and care of **parks and commons**, and (3) maintenance of **activities for recreational promotion**. In 1982, one last purpose was added – the impoundment of water. WEVD is funded primarily by property tax revenues. The District is a **municipality referred to as a political subdivision of the State of New Hampshire**. **WEVD is subject to NH municipal laws**.

When the District was created, WEA held common property for use by all WEA members in good standing. This common property consisted of recreational facilities including the Community Center, swimming pool, tennis courts, and more. In 1988, a deed was executed transferring the community building and surrounding recreational facilities from WEA to WEVD. The deed contained a restriction which I have included here:

The above premises has previously been dedicated as Common Property pursuant to the Waterville Estates Property Restrictions, Easements and Covenants, . . . as the same have been or may in the future be amended. The premises are conveyed subject to such Property Restrictions, Easements and Covenants and the right of Owners of Waterville Estates to utilize said property for such purposes and under such conditions and restrictions as may be imposed in accordance with said Property Restrictions, Easements and Covenants.

In the event the above premises is not utilized as Common Property as intended and described in the Waterville Estates Property Restrictions, Easements and Covenants . . . this deed shall be considered null and void and all right, title and interest in and to the above described premises shall revert to Waterville Estates Association.

According to the deed, if the property is not utilized as Common Property, the property reverts or returns to WEA. In 2010, two more deeds were executed which transferred the ski area, lodge, and public works garage to the District with similar language. "This conveyance is subject to the condition that should the within-described property not be utilized for public purpose then it shall revert to the Grantor."

This deed language (the possibility the Community Center and Ski Area may revert to WEA) has caused questions regarding WEA's authority as it relates to the District's municipal operations.

The District is a municipality, a political subdivision of the State of New Hampshire and subject to different statutes and requirements than a private corporation.

Under RSA chapter 52, the District is authorized to hold real estate, manage and control its property, and raise and appropriate funds for a specific purpose. The deeds which conveyed the property to WEVD provide the District with the authority to manage the property for its intended purpose – the maintenance and care of parks, commons, and recreational activities. The fact that the property may revert to WEA if the District fails to utilize the property for a public purpose has no bearing on the District's independent authority to control, maintain, and operate its property.

The District must follow restrictions and statutes governing municipalities. For example, the District cannot raise and appropriate money for items other than the specific purpose for which the District was created. The District cannot raise funds without following the rigid budgeting and annual meeting process. The District is limited in what money it can accept from private individuals and/or groups and what type of funds it can maintain. Any unanticipated funds received by WEVD throughout the year and municipal funds, such as the recreational revolving fund created in 2006, are guided by specific statutory limitations and restrictions. The District is subject to statutory penalties and actions if proper municipal processes are not followed.

Both the District and WEA have entered into a Maintenance and Recreation Management Agreement (RMA). The purpose of the RMA is to formalize the operation and financing of the recreational facilities owned by the District. The current version of the RMA is from June of 2020. Our District and Association have been parties to earlier versions of the RMA for decades. Earlier versions of the RMA utilized same or similar language as the June 2020 RMA.

Under the RMA, WEVD is responsible for operating recreational programs, maintenance of facilities, construction of recreational capital improvements, and providing for a "safe and inviting environment of all common areas." Regarding safety, the District has "universal and unilateral authority to take actions to manage its responsibilities relative to safety and professionalism." The District is also responsible for providing personnel, equipment, and accounting/billing services.

Each November WEA is responsible for identifying a specific "irrevocable commitment" of money WEA "shall make available" to the District for recreational activities. At the time it identifies its "irrevocable

commitment," WEA is further required to provide a formal program proposal of recreational activities with associated costs. WEA is also responsible for providing a proposal for recreational capital improvements. A failure by WEA to submit the proposal for Recreational Activities will be considered by WEVD as there being no change from the prior year's recommendations.

Once WEA notifies the District of its "irrevocable commitment" and program proposal, the District must accept or deny the proposal. WEVD can provide additional funds to deliver services required by proposed Recreational Activities. If the District accepts WEA's proposal, both WEA and the District must meet to discuss and reconcile budget and program issues.

Once the budget and programs are finalized, WEA is required to pay a Management Fee quarterly after services are rendered (for personnel & equipment to provide services related to recreational activities AND accounting, billing, and clerical). WEVD employs the 'individuals' (Corey & Judy) who manage the delivery of 'services' (skiing, bars, pools, pond, tennis courts, dining, cleaning the facilities, etc.). WEA is also required to pay an "irrevocable commitment" in quarterly installments or when those services are rendered.

WEA's duties include the establishment of policies for the maintenance of recreational facilities "so long as said policy does not interfere with the governmental operation of WEVD." WEA is responsible for confirming the common property is enjoyed by eligible property owners and non-property owners approved by WEA. Finally, WEA "exercises final approval of all recreational activities which are to be funded by the Association."

In summary, although WEA and the District operate as independent organizations, their functions overlap in certain key areas. Notably, as it relates to the RMA, both WEA and the District are obligated to fulfill certain duties and should work to meet their obligations under the RMA. Most importantly, unlike WEA, the District is subject to specific statutory municipal requirements that it must adhere to. The District risks liability and exposure if it ignores its municipal obligations as required by law.

WATERVILLE ESTATES VILLAGE DISTRICT

June 27, 2019 MEETING MINUTES

Attendees: Andy Griffiths, Art Marks, Judy Kinney, Matt Smith, Sean Tole, Ted Kunz

Guests: Mike Hering, Harry Bertino, Ross Bouchard, Bill Cox, Arnold Goodman, Karen Young.

Called to order: Mr. Marks at 3:01 PM

Review and approval of Meeting Minutes: April 24th 2019 motion to approve by Mr. Griffiths, seconded by Mr. Tole, passed. May 5th 2019 motion to approve by Mr. Tole, seconded by Mr. Griffiths, passed. May 23rd 2019 motion to approve by Mr. Griffiths, seconded by Mr. Tole, passed.

Treasurer Report:

Operating Accounts Balance:	Northway	\$20,070.44
	<u>MVSB</u>	<u>\$132,376.09</u>
	Total	\$152,446.53

Water Department Balance: Northway \$36,047.17

Rec. Fund Account Balance: Northway \$31,047.17

Friends of Campton Mt. Balance: Northway \$28,850.67

Tax Collection as of today's date (Town, year, appropriation, balance): Campton, 2015, \$985,422, \$33,412.72. Campton, 2016, \$985,552, \$13,395.88. Campton, 2017, \$976,757, \$3,547.92. Campton, 2018, \$1,069,955, \$35,093.68. Campton, 2019, we have received \$8,473.47. Thornton, 2016, \$290,944, \$1,426. Thornton, 2017, \$299,741, \$0. Thornton, 2018, \$324,690, \$15,737.83.

Manager's Report:

Water system updates: On June 22nd there was a low-pressure situation on Hodgeman Hill, called in Lakes Region Water. Installed an air release valve at pump house. **Mr. C. Smith getting quote on updating water line over Hodgeman Hill. Steve to get quote from GSM to repair paving where water leaks were fixed over winter.** Level transducer went on Pegwood tank, Tom Ferrin coming from RI to fix it.

Reserve Advisors: This item on hold until Mr. C. Smith has returned from vacation. Mr. Marks provided a rough explanation of what services Reserve Advisors provides. Mr. Hering expressed concerns about the cost of the report versus the accuracy of the report.

Long Term Planning Update: Game Room was discussed. **Mark Canfield to produce a vision statement for WEA capital improvements.**

Association Talent Registry: A portal was provided on the web site to identify talents in the community. The response has been good.

Maintenance Action Item Update: Eric is almost done with inside mahogany fence. Inside painting complete working on outside. Found some rot. Rowell's came and addressed some drain issues. Over this past weekend, fire alarm problems occurred. Was a result of failed packing in the main sprinkler valve. Replacing all four toilets in Men's Locker room. ADA bathroom still an issue. Scoped 60' out line and found broken pipe.

Adopt a Road: Scott Monroe wants people to adopt a road for trash clean-up.

CIF Mission Statement: A mission statement was adopted by the WEA board. Waterville Estates Association (WEA) Board of Directors (BOD), as the duly elected governing body and fiduciary of WEA, is dedicated to the useful, productive, and ethical expenditure of Capital Improvement Funds, on behalf of the community at large, in a manner that is legally consistent with Internal Revenue Service (IRS) guidelines, operationally consistent with General Accepted Accounting Principles (GAAP), and functionally consistent with the intended purpose of the fund, as defined in the community's governing documents, restrictions, easements, covenants, and by-laws, while remaining cognizant of current short and long term plans for the betterment of the community for its owners. Accepted examples of Capital Improvement expenditures, per IRS and GAAP (GASBY) guidelines include the following: Fixing a defect or a design flaw, Creating an addition, physical enlargement, or expansion, Creating an increase in capacity, productivity, or efficiency, Rebuilding property after the end of its economic useful life, Replacing a major component or structural part of the property, Adapting property to a new or different use.

Association/District Interplay (Lease, Management Agreement: This item on hold until Mr. C. Smith has returned from vacation.

Associations Vote for Paving Contributions: \$83,000 was approved from CIF for ADA lift, paving, and Tennis/Pickle Ball Court. Mr. Bertino expressed concerns about voter appropriated funds getting redirected when money is provided from the CIF. Mr. M. Smith proposed that concerned voters put forward a warrant article to codify a procedure, if one does not already exist.

Financials:

District Operations: \$40,000 misc. income is insurance check from truck rollover. Costs shown under equipment repair and truck repair. Auditors directed it be shown this way. Accounting, Taxes, Audits line item is high because it includes 2017 audit costs. Payroll expenses up because cloud-based software didn't include all fees, so WEVD went back to software version which will save more in the long term.

Water Department: Nothing extraordinary to report.

Rec. Fund: Landscaping close to budget line but spent \$3000 on mulch.

Friends of Campton Mountain: Nothing extraordinary to report.

New Business:

Annual Propane Contract: Mr. C. Smith advised we had the \$1.50 propane rate again.

Underage Drinking Incident: A daughter of a new owner came in with an open alcoholic beverage and was underage.

Searchable Village District Document Archive: Mr. M. Smith indicated that we would be scanning village district documents so that they could be searchable.

Protecting Our Capital Assets from Inflation: Mr. Tole suggested using CD ladders or brokerage savings accounts to protect our savings from the ravages of inflation. Mr. Tole and Mr. Kunz will investigate options.

Old Business:

District liability for gazebo/ pergola on Armsby: It's a trellis and will be allowed to stay. The owner was advised, in writing, that we would accept no liability.

Guest Business:

WEA Building Committee: Mr. Hering advised as a courtesy to the village district, that the building committee has received an application from Mark Canfield for an attached garage. Setbacks are not met, but the building committee may grant a variance.

Water System: Mr. Bouchard proposed the village district consider floating a bond to upgrade the water system including wells today versus 10 years from now. He pointed out the low interest rates today and the low cost of money.

Mold in Men's Bathroom: The mold was soap residue and Rowell could not find a leak.

CIF versus Village District Tax: Mr. Bertino asked that the commissioners review IRS guidelines on the use of CIF versus Village District funds.

Set next meeting: July 25th, 2019, 3:00 PM

Adjournment: Mr. Tole motioned, Mr. Griffiths seconded, commissioners approved 4:39 PM

This document was produced by Maureen Patti, Chair of the Board of Commissioners of the Waterville Estates Village District (WEVD) to answer a number of questions about water rates.

First, I appreciate that this **change in the way the District funds our water system** is unappealing. No one wants the cost of ownership here in the Estates to rise. The decision to move from funding our water system with both tax revenues and the \$200 annual fee to homeowners was not an easy one to make. A great deal of time and resources went into the **decision-making process**.

I learned of the need to have our Water Department funding comply with New Hampshire statutes after I was appointed a Commissioner in November of 2020. It began with a consultation with legal counsel at the New Hampshire Municipal Association.

[From their website: *The New Hampshire Municipal Association, Inc. (NHMA) is a nonprofit, non-partisan membership organization of municipalities established in 1941. It is a member-funded, member-governed, and member-driven association that works to strengthen New Hampshire cities and towns and enhance their ability to serve the public. Through the collective power of cities and towns, NHMA promotes effective municipal government by providing education, training, advocacy and legal services.*]

From NHMA, I learned that to comply with NH statutes, we needed to move to funding with only water rates and not continue utilizing a sort of hybrid of both taxes and, beginning in 2018, an additional flat fee of \$200 to homeowners.

The Commission next consulted with District legal counsel who also directed that we shift to a rate-based system for funding Water Department.

RSA 38:28 Water Rates – For the defraying of the cost of acquisition, construction, payment of the interest on any debt incurred, management, maintenance, operation, and repair of water systems, or construction, enlargement, or improvement of such systems, the governing body, or the board of water commissioners, if any, may establish a scale of rates to be called water rates, may prescribe the manner in which and the time at which such rates are to be paid and may change such scale from time to time as may be deemed advisable. The amount of such rates may be based upon the

consumption of water on the premises connected to the water system, or the number of persons served on the premises, or upon some other equitable basis.

The Commission made the community aware of this issue through discussions at meetings as well as in a January 2021 newsletter sent to the community via Constant Contact and posted on the (old) website.

The Commission hired a consultant to assist with the development of a Water Ordinance that would address WEVD responsibilities for providing water, repairing broken lines, etc. (See Commission minutes of 02/04/21 and 03/17/21) The goal of the District and the Water & Roads Committee members was to craft as complete an ordinance as possible that would move to charges based on usage (via meters) and ensure that WEVD was complying with NH statutes.

When it came time to craft the 2021 WEVD proposed operating budget, the Commissioners recommended funding the Water Department in 2021 from unreserved fund monies and the \$200 annual charge to homeowners. (Not using 2021 tax revenues at all.) The discussion about this shift for the 2021 budget as well as the move to a rate-based system for water occurred at the Budget Hearing on March 13, 2021.

Additionally, I learned (from attending training with the New Hampshire Department of Environmental Services (DES) with members of the Water & Roads Committee) that the DES prioritizes grant and low-interest loan submissions for water systems which are compliant with New Hampshire statutes, RSA 38:28, 38:29. Change was necessary in light of the large amount of federal American Rescue Plan Act monies delivered to New Hampshire (as well as other Covid relief federal infrastructure funding), the existing State resources available for municipal water systems, and the extensive & costly repairs/upgrades needed for our 50+ year old water system.

After the engineering firm completed their work on a water ordinance and it was recommended for approval by the Water & Roads Committee, the Commission conducted public hearings regarding the Ordinance as well as the rate schedule. The minutes for these public hearings are available on the WEVD website (www.waterville-estatesnh.gov). (The most recent Water Ordinance Public Hearing occurred on April 20, 2022, with a follow-up scheduled for May 18, 2022. The draft minutes for the 04/20/22 public hearing are scheduled to be reviewed/approved at our meeting on May 18, 2022, at 4 p.m.)

Communication about the change to our water system funding continued. There is a Constant Contact document to a WEA Board member.

In preparation for the 2022 Annual Meeting, the Commission discussed in meetings and distributed an informational notice regarding the number of repairs and upgrades our water system needs. (See Commission 02/16/22 minutes)

The Commission directed WEVD Management to purchase and install a meter to track water usage at the Community Center. (The Ski Lodge already has a water meter.) The Commission has authorized payment by the District to the Water Department for water used at these community assets. The District is also paying the water rates for undeveloped lots owned by WEVD and the Highway Garage.

You can see, in terms of **transparency**, the Commission has been discussing and deliberating this change in the funding scheme in public meetings and public hearings which were properly noticed. The issue was addressed in at least one newsletter. The Water Ordinance itself was distributed more than once as part of a meeting/public hearing handout and is available on the District website. We have been alerting our neighbors about **the need and the reasons to make this change for over a year.**

The WEVD Community Water System Water Ordinance provides for meters to be installed in new construction. The Commission has approved the purchase of meters for installation by existing homeowners. **As the installation of meters progresses and the Water Department gathers data about usage, the Commission will move to amend the Water Ordinance to set rates based on actual usage as measured by meters. At this time, while we are building meters into our water system, the District must rely on a formula-based approach to cover the cost attributable to usage.**

Second, **the Commission did not purchase a snow making machine.** The snow gun was purchased by our HOA, Waterville Estates Association and is metered. The Recreation Fund is paying for the cost of water. There is a distinction between the functions and responsibilities of these two organizations. The Village District is responsible for roads, water, and maintenance of our community assets. (Please see Mission Statement, below)

[From our website: *The Waterville Estates Village District is the municipality responsible for Roads, Water, and Community Properties in the Estates. The governing body, the Commission, is responsible to comply with New Hampshire law in its operations. The Commission is charged with responsible spending and setting policy in accordance with the actions of the WEVD voters at the Annual Meeting.*

The Waterville Estates Village District seeks to efficiently and effectively provide the following: an adequate supply and delivery of quality water; road maintenance; maintenance of the community assets/buildings and other infrastructure owned by the District; and support for recreational programs as agreed upon with the Waterville Estates Association. Our mission is the maintain or enhance the remarkable and rewarding quality of life experienced by all property owners in Waterville Estates.]

As the governing body of the District, the Commission has limited and specific purposes. Under New Hampshire law, municipalities have only the authorities granted to them by statute(s) and adopted by the annual meeting. As a result, the District cannot provide trash/refuse removal services when the Transfer Station changes its hours. The District cannot install additional mailboxes at the Community Center so there is a box assigned to each individual residence.

The Association is not limited in this way. The Waterville Estates Association is a Homeowner's Association which enforces the regulations and bylaws that each owner must follow to remain a member in good standing. The Association, through its Board of Directors, also collects dues, administers the Capital Improvement Funds (the fee paid upon transfer of property in the Estates -- \$2,000 for a residence and less for an undeveloped lot), and funds the Rec Fund which pays for recreational activities at the Community Center and Campton Mountain.

To best understand the difference between the municipality which administers the Waterville Estates owners' tax revenues and the Homeowners' Association which administers recreational activities and ensures the covenants for all owners are followed, please review the letter/newsletter from Commissioner John Herlihy. The Recreation Management Agreement was later modified in late December 2021. The description of the differences between our municipality and our HOA remains, however, the same.

The WEA Board makes the determination about when CIF monies should be used/spent. In 2021, for example, the Association Board contributed nearly

\$50,000 toward the acquisition and installation of a new boiler system in the Community Center. The renovation of the locker rooms at the Community Center was funded by CIF funds and a smaller amount of tax revenues which had been allocated for that purpose by the voters at the 2019 Annual Meeting. The CIF policy can be found in the WEVD Commission Meeting Minutes of June 27, 2019.

Third, the determination to secure a \$200,000 loan and re-do the outdoor courts (tennis and basketball) was made by the voters at the 2021 Annual Meeting. This project was a separate Warrant Article. The **funding** for this project comes from both the loan (payments to be made with **tax revenue** over 5 years) **and** the WEA Board's commitment of **\$65,000 in CIF monies.**

The dedication and concerted effort of the members of the Outdoor Courts Committee made the rebuilding of the outdoor courts possible. The committee conducted over 23 meetings and did extensive research before recommending an experienced, qualified, and well-regarded contractor to perform the replacement of a valued community asset.

Finally, I hope this document clarifies how and why the Estates shifted to funding the Water Department with water rates. It is also my hope that this history sheds light on all the time and effort your neighbors are contributing to improve Waterville Estates – the critical infrastructure as well as the wonderful experience of living here.

Regards,

MAUREEN PATTI

WEVD Commission Chair

May 18, 2022

Waterville Estates Village District

August 16, 2021

Commission Public Hearing

Attendees: Commissioners Maureen Patti, John Herlihy, and Gerry Panuczak; Assistant General Manager Judy Kinney, Harry Bertino, Stan Bujalski, Terry Bennett, Jack Letvinchuk, Ned McElroy, Becky McElroy, Jim Murphy, Arnold Goodman

Attendees via Zoom: Interim General Manager John Scruton, Jaime Oldmixon, Nick Sceggell (employee of Dubois & King, a consulting engineering firm), additional unidentifiable parties.

Call to Order: Ms. Patti called the Public Hearing to order at 9:23 AM.

Roll Call of Commissioners: Ms. Patti, Mr. Herlihy, Mr. Panuczak present at the Summit Lounge.

Review of proposed Water Ordinance: Description of history for Water Ordinance by Jaime Oldmixon. Determination, after consultation with NH DES and NHMA, that WEVD did not have a proper Directive Water Use Ordinance on file with State offices, DES, Campton, or Thornton. "We realized we really didn't have a proper Water Ordinance." The Committee sought assistance from the firm of Dubois & King (a consulting engineering firm) to make sure the Ordinance is completely compliant with state and federal laws and is tailored to our particular community. Per N. Sceggell, from Dubois & King, creating a Water Ordinance provides the municipality the legal basis upon which you can charge for providing water to customer.

Mr. Panuczak asked Mr. Oldmixon how the Water Department will be funded. Mr. Oldmixon described two elements in the water rate. The availability charge which is 60% of the full water department budget and includes all the costs of maintaining the system – the infrastructure and operating the system short of what it costs to pump water through the lines. We take that number and divide it by the 838 properties in the community. Each property will pay the availability charge. Then, if you have a developed lot, you get a usage charge, the other 40% of the budget. We have done a census from the tax records of all the homes in the District and come up with a number of around 1940 occupants for the whole community. You divide that 1940 into the remaining 40% of the budget and that gives you one occupant rate. As an example, using a Water Department budget of \$500,000, the availability charge amounts to \$300k which, divided by 838 properties, becomes a \$358.00 annual charge per property. The usage charge, which is 40% of the total budget amounts to \$200,000. Dividing that by 1942, you get \$102.99 per occupant. Those with existing wells will be exempted from these charges. But all other properties will be charged the availability charge – that is what is new.

The annual rate schedule breakdown (for a \$500k annual budget) is: undeveloped lot \$358; 1 bedroom \$563.97; 2 bedroom \$666.96; 3 bedroom \$769.94; 4 bedroom \$872.93; 5 bedroom \$975.91; 6 bedroom \$1,078.90; 7 bedroom \$1,181.89.

The methodology for this rate calculation is in Section 22 c on page 13 of the Ordinance.

Mr. Bertino asked if a bedroom is considered two occupants. Mr. Oldmixon explained the first bedroom is calculated as 2 occupants, but each additional bedroom is treated as one occupant. This is using the federal definition of occupancy. A studio is considered a one bedroom living unit.

Mr. Letvinchuk confirmed that a 4-bedroom home would, under this rate schedule, be charged \$872.93 and, stated, by his calculation, this is a 436% increase per annum. Mr. Oldmixon explained that property owners were paying, based on the value of their house(s), taxes that were used in the water budget before this proposed change in addition to the \$200 annual water fee. Mr. Letvinchuk said, "so that will decrease the tax rate?" Ms. Patti answered, "That is the expectation...we are deleting the \$200 water annual fee." Mr. Herlihy thanked Mr. Letvinchuk for his question and said, "it would be inappropriate to compare the \$200 dollar water rate which was a figure picked out of the sky with what we are doing today... (the water rate schedule) should be more representative of what it costs to bear the water system."

Mr. Panuczak asked for the plan to have the District and/or WEA pay their share of the water rates for the Community Center and the Lodge. Ms. Patti noted that on 8/21/2021 Commission Meeting agenda is a discussion regarding prioritizing the securing of meters for the Community Center and the Mountain so going forward the municipality is paying its fair share. So, the District facility's water use is not borne in the homeowners' rates. Mr. Panuczak expressed his desire for the District facilities to pay based on usage (measured by meter(s)) and not the occupancy rate.

Mr. Oldmixon noted that in the Ordinance, a metered rate will be developed. Once the metered rate is created, the commercial properties, being the Community Center and Lodge will offset part of that annual budget. Ms. Kinney asked about the rate to be charged for the Real Estate office next door. N. Sceggell suggested the community needs to come up with an equivalent dwelling unit comparison for that building – something that is fair. N. Sceggell said the idea with this initial rate schedule is to come up with a workable budget, knowing that there needs to be improvement of infrastructure in the community. He explained that the rate schedule may go up because there needs to be a bigger investment in the water system. N. Sceggell explained the goal is for a temporary system of generating revenue, and, ultimately, we will come up with a system that meters all properties so people will pay their fair share based on actual usage. Until then, there has to be a kind of sliding scale until we develop a meter rate.

Mr. Scruton asked if, in general, an office uses less water than a residence because there are no showers, etc. N. Sceggell suggested looking at other schedules to get some idea about water use by offices.

Mr. Herlihy mentioned an 8/25/2021 NH DES seminar regarding water systems addressing benchmarking rates, conservation, pricing, and affordability. N. Sceggell said he was already signed up to attend. Mr. Herlihy announced he would post information about the seminar if others wanted to attend (remotely).

Mr. Letvinchuk asked about who bears the cost to purchase and install a meter on a residence. Mr. Oldmixon and N. Sceggell explained the plan is to negotiate for the purchase of meters in bulk and provide the meter and necessary inspection for a small reasonable fee. WMP&R Committee member, Terry Bennett, described that the meters being reviewed could alert owners if there is a water leak when they are not home.

Mr. McElroy expressed concern about installing meters and how the grounding integrity of the older buildings -- relying upon copper or steel -- could be affected. This is not an issue for the newer buildings. He noted there may be a change in the grounding system and create fires. Mr. Scruton asked if a licensed plumber would be aware of this. Mr. McElroy said a plumber may not know. Ms. Patti said this is something owners need to be aware of.

Mr. Murphy addressed the Commission regarding a 1974 deed between the Hodgman Condo Association and Snow Base suggesting the terms of that agreement might impact whether Hodgman Condo owners could be charged for the supplying of water by the District. Ms. Patti said the District would consult with legal counsel and respond to Mr. Murphy in writing. Mr. Bertino asked if there were any subsequent documents which changed that 1974 agreement.

Mr. Panuczak addressed the WMP&R Committee and N. Sceggell, thanking them for their work on developing the Water Ordinance. Mr. Panuczak recounted how when he moved to the Estates he was surprised and shocked to learn that water services were partially paid from taxes. This practice was different than his previous experience in municipal operations.

Mr. Scruton summarized the new funding of water as follows: "You are going from a system with a \$200 per unit charge plus then the taxation supporting the rest of the fees to a structure in which there is a division in how the rate will be determined. Part of that rate will be determined based upon what I will call overhead, which is the cost of the system if it didn't pump gallon one. And then a differential rate based upon the amount of water which is actually pumped, which is based upon a per unit user type fee. So, the more bedrooms, the higher the costs will be. It is a combination of a fixed charge spread over all units whether they have buildings or not even and a rate structure that is related to the actual number of bedrooms in the unit divided into the 40% that is currently our estimate of what is the differential rate based upon usage."

Mr. Bertino asked about the curb stop policy and sought clarification about what parts of the water system, exactly, the District owns.

Ms. Kinney asked about getting push back from owners who have one or two occupants in a 3bedroom home. Mr. Panuczak answered that the three-bedroom house is what the taxation is built upon. Ms. Patti points out that the rate schedule mirrors how the old tax revenue-based system used.

Mr. Bujalski expressed concern about the building of 6- & 7-bedroom homes to be operated as short-term rentals, essentially running hotels. He noted this is an issue about compliance with WEA regulations. He suggested the practice of short-term rentals hosting many people in these investment properties will impact our water system. He supports the water rate schedule and believes the rates are fair and reasonable.

Ms. Patti initiated a discussion about the definition of "Clerk" in the Ordinance and the reference to General Manager's billing responsibility. Issues raised included obtaining a WEVD embossed seal. Ms. Kinney, Ms. Bennett, Mr. Scruton, N. Sceggell, and Mr. Oldmixon discussed why the Ordinance had certain language, in particular sections and the role of the duly elected WEVD Clerk.

Ms. Patti raised questions about hearings which are specified as "5 work days" but other instances the hearing described "5 days." Ms. Kinney and N. Sceggell suggested substituting "business days" and having all references to hearings to specify '5 business days'.

Ms. Patti noted there are places where there is a “hopscotching” or “daisy chain” of water lines. She asked how we address having a curb stop when houses are connected by daisy chaining. Mr. Panuczak referred to the map in the Appendix and described the situation on Porcupine Drive. N. Sceggell said there is not yet enough information about this issue to address it. Mr. Herlihy said there is no curb stop enforcement for homes that are daisy chained.

Mr. Murphy asked if the District or the Waterville Estates Association has access to, or a copy of, information about why the State discontinued the supply of water from Great Brook to Waterville Estates. Later in the meeting, Mr. Bertino asked about a reference in Association minutes from the 1990s and noted that Reservoir used to be called Great Wood. Ms. Patti said Dubois & King was required to review the historical official / NH records for all of the water system.

Ms. Kinney asked about condominiums because they are set up on one line feeding into multiple units. Mr. Herlihy answered it will be a case-by-case basis. Ms. Bennett suggested the Condo Association may want to pay the rate for the whole complex and then bill the individual unit owners.

Ms. Patti asked about page 13, Section 22 language about ‘resolution’ instead of “public hearing.” Mr. Scruton suggested modifying the section to read “by vote of the Commissioners after a Public Hearing.”

Ms. Patti noted that in the Appendix, under the Schedule of Fees, on Page 2, there was language she found unclear. Ms. Bennett and Mr. Oldmixon clarified. N. Sceggell suggested inserting language making clear that a portion (\$250) of the new water connection fee is non-refundable.

Mr. Bertino inquired about rates for accessory dwelling units. Mr. Oldmixon responded that that is covered by the WEA Regulations. All lots can only have one dwelling unit and we count the total number of bedrooms.

Mr. Bertino sought clarification about multi-unit structures. If they go to meters, each individual unit will be metered.

Mr. Bertino requested that there be no exemptions - that every house be on the water system. Ms. Patti said that the Ordinance requires every undeveloped lot that is within 100 feet of a District water line. Also, those residences that are not on the District water system (currently 3 residences that have their own wells). They have not paid the \$200 a year fee, but their taxes were being spent on the water system. They are exempted from the new water rates under the Ordinance. Mr. Murphy asked if the District had any NH DES reports/records regarding those 3 wells. Ms. Patti said any records the District, the WMP&R Committee, and Dubois & King has regarding our water system will be available.

Mr. Goodman asked how the well owners are assessed their share of the costs of water used to operate District facilities. GP & MP explained that ultimately the District facilities will be metered and everyone’s tax dollars will go to sustaining and maintaining the costs for operating the facilities – LPG, Electric, Water.

Mr. Bertino asked about the minimum PSI of the water system, stating if you want payment, there must be the required PSI.

Ms. Patti moved for amendments to the proposed Ordinance.

- I. Insert "duly elected" in section 1(a) on page 4 so sentence reads, "The duly elected WEVD Clerk shall file certified copies of the Ordinance, as well as certified copies of any additions and amendments to this Ordinance as may hereafter be adopted in the municipal records and provide the same to the District Water Superintendent and any designated enforcement officers." This motion was seconded by Mr. Panuczak. Roll call vote in favor was unanimous.
- II. Modify section 3(c) on page 5 to read " "Clerk" shall mean duly elected WEVD Clerk." " This motion was seconded by Mr. Panuczak. Roll call vote in favor was unanimous.
- III. Further modification of section 3(c) "The WEVD General Manager shall send out water bills, receive payment for water charges, issue notices for disconnection of water, and otherwise assist the WEVD in the operation of the water department." AND move this sentence to Page 14, at the end of section 24. Mr. Panuczak seconded the motion and the roll call vote in favor was unanimous.
- IV. On Page 11, section 15, line 10 insert "business" between "five" and "days." Mr. Panuczak seconded. Unanimous roll call vote in favor of the motion.
- V. On page 12, section 18, line 9, insert "business" between "five" and "days." Mr. Panuczak seconded. Unanimous roll call vote in favor of the motion.
- VI. On page 14, section 25, line 5, change "five work days" to "five business days." Mr. Panuczak seconded. Unanimous roll call vote in favor of the motion.
- VII. On page 13, section 22(b) at line 12, strike, after "from time to time" the word "resolution" and insert "by a vote of the Commissioners following a Public Hearing." ("...which is authorized by RSA 38:27 and 38:28 to establish or amend said rates, charges and fees from time to time by a vote of the Commissioners following a Public Hearing.") The motion was seconded by Mr. Panuczak. Roll call vote in favor of motion was unanimous.
- VIII. Page 11, section 15, line 9 to modify the reference to electronic mail but there was no second for Ms. Patti's motion
- IX. Page 2 of the Appendix, under Schedule of Fees, insert after New Water Fee, "a portion of which includes a non-refundable administrative charge of \$250: \$1000." AND striking line 3 of this section, "Administrative Fee if New Water Connection Fee." Motion seconded by Mr. Panuczak. Unanimous roll call vote in favor of the motion.

Discussion about whether the vote on the Water Ordinance should be delayed while waiting for consult with counsel regarding the 1974 Hodgman Hill Condo Association deed. Discussion included comments from Mr. Murphy, Mr. Scruton, Ms. Bennett, and Mr. Herlihy. Consensus was to proceed with the vote on the Ordinance and, if consultation with District legal means the Hodgman Hill Condo owners are to be treated differently, that could be addressed in an amendment to the Ordinance.

Rate Schedule not yet ready for consideration by the Commission. The discussion in the Public Hearing was using the 'as not yet confirmed numbers' regarding the number of lots not within 100 feet of a water line. WEVD Water Rate Schedule to be addressed at a future Public Hearing.

Mr. Herlihy moved for the adoption of the 19-page WEVD Community Water System Water Ordinance and the 6-page Water Ordinance Appendices as amended. This motion was seconded by Mr. Panuczak. The motion was passed unanimously in a roll call vote.

Ms. Patti moved to continue the Water Rate Schedule Public Hearing to September 1, 2021 at 6 p.m. Seconded by Mr. Panuczak. Motion passed in a roll call vote unanimously.

There is a separate water account. Per the Ordinance, the water department account carries any balance(s) forward to the ensuing year(s). Monies from the water fund cannot be diverted to other uses. All monies received can only be used on the water system.

Review of WEVD Charge for Copies:

Ms. Patti explained that, because no record was found by our AGM that the charge for copying was approved at a (properly noticed, including publication in a newspaper of general interest) public hearing, we must proceed with a public hearing as to this issue.

Ms. Kinney suggested the rate should be \$1 a page, consistent with what NH Superior Court and many other municipalities charge. Mr. Scruton suggested it could be either 50 cents or \$1 a page. This would address the costs for paper, toner, etc.

Mr. Scruton suggested the Commission adopt a policy that, if the District is providing electronic records and the size of the documents exceeds 5 gigabytes, the District will provide a new portable storage device upon which it will put the files and charge the requesting party the cost of the storage device, plus \$2.

As the other attendees and members of the public at both the physical location and on Zoom had left the public hearing at this point, Ms. Patti moved to close the Public Hearing re: WEVD Charges for Copies. This motion was seconded by Mr. Panuczak and passed by unanimous roll call vote.

Ms. Patti moved to adopt an official WEVD policy to charge \$1 per page for the production of hard copies to be provided to members of the public. Mr. Panuczak seconded the motion and the motion passed by unanimous roll call vote

Ms. Patti moved to establish a WEVD policy for producing on a portable storage device electronic data which exceeds 5 gigabytes and charging the cost of the storage device plus \$2. Her motion was seconded by Mr. Herlihy. Following further discussion and the suggestion of Mr. Scruton, Ms. Patti accepted an amendment to her motion (indicated in *italics*) as follows: when electronic documents *exist and* are requested by members of the public, and the data to be produced exceeds 5 gigabytes, the District will provide a new portable storage device upon which it will put the files and charge the

requesting party the cost of the storage device plus \$2. Mr. Panuczak seconded the amended motion. A roll call vote was taken and the (amended) motion passed unanimously.

Motion to Enter Non-Public Session: Mr. Panuczak motioned to enter non-public session at 11:42 AM, pursuant to RSA 91-A:3, II (a), 91-A:3, II(c), and 91-A:3, II(l). Ms. Patti seconded, and the motion passed unanimously by roll call vote.

Convening of Non-Public Session: Ms. Patti made a Motion to convene non-public session at 8:34 PM, it was seconded by Mr. Panuczak and passed unanimously by roll call vote. Other persons present during non-public session: Mr. Scruton and Ms. Kinney.

Return to Public Session: Ms. Patti made a Motion to exit non- public session, Mr. Herlihy seconded and the motion passed unanimously by roll call vote at 12:15 PM.

Public Session Reconvened at 12:17 PM. A Motion to seal non-public session minutes, due to the fact that it will adversely affect the reputation of any person other than this commission, was made by Mr. Panuczak, seconded by Ms. Patti, and passed unanimously by roll call vote.

Adjournment: Mr. Herlihy motioned to adjourn the meeting, Mr. Panuczak seconded, and the Motion passed unanimously by roll call vote at 12:19 PM.

Prepared by: Ryan Timms, WEVD Clerk

Waterville Estates Village District

September 23, 2021

Commission Public Hearing

Attendees: Maureen Patti, Gerry Panuczak, Interim General Manager John Scruton, Assistant General Manager Judy Kinney, Stan Bujalski, Harry Bertino, Jim Murphy, Loren Bennett, Judy Ryan, Marilyn Shostack
Attendees via Zoom: Sean Tole, William "Bill" Mitchell, Jaime Oldmixon, Erich Kikel, Rick LeBlanc, Mary O'Brien, Mark O'Hara, Trey Perry (Curry?), Bill Donohue, John Cox, Jeff Porter, other unidentifiable persons.

Call to Order: Mr. Panuczak, acting as Chair for this hearing, called the meeting to order at 3:00 PM.

Roll Call of Commissioners: Maureen Patti and Gerry Panuczak present at Summit Lounge.

Approval of Agenda: Mr. Panuczak moved to accept the agenda. It was seconded by Ms. Patti and unanimously voted in favor.

Public Hearing:

WEVD Commission adopted a Water Ordinance on August 16, 2021, following a Public Hearing. The Ordinance which was adopted had been proposed by the WMP&R Committee. The Committee worked with the consulting engineering firm from Dubois & King in the development of a complete and lawful ordinance for our community. (The Commission made several, minor changes to the recommended Ordinance before adopting it.) Now the Committee is proposing a water rate schedule and a billing cycle for the water rates.

Mr. Panuczak asked Interim GM J. Scruton to speak to the proposed water rate schedule. Mr. Scruton explained the old system for funding water used tax dollars and a flat rate and the newly approved ordinance moves to a rate that is designed to reflect consumption. The only true way to pay for consumption is through meters. Meters are envisioned in the ordinance but in the interim, the method, which was discussed with NH Department of Environmental Services, of using bedrooms was deemed a reasonable way to anticipate consumption - understanding some homes might use significantly less because they are used seasonally, and others might use far more consumption because of the large number of individuals in the units at some times.

The Water Department budget of \$450,000 includes a factor for bills that are not paid and we have to go to collection to obtain those payments. The 450,000 was divided by the number of properties that had access to the water line, reflecting overhead expense, and the second rate was based on the number of bedrooms.

Annual rate, total, for undeveloped lots rate \$322 because they have value - the capacity to hook onto the water system.

Annual rates for homes - overhead and utilization charges -- are as follows:

One bedroom	\$504
Two bedrooms	\$595
Three bedrooms	\$686
Four bedrooms	\$777

Five bedrooms	\$868
Six bedrooms	\$959
Seven bedrooms	\$1050

It is also proposed that there be two billings - December 1st and June 1st. In anticipation in advance or there would be no operating budget at the start of 2022. By billing twice a year, there is the opportunity to adjust the rates for June, if needed.

S. Bujalski added that, as a member of the WMP&R Committee, he has learned there is a great need for maintenance and upgrades to our water system. By following state procedures for water funding, we are going to be eligible for state grants and loans. The old way of funding our water system might've been the reason the District did not go after or receive State water grants before.

Another member of the WMP&R Committee, J. Oldmixon added that the rate structure proposed is based on a proposed budget amount. If the budget that is approved at the Annual Meeting by our community is less, the second billing will be adjusted to correct for a lower Water Department budget.

J. Oldmixon described the availability charge as follows: All properties that have the water system available to them are receiving a value and need to share in the cost. Availability charge is what it costs to operate the system and make water available. Looking at WEVD records, this is roughly 60% of the annual expenditures for our water system over past years. Availability charge does not include the cost of electricity and chemicals to actually deliver the water.

The usage rate, per J. Oldmixon, is roughly 40% of the annual expenditures for the community. This is broken down by occupancy which is based on a federal standard represented in ____ and ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) 62.2 which are calculations used to estimate heat and air conditioning load. It is an industry-wide accepted method to calculate the average occupancy. The calculation is based on 2 people occupying the Master Bedroom and 1 person occupying each other bedroom. This was the most equitable way for the WMP&R Committee could find to spread the usage cost throughout the houses of our community. When we get meters, we can determine a usage rate.

J. Oldmixon reported that from reviewing the NH Department of Environmental Services Dashboard, which includes the rates other similarly situated communities charge for water, the proposed WEVD rate schedule is right about in the middle of the price range of what other NH communities are charging for water. A lot of communities that charge less than we are proposing are operating in the red.

J. Oldmixon reported that WMP&R Committee has been meeting with different vendors - Neptune, Badger, & Census - to get information on what is available for use in the Estates. E. Kikel asked about the cost for billing software for meters. J. Oldmixon said the committee does not yet have quotes for those costs.

E. Kikel pointed out that Waterville Valley does not have meters, expressed concern for the additional costs / more overhead, and asked why the District needs to go to meters. J. Oldmixon said it is the most equitable way - you pay for the water you use. And it incentivizes people to conserve. Having a metered rate will definitely put us into consideration for state & federal monies that are coming available.

Mr. Scruton added that he anticipates people will add meters if they feel they are low users. The low users will put the meters in and we will have to develop a per gallon basis billing system.

E. Kikel commented that it looks like everyone's water costs are going up.

E. Kikel pointed out that there is a significant gap between the water department budget of 2020 (around \$300k) and the proposed \$450k budget. Mr. Scruton explained that 25% of the number is in anticipation of folks not paying and the District having to carry more collectables/receivables. Under the old system of funding with taxes, the District did not need to build the water department budget to include late payments or non-payments. With the newly adopted ordinance, all of the money coming in can only be used for water and, any money remaining in the Water Account at the end of the year remains in the account. With tax dollars, the money is, to some extent, fungible.

J. Oldmixon shared the actual expenditures for the WEVD Water Department in 2020 -- \$277k in expenditures.

H. Bertino addressed the Commission asking that the Public Hearing be moved to a Saturday so the other 1,900 customers of the water system could participate. He noted that another Public Hearing was conducted on a weekday at 9 a.m.

H. Bertino asked if anyone who was involved in the creation of the water fee was a WEVD or WEA employee at the time the rate schedule was developed. Mr. Scruton responded saying that the Dubois & King engineering staff are WEVD contractors and were so engaged when the rate schedule was developed. Also, that he, as an MRI (Municipal Resources Inc.) employee, is a WEVD contractor. Mr. Scruton explained that neither the Dubois & King personnel, nor himself, have any vote in what the committee recommended.

H. Bertino asked if anyone on the WMP&R Committee or any Commissioner, was a WEVD or WEA contractor, or WEVD or WEA employee at the time they were working on the water rates. Mr. Scruton answered, they were working in other areas.

Mr. Panuczak provided a point of clarity -- the 2020 Water Department budget was \$382,152.

L. Bennett reported that his wife, Terry Bennett, a WMP&R Committee member, was a WEVD employee for a brief period of time, employed to answer Community Center phones for several hours a day. There was a request for volunteers to answer the Community Center main number from 7:30 or 8:00 in the morning until such time as the (Front Desk) employees arrived. T. Bennett, according to her husband, wanted to volunteer to help out (for two or three days) but was informed she needed to be placed on the payroll so there would be worker's comp insurance coverage.

R. Leblanc, attending remotely, sent two comments: 1) landowners (undeveloped lot owners) should not be required to pay a fee for water they are not using and they should be given the option of putting in a well instead of using the water system, 2) will WEA and WEVD pay water fees for undeveloped lots they own and will people who own lots that are not buildable be charged as well?

Ms. Patti responded that she believes the issue of installing a well is a lot-by-lot issue and the availability charge assessed against an undeveloped lot requires the lot to be within 100 feet of the water line. Mr. Scruton noted that the Community Center and the Ski Lodge are going to be getting meters so the District will pay for the water use. Ms. Patti said she thought the District and WEA would be paying the \$322 for qualifying undeveloped lots (within 100 feet of a WEVD water department line).

R. LeBlanc asked if, funding the water system with fees and not tax revenue, the tax rate would go down. Mr. Panuczak answered: Yes, when the tax is calculated in the 2nd half of 2022, the water system will not be included in the tax rate. So, the rate will go down, however, the assessed value of your property determines the rate. Mr. Scruton added, this year's tax rate will not include the water department because the community

funded water for 2021 with unreserved fund monies. This means that your tax rate will not go up due to water next year.

R. LeBlanc asked if the \$200 annual fee that had been charged to water system users in the past would still be in effect. Mr. Panuczak answered the \$200 fee will not be charged.

S. Bujalski commented on undeveloped lots being charged the availability rate.

M. Shostack has been a WE resident since 1973. She notes we have had a lot of problems. The Estates went bankrupt twice, the Community Center burned down, my house burned down, I have been robbed twice and I am very dubious about this change. How efficient will this new system be? How smooth will the transition be to this new water system? Who is responsible for hooking up the meters? When will this all happen? Who do I contact if it does not run smoothly? I need a name. Mr. Scruton replied, right now we are working to get an employee certified and he will handle it. Right now, you would call J. Kinney or me, the Interim GM.

R. LeBlanc asked about who will be doing the meter installations? J. Oldmixon (later in the meeting) said the meter vendors will be recommending installation contractors that they have worked with in the state so we can have them installed to the same standards and you won't have to find a local plumber.

T. Perry commented the highest users, the full-time residents, put this plan into place and there is no incentive for these users to get metered. The only ones who will want to get metered are the second homeowners who don't really use that much water and may have a bigger house. If you are a full-time resident there is no incentive to get a meter. So how is this fair in any shape or form? As a second homeowner I couldn't vote or make any decision about this.

Mr. Scruton explained initially the low user will have incentive to get a meter. The ordinance makes clear this is a temporary rate structure, and the plan is to get everybody metered. The Commission will have to decide this issue later.

M. O'Hara commented that the only people who can vote at the Annual Meeting are residents who are registered voters.

T. Perry commented the full-time residents are the highest users.

Mr. Scruton answered: not necessarily. The heavy users are actually those owners who use their houses like hotels, with AirBnB, short time rentals.

Unidentified person asked Mr. Scruton to quantify that information.

M. O'Hara opined that the persons who rent out their houses are in the 10 to 15% rate.

R. LeBlanc commented that it seems like a conflict of interest because the people who likely use the largest amount of water are making the rules. If a full-time resident can use as much as they want, why would they add a meter? This is really directed to only one portion of our community - the second homeowners.

M. Shostack asked if owners don't hook up to a meter will it be a free for all? Ms. Patti answered the full-time residents will be assessed a rate based upon their bedrooms and it will not be a free for all. This change is difficult to address. The reasoning behind this change is to make the whole system more equitable and self-funding, to become compliant with NH law, to join the large number (percent) of communities who fund their water in this manner, and to position the District to maybe get state and/or federal grants and loans. We are making this transition into a new system following the suggestions to us from the engineering firm, from our Interim GM, from legal. We are not close to determining the magic number at which we will be ready to go to meter (per gallon) rate yet. That is what Mr. Oldmixon was speaking about needing to review the data from

meters before recommending a rate for what is actually used. We are trying to be as fair as we can in the interim.

Mr. Panuczak noted the water system account is an enterprise account which means if funds are not used, they stay in the account to be used for by the water department later. And the next billing cycle can be less. This makes us in compliance with NH law.

S. Bujalski commented on the us-against-them, full-time vs. part-time homeowners. He and his wife bought in the estates 12 years ago and were part-time owners for years. Ideally, this water rate would have been done years ago. Before, funding water involved payment of the \$200 lump sum (by all receiving water) plus a portion of your tax revenues based on the assessed value of your home. That was not paying for what you use. We are trying to get to the fairer system by metering. In the interim, we have a rate structure that might not be 100% fair, but it is a logical way to do it. It is not unique. This method has been used before. This method has been reviewed by the engineering firm, state agencies, and used by other communities. It is not coming from thin air. It is a proven way to handle paying for water until we get to metering. It's not us-against-them.

M. O'Hara suggested the way to address this is to give the part-time owners the right to vote.

B. Mitchell expressed concern about being disenfranchised as a part-time owner from Indiana. He is concerned about the decision to go to meters. While he has corresponded with the Interim GM and Commission Chair, he is not satisfied with the answers. He has produced a detailed analysis in correspondence to Commissioners and WEVD Management. There is totally unnecessary to go to a metered plan. It is not about complying with law. It is about shifting costs to homeowners without a reduction in the amount of taxes and Association dues. There is no evidence of comingling of water funds and the new plan is not equitable. The Commissioners have a fiduciary duty to act in the best interest of all. There is no comparative analysis of the fiscal impact of a metered system. B. Mitchell recommends:

- 1) the District should delay or reverse the decision to go to meters pending review of the actual need for meters and perform a comparative cost analysis with our current funding system,
- 2) the District should review its existing budget and prioritize individual line items eliminating duplicate efforts under the (unintelligible),
- 3) retain our existing approach it has worked well, does not co-mingle funds, is simple to administer, and is equitable to all,
- 4) the District should evaluate letting us transition to individual wells as they are cost-effective with minimal burden on infrastructure, the government costs are reduced, the system maintenance costs will be reduced because less demand, are equitable.

There should be no change to the funding of water because it is only raising the cost of ownership.

Mr. Scruton commented that wells are not feasible for most because in NH a 150 foot radius from any septic system is required and most lots do not have enough room to install wells.

E. Kikel asked where did the number of residents for the community come from? (1977 in the usage charge portion of the rate calculator) J. Oldmixon described how he went to the towns (Campton and Thornton) and pulled tax records for each property. It took 20 hours to compile a census. He pulled each building card for each dwelling.

E. Kikel asked about the calculation for number of residents - the master bedroom consists of two persons with one additional person for each additional bedroom.

L. Bennett advised the Commission that he and his wife own two homes - one in Florida and one in the Estates. They are both very happy with the communities they live in. He chooses to make NH his legal residence. He gets to vote on taxes, he gets to vote in elections, and it is his home. In Florida, he does not get to

vote on school taxes, county taxes, etc. L. Bennett thanked all who worked to develop the ordinance and expressed appreciation for all the hard work that went into the development of the ordinance and rate schedule. He noted that he was without water a year ago. He said he believes there has been years of delayed maintenance and years of neglect on the water system. We all are in a lot of trouble if we have no water. He intends to put a meter on his home. He wants to pay for what he does use and not pay for what he doesn't use. Commended everyone for working towards that goal.

E. Kikel commented that he wants to pay for what he uses.

B. Donohue asked if those owners with wells will be exempted from the rate. Mr. Panuczak answered "yes". Ms. Patti stated that when the \$200 annual fee was enacted in 2017, owners who were on wells were exempted then. J. Oldmixon confirmed those homes with wells are not included in the census (and rate calculator).

J. Cox suggested that it would be best if full-time owners lead by example and install the meters at the same time and part-time owners - perhaps if there was a deadline. It would go a long way toward making us all feel we are being treated equally.

J. Oldmixon the WMP&R Committee is trying to determine how much it will cost to install meters. We have applied for a Drinking Water Revolving Fund low-interest loan and that could be one of the projects we funded with the loan. We really want to get meters in every home in the community.

Mary O'Brien asked if a 5-unit building is going to need 5 meters. Mr. Scruton answered that it will depend on the plumbing of the individual building. There will be some units we will not be able to put a meter on. The goal is individual meters for each residence. It may be that the 5-unit building gets one meter, and the owners have to divide it up. This is something we will have to address once we have the information. We recognize there are some construction issues in some buildings. J. Oldmixon said if you have a shut off valve for your unit, we should be able to install a meter.

J. Cox suggests that the Committee reviews the cost for having meter reading technology in a vehicle. Mr. Panuczak said the Committee will look at that to make sure it is not a stumbling block.

B. Mitchell asked what the cost is for meters and installation. Mr. Panuczak answered we do not have that information yet. B. Mitchell said the rumor is it will cost \$1,500.

T. Perry asked what happens if the meters are cost prohibitive, what is plan B? Mr. Scruton answered, the costs we are looking at for meters is \$300. If the cost for installation is cost prohibitive, then we would have to rethink this move to meters. T. Perry said water comes into his house through the slab behind the toilet, making installation difficult/costly. Mr. Scruton said if construction details mean it can't be done in certain places. Mr. Panuczak said, as we move to a system that is compliant with state law, we want to be a part of the infrastructure monies from Washington. Mr. Scruton reported hearing the total for water was 1 billion dollars

No further comments or questions. Mr. Panuczak closed the public hearing and moved for the adoption of the Water Rate Schedule and the Payment Schedule as proposed by the WMP&R Committee. Ms. Patti seconded. An earlier water rate schedule has been circulated but the WMP&R Committee recommended a budget of \$450,000. Mr. Scruton clarified, it is the water rate calculator with \$450,000 the amount to be raised, 838 properties, 1977 users, billing December 1st and June 1st. Mr. Panuczak accepted the clarification/amendment to his motion, Ms. Patti seconded, and the motion passed with unanimous roll call vote.

Ms. Patti moved to make 6-page letter from William “Bill” Mitchell an official attachment to the minutes of this public hearing. Mr. Panuczak seconded, and the motion passed by unanimous roll call vote. B. Mitchell noted that the letter contained calculations based on \$320,000. Ms. Patti invited Mr. Mitchell to submit an updated letter which contains calculations based on the proposed \$450k budget and she will move to make it an attachment at the next meeting.

Ms. Patti moved to make Water Rate Calculator an attachment to the minutes of this public hearing. Mr. Panuczak seconded. Motion passed unanimously with a roll call vote.

Ms. Patti moved to cancel the WEVD Commission Meeting scheduled for September 29, 2021. Mr. Panuczak seconded. Motion carried unanimously by roll call vote.

Mr. Panuczak thanked all the volunteers on the WMP&R Committee and WEVD staff who worked on the project, calling it a huge step forward for our community to access state/federal infrastructure funds and brings us into compliance with state law.

Mr. Porter asked if there was a timeline for deciding on which meter we will be using? J. Oldmixon answered, no timeline yet. WMP&R Committee meeting with a second vendor on Monday.

E. Kikel requested that when looking at the meters, will District include the recurring maintenance costs? Mr. Panuczak answered, Yes.

Ms. Patti announced that any RFP or bids will be made public so everyone can review and make comments/suggestions.

S. Bujalski commented how impressed he has been by how many of the Estates community members have technical expertise and they have given of their time, expressing thanks.

Adjournment: Ms. Patti motioned to adjourn the meeting, Mr. Panuczak seconded, and the Motion passed unanimously by roll call vote at 4:43 PM.

Prepared by: Ryan Timms, WEVD Clerk

Waterville Estates Village District

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Approved as amended on April 21, 2022.

Waterville Estates Village District

April 6, 2022 Commissioners Meeting and Public hearing APPROVED Minutes

Attendees: Commissioners Maureen Patti and Dave Spinney. Interim General Manager John Scruton, Assistant General Manager Judy Kinney, Financial and Administrative Assistant Allison Smith, Andy Griffiths, new WEA President, Gerry Panuczak, Harry Bertino, Barry Danzig, Christopher Fagas, John Cox, David Ketcham.

Attendees via Zoom: Mark Canfield, Ralph Wilbur, Rick LeBlanc, Jaime Oldmixon, Matt Antinoro

Call to order: Chair Patti called the meeting to order at 6:01 PM

Roll Call of Commissioners: Ms. Patti and Mr. Spinney were present at the Summit Lodge.

Approval of the Agenda: There were no modifications made to the agenda and it was adopted by consensus.

Appointment of new Commissioner

Ms. Patti read in the statement from Mr. Herlihy about his resignation as follows:

“Dear Ms. Patti;

I have enjoyed the opportunity to work with many dedicated contributors in my time as Commissioner, however it has become evident that I should take the advice of my physician and seek other avenues of interest.

The efforts of my cohorts with the development of our Water Ordinance, its study, engineering and planning will carry on for the benefits of all. I would be inclined to continue contributing on the Water and Roads Advisory Committee, in order to support the momentum of these efforts and to share the best practice development garnered through the process.

I wish you all well and will support and thank the volunteers whose good work continues to contribute to the infrastructure with improvements we all use and enjoy.

I hereby tender my resignation of the position as Commissioner at the Waterville Estates Village District, effective immediately.”

Ms. Patti then read in her own statement regarding Mr. Herlihy’s resignation:

“I will miss John and his dedication to improving our community. My decision to participate as a volunteer Commissioner was predicated upon my respect for John and his work ethic, professionalism, and unwavering focus on responsible spending while strengthening the District.

He refers to his work on the Water and Roads Committee in his resignation. I, however, credit him with much more. His insight and expectation for preparation and professionalism influenced many of the Commission's actions, and, ultimately, the policies and procedures we developed. His attention to detail helped guide decisions regarding municipal expenditures. His commitment to improving our community was steadfast, sincere, and vigorous. He never lost sight of why he threw his hat in the ring and stepped into the role of Commissioner.

Again, I will miss him and all that he contributed to this process.”

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Mr. Spinney joined Ms. Patti in thanking Mr. Herlihy for his commitment and for volunteering for this community and wishing him well.

Ms. Patti said that having accepted Mr. Herlihy's resignation, the Commission would need to appoint a new commissioner, who will occupy this position until the Annual Meeting in 2023.

Ms. Patti made a motion to appoint Gerry Panuczak as the Commissioner until the Annual Meeting in 2023. Mr. Spinney duly seconded.

Ms. Patti asked Mr. Panuczak if he would be agreeable to continue service the community as the Commissioner. He agreed. *Ms. Patti called the vote and motion passed with a unanimous roll call vote in favor.*

Ms. Patti swore in the newest Commissioner, Mr. Gerry Panuczak. AGM, Ms. Kinney, notarized the necessary record.

Mr. Panuczak and Mr. Spinney discussed their appointments to the Planning Board and decided that Mr. Spinney would need to resign from the Planning Board and Mr. Panuczak would be appointed as the ex-officio to the Planning Board.

Public Hearing re: Water Rates

Ms. Patti called the public hearing to order at 6:13 PM. Mr. Scruton provided the rationale for adjusting the water rates for the second billing based on the actual adopted budget and reducing the percentage for the uncollected billings based on the actual collection stats. He then went over the numbers for the second billing based on the proposed rate adjustment and noted that due to the budget going up, the rates have gone up respectively. Mr. Scruton answered questions about the reasons the budget went up, such as including half the Department Head position pay in it, adding a line for legal expenses, paying for fixing a water line, and financing a strategic study. He also noted some issues related to the water system that will need to be addressed in the near future, which is what the strategic study would research. Mr. Scruton also answered question about not using the full budgeted amount and what happens to the remaining funds, which he said would stay in a separate water fund and cannot be used for anything but the water projects. Another question was about availability of any other funds for the water projects, to which Mr. Scruton responded that the grant funds may become available, and that is why it was imperative to finish the asset management study and draft a strategic plan, which will allow the District to move forward in seeking grant money from the state or federal sources. Ms. Patti clarified if the strategic study was included in the budget and would possibly be reimbursed, to which Mr. Scruton replied that it was included and there is such possibility.

- Barry Danzig, 186 Summit Drive, thanked the Commissioners for their work and spoke about fairness and equity when considering the current water rate structure as in his case (he is a temporary resident with a three bedroom home and two vacant lots) he would be paying way more per year then someone who is always living in their house. He asked what the rationale was for the water structure fee and why such a high burden is placed on the undeveloped properties that do not have any use of the infrastructure. He also asked to provide some examples of similar water rate structures in local communities.

Mr. Scruton explained that the rationale was that the water infrastructure adds value to all the properties and maintenance of that infrastructure is essential to any prospects of developing those vacant lots. Therefore, it was determined that about 60 percent of the water budget would be fixed overhead and would be covered by the undeveloped lots, for development of which water availability

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is essential. Mr. Scruton said that he does not know of any similar communities but can look into it if the Commission deems it necessary.

Ms. Patti noted that the Lakes Region suggested an even bigger split of 85/15 between availability and usage.

- Mr. Danzig asked the Commission to review the rate one more time as he did not think that it made sense to the whole second homeowner community.
- Harry Bertino, 27 Condo Road, asked some clarifying questions about the numbers in the presented water structure rate, in particular about the occupants that is listed as 1977 and how this number was determined.

Ms. Patti explained that the methodology that was used to get to that number was ASHRAE 62.2 (standards for ventilation system design and acceptable indoor air quality).

- Mr. Bertino asked the Commissioners to clarify how many other communities have used the same methodology and what the number 1977 refers to – occupants or bedrooms? He also asked whether it would be more appropriate to refer such matters to the Water Department as opposed to the Water Master Plan and Roads Committee. Mr. Bertino also alluded that the funding of the water system was done through taxes for the reason of inability to calculate how many occupants or bedrooms there were in the community. Mr. Bertino reiterated his request to clarify whether the number stated was of occupants or bedrooms.
- Jaime Oldmixon, member of the Water Master Plan and Roads Committee, via Zoom, said that there is a NH court case David McGrath v. Town of Canaan in 2002 which upheld the availability charge for the undeveloped lots. He also clarified that the number 1977 is the number of occupants. The calculation was done by for each household by counting the number of bedrooms plus one, based on the assumption that the primary bedroom will have two occupants.
- Christopher Fagas, 3 Isaax Fox Drive, said that the water fee for their home is about 10 percent of their taxes; however, the vacant lot fees are over a 100 percent of the tax amount and that seems excessive. He said that he asked a friend to provide a ratio based on value and it came to be the same for a developed versus undeveloped lots, which is about 10:1 inequity, meaning lots are being charged ten times more than homes are being charged. Mr. Fagas said that the value of lots had dropped about ten thousand dollars per lot, and given that there are about 800 lots, it is an eight million dollar value loss. There probably would be a remedy for that if the Commission does not correct the structure.
- John Cox, 28 Snowwood Drive, asked if anyone has thought about what would happen if the people who own buffer lots will deed those back to their house lots, and what would happen the budget and water billing?
- Mr. Oldmixon said that the people are free to merge their lots and should that happen, which is unlikely, and then the calculation of the budget will be adjusted based on the number of total number of existing lots. He said that there are 313 vacant lots and 532 house lots, therefore, if all the vacant lots get merged with the house lots, then the 532 house lots will share the burden of the full budget.
- Mr. Cox asked why would the merged vacant lot, which simply makes the house lot bigger, be sharing the higher burden if the number of bedrooms does not change?

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- Mr. Oldmixon responded that the budget has to be covered regardless, in order to be able to operate the water system.
- Mr. Cox said that he feels that it is unfair that the people would be forced to merge their lots and that this water rate structure is unfair.
- Mr. Bertino asked Mr. Oldmixon if he know of any communities who use ASHRAE 62.2 and Mr. Oldmixon answered no. Mr. Bertino noted that he though that these standards were used by the federal government and there are rules against that, which he sent in. He also said that in this year warrant article there was no vote to bill starting 2021 for 2022 budget and that needs to be addressed as well.
- Mr. Fagas spoke about the issue of joining lots and that he was misinformed by the Town of Campton and Mr. Scruton about the status of Isaax Fox Drive ownership, which he was told was owned by the District, which turned out to not be the case. This made merging the lots impossible for Mr. Fagas, as he was told that the road was never accepted by the Town and was in common ownership by the abutting property owners.
- Mr. Scruton said that the issue is of who owns the road (the District of the property owners) and Mr. Fagas was told that he does not abut the land on the other side, therefore he is unable to merge.
- Mr. Fagas insisted that he was misinformed and therefore robbed of the opportunity to merge his lots, and that up until this year, when there was a warrant article to accept the 40 year old deed for the road by the District, he was the owner of the common property that was Isaax Fox Drive, and should have been able to merge the lots.
- Mr. Scruton said that he believed that the District did own the road, and that it was only clarification that was done via the warrant article to accept the deed. He added that he understood how Mr. Fagas feels.
- Mr. Danzig said that he already had merged one lot and his taxes went up and his property is no longer subdividable, therefore he is losing both ways. He also noted that Mr. Oldmixon's statement about the court case does not make this situation fair, and that it was unfair to charge the vacant lots 60 percent. He asked if comparing the amount of this charge to the value of the lot felt good to the Commissioners and asked them to reconsider it.
- Matthew Antinoro, 213 Hodgeman Hill Road, via Zoom, asked what avenues are available to temporary residents, who are not able to vote, to put forward a proposal to change the percentages? He added that even a split of 40/60 would go a long way towards healing what rifts may or may not exist.
- Ms. Patti said that speaking at the public hearing does give the non-voter residents a way to let the Commissioners know what their concerns are. She added that it gives a chance to the Commissioners to mull it over, but she thinks that maybe it does need to be discussed at the Committee level as well.
- Mr. Panuczak added that any resident, regardless of their voting status, can join the Committee and participate in the conversation as a member.
- Mr. Antinoro said that for some residents it is not feasible to join a Committee even with the Zoom option, and reiterated his request that the Commissioners reconsider the water availability/usage ratio.

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- Mr. Spinney explained that now that the water system is not funded by taxes, its operation is covered by a budget that has to be funded. If the District overbudgeted, the numbers may drop, and the budget has to be revisited annually, and every time with public input.
- Mr. Antinoro asked if he could get a pledge from the Commissioners that they would try to run the numbers for different ratios and make that information more available to the community.
- Ms. Patti said that she will explore the spreadsheet with Mr. Scruton and the Water Master Plan and Road Committee, trying to find out how the different ratios might work and will get the information out to the public.
- Mr. Scruton added that it would be helpful if the Committee looked at which items in the budget are fixed or overhead and which are flexible based on usage.
- Mr. Oldmixon said that this is what the Committee has done and looked at the last five years of costs. The last two years actually had a 65/35 split between overhead and usage related costs, but the average for the five years came up as 60/40. It was determined that the 60 percent availability charge would be applied to all the lots, regardless of their development status.
- Mr. Antinoro asked whether it would be possible to charge the usage fees to those who actually use water and charge a high connection fee to those who decide to connect to the water system later?
- Mr. Oldmixon said that that would dissuade people from developing and would not help meet the budget costs every year.
- Mr. Antinoro asked what it would be like if it was 100 percent usage and connections rates, whatever they are, as found money.
- Mr. Oldmixon said that then all the 532 homes will be responsible for funding the full budget.
- Mr. Antinoro agreed and said that that would be a great way to encourage water conservation as the people who use the most will be paying the most.
- Mr. Oldmixon said that this is why meters were proposed.
- Mr. Antinoro agreed with the meters but said that he thinks it is unfair that the undeveloped lots are burdened with paying the majority of the money towards the system.
- Mr. Oldmixon explained that the 60 percent is paid by all lots in the community, not just the undeveloped ones.
- Mr. Antinoro asked if Mr. Oldmixon thought it was fair that the owners of the undeveloped lots are paying money for the services they do not receive unless they decide to change the configuration of their lot.
- Mr. Oldmixon said that the way it was envisioned is that having the water line available to the lot raises its value, therefore the owner of the lot has to share the infrastructure costs. This is how it was introduced by the former General Manager to the Committee and the discussion proceeded from there. The percentages came out of the research the Committee had done based on the actual split of the overhead and usage costs. He suggested that if someone has a better calculation, they should bring it to the Committee for their review and determine if there are more equitable ways to fund the water system.
- Mr. Antinoro asked the Committee to proactively look for a more equitable solution.
- Rick LeBlanc spoke about the equitability issue and the fact that encouraging people to merge their lots will limit the potential for development, therefore, affecting taxes. He asked if anyone tried to rationalize the ratios based on the values of the homes and of the land and offered the

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Committee his help in doing so. Mr. LeBlanc noted that despite all the work the different committees are doing, none of their members are elected, and the ultimate decision making lies with the Commissioners. He reiterated his request to reconsider the rates and offered to share his numbers with them.

- Mr. Bertino spoke about the need to reconsider the water rate structure as this seems to be what the people want, as well as it is very clear to him that it is not equitable. Therefore, consideration should be given to either revising or rescinding the water rates. He also asked to clarify the situation when there are more than one home on the lot and there are two service connections.
- Mr. Scruton said that the condos are charged per unit, not per lot.
- Unidentified person stated that this is not equitable and needs to be reconsidered.
- Mr. Fagas stated that the house lots pay about 10 percent of their taxes in water fees, whereas undeveloped lots pay over a 100 percent. It is inequitable and out of proportion and seems like this committee went after the owners of the undeveloped lots to fund a budget that they did not even spend in full last year. He added that he sees a lot of misinformation and this is inequitable and he would hate to see this become a legal issue. He also added that when the Town of Thornton Administrator wrote a letter to the Commission protesting the fees on the undeveloped lots and alleging legal fees, the Commission reopened the adoption of these rates and eliminated the vacant lot fees for Campton and Thornton.
- Ms. Patti challenged Mr. Fagas' assertion that there is a lot of misinformation there tonight, and said that he is mischaracterizing what the Town of Thornton Administrator's letter said as there were no threats of legal action in there whatsoever. The Commission did look at those lots and, since both municipalities held those lots in their possession only temporarily, due to tax deeds, and these lots were exempt from both HOA and CIF fees, the decision was made to exempt them from the water fee as well.
- Mr. Fagas said that the same logic applies to the vacant lots that people own, as they are exempt from both additional HOA and CIF dues but not the water fees, which are 10 times higher than what a house lot pays.
- Mr. Danzig said that he was very appreciative of how these meetings are run and reiterated that the water structure fee is inequitable and thanked the Commissioners for being willing to revisit it.
- Dave Ketcham asked if basing the equity on value was the same as basing it on functionality. He continued to say that building the water infrastructure has to reflect capacity, regardless of how the water is used throughout the year, the system has to support the busiest times like Christmas week.
- Mr. Bertino asked for documents for the exemptions given. There was back and forth for which documents Mr. Bertino was looking exactly and whether they had any relation to Hodgeman Road. Ms. Patti said that minutes could be provided and that the Water Ordinance was written excluding people on private wells. Mr. Scruton added that other than the tax deeded property, there were none. Mr. Bertino repeated that there were exemptions but has not specified which ones he was looking for.
- Mr. Bertino continued to say that one has to be receiving direct benefits from the water system or you have to be within a certain distance to the water line, and capacity has to be constant

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and needs to be addressed, but the law says that it has to be equitable, which is why taxes were used before, as it was proportional. This currently benefits people in three to four bedroom homes who live here all the time, whereas it is unfair to those who only live here 30 days out of the year. He also asked to clarify the number of 1977 occupants, as it is not clear whether these are people or bedrooms.

After checking with Assistant General Manager Judy Kinney, Ms. Patti determined there was no one else willing to address the Commission at the physical location, on the phone, or electronically. Ms. Patti closed the public hearing at 7:08 PM. She said that the Commissioners at this juncture are faced with the requests to adjust the water rate as depicted in the IGM Report on page 3. She suggested the Commissioners should schedule a second public hearing and do their homework before it. Mr. Scruton said that the Management would need to know when to send out the water bills as the amount budgeted still needs to be collected.

Ms. Patti turned to the Agenda Item 13.a which deals with the Commission annual schedule and said that Mr. Spinney requested that the 9:00 AM meetings be moved to 4:00 PM on every third Wednesday. She suggested addressing this first before scheduling the mentioned earlier public hearing.

Mr. Spinney made a motion to change all the Commissioners' 9:00 AM meetings every third Wednesday of the month to 4:00 PM going forward from April 6, 2022. Ms. Patti duly seconded and motion passed with a roll call vote with everyone voting 'AYE'.

Mr. Scruton clarified if the scheduled Saturday 9:00 meetings will remain as such and Ms. Patti confirmed.

Ms. Patti said that the Commission will address the Water Rate Structure at another public hearing on April 20, 2022 at 4:00 PM.

Public Hearing re: Additions to Water Ordinance Appendix

Ms. Patti opened the public hearing at 7:14 PM.

Mr. Scruton said that the first item to address would be three amendments to the Water Ordinance Appendix as follows: the Summary of Terms and Conditions for New Connections, Water Hookup Permit Application, and a page called For Office Use Only that are part of the meeting handout (Pages 4-6). Ms. Smith provided an explanation of what the actual changes are, all of them providing more clarity with the water hookup permitting process.

Mr. Scruton continued with the second proposed change which is listed as number 5 on the IGM Report and has to do with an addition to the Domestic Water Service Entrance Detail of the following: "Note: 1) Plumbing system should be inspected by a licensed plumber to ensure safety and compliance with current codes to prevent damage by pressure build-up from the hot water heater.

2) Electrical system should be inspected by a licensed electrician to ensure proper grounding."

Mr. Scruton said that the third amendment would be that the price for meters be adjusted to reflect actual cost and also reference the fact most installations will need a Kornerhorn. Meters are \$360/meter and the Kornerhorn is \$279 each.

Ms. Patti asked Mr. Scruton to clarify what a Kornerhorn is and whether every connection will need it. Mr. Scruton explained that it is a part needed for a connection and for those connections that already have a check valve it will not be needed.

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Mr. Spinney asked if there was a contractor in mind for installing the meters and Mr. Scruton responded that there was not and the meters would need to be installed by a licensed plumber and all the information needed will be provided by the meter company.

After checking with Assistant General Manager Judy Kinney, Ms. Patti determined there was no one else willing to address the Commission at the physical location, on the phone, or electronically.

Ms. Patti made a motion to approve the three amendments to the Water Ordinance Appendix as described in Mr. Scruton's report as well as included in the handout as worded. Mr. Panuczak duly seconded and motion carried with a unanimous roll call in the affirmative.

The public hearing was concluded at 7:24 PM.

Approval of Minutes.

a. March 19, 2022

Ms. Patti made a motion to amend the 03/19/2022 meeting minutes according to the list of changes she prepared and that were in the meeting handout (attached). Mr. Spinney duly seconded. Motion passed with a 2:0:1 roll call vote in favor with Mr. Panuczak abstaining.

Ms. Patti made a motion to adopt the 03/19/2022 meeting minutes as amended. Mr. Spinney duly seconded. Motion passed with a 2:0:1 roll call vote in favor with Mr. Panuczak abstaining.

b. March 26, 2022

Ms. Patti made a motion to amend the 03/26/2022 meeting minutes according to the list of changes she prepared and that were in the meeting handout (attached). Mr. Spinney duly seconded. Motion passed with a 2:0:1 roll call vote in favor with Mr. Panuczak abstaining.

Ms. Patti made a motion to adopt the 03/26/2022 meeting minutes as amended. Mr. Spinney duly seconded. Motion passed with a 2:0:1 roll call vote in favor with Mr. Panuczak abstaining.

c. March 28, 2022

03/28/2022 draft minutes were tabled until 04/20/2022 meeting.

d. March 31, 2022

Ms. Patti made a motion to amend the 03/31/2022 meeting minutes according to the list of changes she prepared and that were in the meeting handout (attached). Mr. Spinney duly seconded. Motion passed with a 2:0:1 roll call vote in favor with Mr. Panuczak abstaining.

Ms. Patti made a motion to adopt the 03/31/2022 meeting minutes as amended. Mr. Spinney duly seconded. Motion passed with a 2:0:1 roll call vote in favor with Mr. Panuczak abstaining.

Treasurer's Report

The Treasurer was not in attendance, and the Commissioners discussed the Treasurer's report with Mr. Scruton and Ms. Kinney. Ms. Patti said that last time Mr. Panuczak had a question about the difference in balances between QuickBooks and the bank for the Rec Fund. Ms. Kinney explained that there are bills that have not cleared the bank account yet. Ms. Kinney also answered questions about the unavailable balance that was due to some issues with access to online banking which were only temporary.

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Ms. Patti made a motion to approve the Treasurer's Report with the caveat for the Water Department balances. Mr. Panuczak duly seconded and motion passed with a roll call vote and everyone voting in favor.

Interim GM's Report

Mr. Scruton spoke about the following items on his report:

2. The suggestion from the Water Master Plan and Roads Committee (which seems to have several names) is the name to be standardized to "The Roads and Water Advisory Committee."

Ms. Patti made a motion to change the name of the Water Master Plan & Roads (Advisory) Committee to WEVD Water and Roads Committee. Mr. Spinney duly seconded and motion passed with a unanimous roll call vote in favor.

Mr. Scruton said that the Committee will be meeting on April 14th at 6:00 PM and he asked if the Commission would like them to make a recommendation on the water rates. Ms. Patti responded in the affirmative and Mr. Scruton said that he will relay that to the Committee, who will be meeting in person and on Zoom.

6. Balance in the Water Budget as of March 20th was \$156,458.
7. Staffing: The front desk is losing its part time employees and the Management is having trouble finding replacements. Expectation is that the District will have to go to full time employees with benefits. Ms. Patti added that she had discussed this with the new WEA President Andy Griffiths so that he could bring this up to the Board's attention. Mr. Scruton noted that it important that WEA is supportive of this idea as this position will be coming out directly from the Revolving Rec Fund.
8. Summary Annual meeting. Warrant articles 2-6 passed as presented by the Commission regarding requested appropriations. The articles on road deeds and the one allowing seven members on the Planning Board passed, while the article on the fee authority failed.
9. Management would like to proceed with awarding the painting work on the towers to High Peaks Painting LLC at \$16,650. This is below the budget number of \$30,000. The work would be scheduled after the work installing the safety equipment, probably in June. There was consensus among the Commissioners that they approve.
10. The Management would like to know if it can proceed with Sanborn and Head regarding the environmental study at the Highway Yard? The contract language had been worked out last fall. It is budgeted. None of the Commissioners had objections.
11. The Management is planning to put out to quote the two sets of mechanical room doors on the lower level, the exterior door to the family changing room, and the door into the horseshoe pit, mid-level. These are all in the budget. Last summer there was only one bid on the sets of double doors. Mr. Scruton said that he heard that of someone having to wait for six months for a building company to receive a particular door. He also said that the Management is getting a quote on bringing in the hot tub to the lower level and that could be done two ways, by taking out the windows or doors. Ms. Patti clarified if the doors, which would be taken out to bring the hot tub in, were on the list to be replaced to be ADA compliant. Mr. Scruton said that unfortunately that was not part of the budget.

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12. Salt Shed. Only bid we could get last fall when we bid it out was \$47,000. The budget/carry over from 2020 is \$50,000. They have indicated their price is now \$48,500, a small increase because of costs. They have indicated a completion date this August, which might not happen if the District delays ordering. Mr. Scruton asked if the Management should proceed with that local company or go out for bids again? Ms. Patti asked if the construction would be in the way of the environmental study by Sanborn and Head, to which Mr. Scruton responded that it should not. Commissioners agreed that the quoted amount was still within budget and the Management should proceed.
13. Resilient flooring for game room, which cost \$4,685 to install. The Management has moved some machines back and the broken ones were picked up by the vendor, who also installed some new machines. Mr. Scruton also said that resilient flooring is being put in two more places.
14. The two hot tubs were ordered for approximately \$13,000 each, one for inside and one for outside. They should arrive May 20th. The Management will need to do concrete work outside for ADA. The other will have to be lifted by a crane to go through the windows on the second floor or all three doors on that level and their side lights will have to be removed.
15. MS 232 (report of appropriations) has been prepared and submitted.
16. The truck order has been confirmed and is in process. The District had started the ordering process last fall, following the experience of Campton and obtaining the same deal they found. The only place the Management could find a truck of the required size, was from a dealer in Vermont. One was ordered, conditional upon the budget passing. The Management rechecked with several large NH vendors after the meeting and none were taking orders on that size truck. Delivery is expected soon, taking it directly to the plow frame company for that work before bringing it to the District. Ms. Patti asked what would happen to the old truck and Mr. Scruton responded that it will probably end up at a junkyard in exchange for the scrap value.
17. The Water Committee recommended a separate insulated storage building for the water meters. The Management is creating a headed space within an existing building at the DPW yard for the meters (locked room inside locked building).

Committee / Board Reports

Outdoor Courts Committee Report

Ms. Patti noted that this was the March report that had been tabled at the previous meeting. David Ketcham noted that the Spring 2022 in the report should be Spring 2023. Ms. Patti said that she accepts the correction.

ADA Accessibility Committee Report

Ms. Patti said that the Committee compiled a long list of things during their last meeting.

Snowmaking Committee Report

Ms. Patti noted that a brief report was in the meeting handout.

Planning Board Report

Ms. Patti read in the report which stated that the Board is finalizing the survey and has moved the meetings to twice a month to accomplish this task.

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Budget Advisory Committee

There was nothing to report.

CONSENT CALENDAR

b. Committee and Board Reports

Ms. Patti made a motion to approve the reports in mass, Mr. Spinney duly seconded and the manifests were approved by unanimous roll call vote.

c. Re-appointment of Planning Board and advisory committee volunteers

Ms. Patti polled the Commissioners on their agreement with the list of appointments to the Committees and Board presented in the Consent Calendar. All Commissioners voted "AYE".

GENERAL CALENDAR ITEMS

a. Commission Meeting Schedule

b. DPW / Service Yard – Sanborn Head

c. Renaming WMP&R Committee to WEVD Water & Roads Committee

Items a, b, and c were discussed earlier in the meeting.

d. Transfer of FOCM monies to Campton Trustee of the Trust Fund

After a brief back and forth with Mr. Scruton and Ms. Kinney on the status of the agreed upon transfer and the amount, Ms. Patti said that she would email Mr. Griffiths to find out if WEA had any other expenditures planned before the transfer is finally made.

Ms. Patti then spoke about the proposed Procedure for Distribution of funds from the Friends of Campton Mountain account.

Ms. Patti made a motion to adopt the following procedure as amended from how it was written in the handout:

- 1. Upon a vote approving distribution(s) from the Friends of Campton Mountain account for projects on Campton Mountain by the Waterville Estates Association (WEA) Board of Directors,*
- 2. The Waterville Estates Village District (WEVD) Commission will vote to a said acknowledge the WEA Board action and approve distribution(s) from the Friends of Campton Mountain account held in trust by the Trustees of the Town of Campton,*
- 3. WEVD management will draft correspondence requesting the Trustees of the Town of Campton release the approved funds for use in projects on Campton Mountain which includes signatures of WEVD Management, one WEVD Commissioner, and a WEA Board of Director,*
- 4. If necessary, the WEVD Commission will conduct, in accordance with existing procedures, any necessary public hearing concerning the acceptance of any unanticipated funds. Mr. Spinney duly seconded and motion passed by a roll call vote with everyone voting in favor.*

e. Mission Statement – community input

After a brief back and forth with Ms. Kinney and Mr. Fagas on the community feedback, Ms. Patti requested that this item be tabled until the next meeting pending Ms. Kinney sending what she had received from the public to the Commissioners.

WEVD Commissioners 04/06/2022 approved meeting minutes.

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f. General Manager Job Description

Mr. Scruton said that the Annual Meeting has never adopted provisions of RSA 37, therefore the position cannot be General Manager, but Administrator instead. He also went over some minor modifications that have been made to the position description that were very minor in nature.

Ms. Patti made a motion to adopt the slightly modified General Manager job description as contained in the handout, updated on 04/04/2022. Mr. Panuczak duly seconded and motion passed by a unanimous roll call vote in the affirmative.

Upcoming WEVD Commission Meeting: Wednesday, April 20, 2022 @ 4 PM

Public Comment Period

Mr. Danzig thanked the Commissioners for their service to the community.

Signing of previously approved minutes, policies, and procedures

Non-Public Session

Ms. Patti motioned to enter non-public session for the purposes described in RSA 91A:3, II (b) and (l). Mr. Panuczak duly seconded and the motion passed at 8:14 PM by a unanimous roll call vote.

Non-public session was entered at 8:18 PM. Commissioners Patti, Panuczak, and Spinney were present in person as well as IGM Scruton and AGM Kinney.

Resumption of Public Session

Mr. Panuczak motioned to re-enter public session, Ms. Patti duly seconded and the motion passed by unanimous roll call vote.

Public session was entered at 09:25 PM. Commissioners Patti, Panuczak, and Spinney were present in person.

The nonpublic session minutes were sealed by a motion from Ms. Patti, a second by Mr. Panuczak, as divulgence of the minutes would render a proposed action ineffective. The motion passed by a unanimous roll call vote.

Adjournment: *Mr. Spinney made a motion to adjourn the meeting; Ms. Patti duly seconded. Motion passed with a unanimous roll call vote in favor.*

Meeting adjourned at 9:26 PM.

Prepared by Alvina Snegach

Maureen Patti motion for amending draft minutes:

1. Amendments to draft minutes of March 19, 2022:

a. Page 1, line 2 -- insert after 'Kinney' the following: at physical location, the Summit Lounge in Community Center, 562 Winterbrook Road, Campton, NH 03223.

b. Page 1, line 5 – replace 'play' with "game"

c. Page 1, line 9 – insert after 'grain' the following: ", color to be selected by WEVD Management,"

WEVD Commissioners 04/06/2022 approved meeting minutes.

Waterville Estates Village District

562 Winterbrook Road Campton, NH 03223

Phone: (603) 726-3082 | Fax: (603) 726-8611

d. Page 1, line 20 – Insert the following:

“Non Public Session Minutes: After receiving the resumes of qualified applicants (who had been screened & assessed by the retained consultant, Municipal Resources Inc.), the Commissioners discussed scheduling an interview of one candidate. By roll call vote, the Commissioners approved the motion made by M. Patti and seconded by G. Panuczak to authorize the Interim General Manager to schedule an interview. By consensus, the Commission approved including the Assistant General Manager and the Interim General Manager to participate in the interview. (These minutes prepared by M. Patti)”

2. Amendments to draft minutes of March 26, 2022:

- i. Page 2, lines 39 – 44: delete as duplicative
- ii. Page 2, line 52 – insert after ‘Mr. Herlihy’ “a proposed” and delete ‘the.’
- iii. Page 2, line 69 – correct typo – “resources” instead of ‘recourses’
- iv. Page 2, line 79 – after ‘Zoom and’ insert “streaming on a”; after ‘YouTube’ insert “channel” and delete ‘in’
- v. Page 2, lines 80, 81 – delete ‘conjunction to livestream’ and ‘(both live and past)’ and ‘the’
- vi. Page 3, line 88 – replace ‘see’ with “review”
- vii. Page 3, line 93 – delete ‘in the hiring process’ at end of sentence
- viii. Page 3, line 101 – insert after ‘that the’ the word “budget” and insert “2022” before ‘Annual Meeting’
- ix. Page 3, line 102 – replace ‘additional’ with “resumed Annual Meeting on 03/29/22”

3. Amendments to draft minutes of March 31, 2022:

- i. Page 1, insert after ‘Mr. Herlihy joined his colleagues via Zoom in the Non-Public session at around 6:50 p.m.’ the following: “Other persons present during non-public session were John Scruton and Judy Kinney.”