Waterville Estates Village District

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Waterville Estates Village District

March 16, 2022 Commissioners Meeting APPROVED Minutes

Approved as amended on March 26, 2022.

Attendees: Commissioners Maureen Patti, Gerry Panuczak (arrived at 9:03 AM), and John Herlihy, Interim General Manager John Scruton, Financial Administrative Assistant Allison Smith, Harry Bertino, Stephanie Cram Kiernan.

Attendees via Zoom: Assistant General Manager Judy Kinney, Clerk Ryan Timms, David Ketcham.

Call to order: Chair Patti called the meeting to order at 9:01 AM

Roll Call of Commissioners: Ms. Patti and Mr. Herlihy were present at the Summit Lodge. Mr. Panuczak joined the meeting at 9:03 AM.

Approval of the Agenda: There were two modifications made to the agenda. *First, motioned by Ms. Patti to modify item 10.d to read: "Should the District have a Constant Contact posting policy?" which was duly seconded by Mr. Herlihy and passed unanimously by a roll call vote. Second change was also proposed by a motion by Ms. Patti to add item10.e - discussion of YouTube streaming of Annual Meeting and Commission meetings and new WEVD Website, duly seconded by Mr. Panuczak and passed with a unanimous roll call vote in favor.*

Approval of Minutes a. February 16, 2022

Ms. Patti made a motion to amend the 02/16/2022 meeting minutes according to the list of changes she prepared and that were in the meeting handout (attached). Mr. Panuczak duly seconded and motion passed by a unanimous roll call vote.

Ms. Patti then made a motion to approve the 02/16/2022 meeting minutes as amended. Mr. Panuczak seconded and motion passed after a roll call vote with everyone voting in favor.

Ms. Patti made a motion to amend the 03/02/2022 meeting minutes according to the list of changes she prepared and that were in the meeting handout (attached). Mr. Panuczak duly seconded and motion passed by a unanimous roll call vote.

Ms. Patti then made a motion to approve the 03/02/2022 meeting minutes as amended. Mr. Panuczak seconded and motion passed after a roll call vote with everyone voting in favor.

Commission signatures on Water Collection Policy and Lot Merger Policy

Both policies were signed.

Treasurer's Report

Mr. Scruton provided a brief summary, indicating the balances and current water invoices collection rates. He also noted that the Rec Fund balance was over the required 50K. Mr. Scruton also said that there is a question on one of the accounts that is not reflecting the collected water billing amounts, which would need to be looked into. It was also noted that there are differences between the bank and the QuickBooks amounts. Ms. Patti summarized the approval of the treasurer's report with two

asterisks (open questions) - the amount in the Water Department account and the difference between the bank versus QuickBooks amount in Rec Fund. Mr. Panuczak and Mr. Herlihy agreed.

Interim GM's Report

Then Mr. Scruton went over the following items in the IGM Report:

1. Ryan Mayne Flooring has finally resolved supply chain issues and intends to start on the game room floor. There are three options - carpet at about $5/square foot, Epoxy coating at about $5/square foot, or a resilient flooring that is about $10/square foot (approximate prices). After a brief back and forth on the type of flooring and how moisture friendly it can be, *Ms. Patti made a motion that the Commission authorizes the Management to utilize epoxy for game room flooring and the color to be determined by Management Mr. Herlihy duly seconded and motion carried by a unanimous vote in favor.*
2. The notice for the Commission public hearing for the 03/19/2022 warrant was posted February 4, 2022 in the Laconia Daily Sun, the bulletin board outside the community center, and on the website. All postings were within the statutory deadlines.
3. The posting of the warrant and MS 636 occurred on or before March 2 at the following locations: outside the Community Center, Inside the Community Center, at the Ski Lodge, at the Campton Town Offices, and on the website. All postings were within the statutory deadlines.

Harry Bertino from Campton requested clarification of what was posted on the bulletin boards and the website as he did not agree that the public hearings were properly noticed and promised to bring in what he found was posted to the next meeting to further discuss the issue.

4. Discussions are on-going regarding the mix of dues, fees and taxes that are a part of the RMA Another meeting was held on March 12th; however, not much progress has been made. Mr. Scruton added that he was asked about what the district paid for the Community Center in 1988 when it was acquired from WEA by the District. Records indicate the voters at the 1988 Annual Meeting voted to raise and appropriate $1,600,000 for the acquisition of the Community Center. The Village District paid the mortgage on the Community Center starting in 1989 (probably for reconstruction of the building) of $1,600,000 principal plus $1,550,974.13 of interest for a total of $3,150,974.13. Mr. Scruton was not sure if WEA contributed funds toward this payment. Ms. Patti clarified that upon her review of the minutes from that period she was not able to find any indication that there was any payment made from WEA to the District for the transfer of the Community Center. Mr. Scruton added that he assumed that what is referred to as the mortgage was probably a bond.

Mr. Bertino asked to clarify whether the transfer included that payment of $200,000 in back taxes owed by WEA as he thought that he saw that somewhere. Ms. Patti answered that she did not believe that to be so.

5. Annual Reports are available for the public and were so by the deadline of March 3rd. Mr. Scruton thanked Ms. Kinney and Mr. Canfield for working on the report.
6. It is estimated that approximately 500 feet of replacement of waterlines would be covered by $50,000 Water Department budget. The plan would be to do Pegwood Road (as there are many leaks there) first and delay paving there until it is finished, assuming the money is again

approved in future years to complete the replacement there. There are several miles of waterlines that need to be replaced in total.

7. Invoice for January to WEA Administrative Service Agreement (ASA) was sent on February 20th. The agreement indicates that "All payments made with respect to Administrative Services shall be paid monthly within 2 weeks of receipt of the invoice." It also states that "a. If WEVD or WEA breaches any term of this Agreement, the other entity shall give written notice of the breach." As of March 11th, the District had not received the ASA funds from WEA. Mr. Scruton asked the Commissioners whether the Management and/or the Treasurer have authority to send the written notice whenever there is a breach of agreement, or should it first come to the Commissioners at a meeting? After the letter there is 30 days to correct the breach before termination of the agreement.

After a brief discussion *John Herlihy moved that WEVD Management is authorized to contact WEA at the two week date after delivery of the Admin Services Agreement invoice regarding any failure to pay within 14 days (which is a breach of the ASA) is a breach of the ASA and inform the WEA Board, they have 30 days to correct the failure to pay.*

8. Mr. Scruton added that he believes that the RMA just comes out of the Revolving Fund as an invoice paid to the District, and WEA needs to maintain the $50,000 balance. There are default provisions with failure to restore the $50,000 balance, and he assumed that the same goes with the Treasurer, or WEVD Management will arrange for the payment of the RMA invoice amount to the District from the Rec Fund. Ms. Patti asked Mr. Scruton to check with the legal counsel.
9. Ski Tower Safety lifting frame walkways, etc. This was approved in a non-lapsing 2021 article. The total SkyTrans price is $70,620, under budget. The Commission earlier indicated it did not want to spend $10,000 to $12,000 for engineering to get quotes. The down-payment due now is $27,360. Work is scheduled for June. Mr. Scruton asked if the Commission would want the Management to proceed.

After a brief discussion of how important it is to implement safety features for the District employees, which this is, *Ms. Patti made a motion to authorize $27,360 payment for the attachment of the walkway to the lifts and to proceed with the installation. Mr. Herlihy duly seconded and motion passed unanimously by a roll call vote in favor.*

10. Priority on the Air Handling article in the warrant. Mr. Scruton noted that the full list along with the spreadsheet is in the packet. In those the consultant prioritized improvements with highest level totaling $99,500. Mr. Scruton asked whether the Commission would want to adopt the consultant's priority list if questioned on the money at the annual meeting.

Ms. Patti clarified that the Summit Lounge was referred to as the Ball Room in the spreadsheet. There was consensus among the Commissioners that the spreadsheet should be made available at the Annual Meeting.

11. Concerning the history related to the adoption of the former rate structure of collecting $200/year in addition to use of taxation. Mr. Scruton presented several excerpts from the past minutes and concluded that the Water Ordinance, passed by the Commission in 2017 and effective in 2018, was indeed valid and that the District will be relying on it in the process of placing liens.

Mr. Bertino asked to clarify is the water rate was equitable. Mr. Scruton said that the question was whether the $200 flat water rate was valid and it was determined that it was.
Mr. Scruton also said that he included at the end of his report some wording related to the installation of the water meters recommended by the Water Master Plan & Roads Committee as an appendix to the Water Ordinance. Mr. Scruton noted that the review of this should be done at a public hearing. Mr. Herlihy noted that the schematic in the IGM report is not adequately representing what would take place when the water meters are installed. After a brief back and forth it was determined that the Commission will discuss this item at its March 26th meeting, or whenever the Water Master Plan & Roads Committee is able to discuss it first.

Committee / Board Reports
Commissioners decided to table the Planning Board and Committee reports until 03/26/22.
Mr. Scruton also suggested that people read the Annual Report which has information on all the Boards and Committees activity throughout the year.

CONSENT CALENDAR

a) Manifests

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

GENERAL CALENDAR ITEMS

a. Amending the TAX IMPACT STATEMENT for Article 2, Municipal Operating Budget

Ms. Patti read in the Article 2 as it currently reads: "To see if the Village District will vote to raise and appropriate the sum of Two Million One Hundred Eighty-Nine Thousand Forty-Seven Dollars and No Cents ($2,189,047) for general municipal operations. This article does not include appropriation contained in special or individual articles addressed separately. Projected tax rate increase $2.03/$1000." She asked Mr. Scruton to explain why the amount to be raised by the WA is so large.
Mr. Scruton explained that the Commission has entered into two agreements with WEA as to the provision of administrative services and recreation management. The Rec Fund was to consist of only user fees and charges and would only cover recreation and not administrative services. Therefore, staff like the General Manager, Assistant General Manager and the bookkeeper were budgeted for in the operating budget and then for it to be reflected as revenue, per NH DRA. The issue has been reported that WEA was not sure if it could be able to cover it and if that is indeed the case, there will be a shortfall in revenue, which would affect the tax rate. Mr. Scruton also noted that at this time no fund balance is being used to offset the tax rate, whereas last year well over $400,000 was used from the fund balance to offset the tax rate. The Commissioners can decide to use some of the fund balance after the audit determines its status in the summer. Therefore, the warrant article is used to reflect the worst case scenario, which is not a likely one, where WEA is unable to pay its Administrative Services Agreement and Recreation Management Agreement obligations.
Ms. Patti suggested the Commission amends the TAX IMPACT STATEMENT of Article 2 to read as follows:
"Projected tax increase of $2.03/$1000; however, if there is a shortfall in the revenue from the Administrative Services Agreement and/or Recreation Management Agreement, the increase could be as much as $4.75/$1000 in addition to the original projected increase of $2.03."

Mr. Panuczak agreed and added that the Commission could try to publish the earlier provided explanations written up by Ms. Patti to try to counter the misinformation that is currently being put out on social media.
Mr. Herlihy suggested to reword the proposed language to read as follows:
"Projected tax increase of $2.03/$1,000. If the Administrative Services Agreement and/or Recreation Management Agreement payments by WEA are not made, the resulting increase could be as much as $4.75/$1,000."
Mr. Scruton also explained how this amendment should be proposed at the Annual Meeting after the original Warrant Article is read.
Mr. Bertino asked to clarify what was being amended. Ms. Patti noted that this proposed amendment is only to the tax impact statement of Warrant Article 2. She further noted that the accounting process has just changed and it is because this is very new to the District, the Commission would like to make it very clear in the article language, thus this amendment was proposed.
Mr. Bertino also asked if the taxes cannot be used for recreation, what is recreation? Mr. Scruton explained that taxes can be used for funding recreation but cannot be used for the revolving fund. Mr. Bertino said that he thinks that the District can create its own recreation programming paid by user fees and not wait for the association to pay for it.

b. Citizen inquiry regarding water ordinance/rates

Ms. Patti said that the email from residents regarding water ordinance/rates was part of the packet. Mr. Scruton said that this again addresses the issue of fairness which can only be rectified by metering every property, which is something that the District is aiming to do, however, it will depend on whether the Water Department budget warrant article for the meters is passed by the citizens. Mr. Herlihy agreed with Mr. Scruton and added that this current water rate structure based on the number of bedrooms is an interim step only. Mr. Panuczak added that the Commissioners rely on recommendations of various committees that are staffed by community volunteers in many of these decisions.

d. Should the District have a Constant Contact posting policy?

Ms. Patti asked Ms. Kinney, who is responsible for the majority of content posting on Constant Contact to weigh in. Ms. Kinney said that she was not sure if an actual policy was needed but some guidelines or some sort of an approval process on who should be able to ask for things to be posted there. Mr. Scruton added that in order to steer clear of violating the free speech, there should be guidance as to who can post and that posts should be strictly related to the District business. Mr. Scruton was of the opinion that this should be a policy. Then there was a discussion of the new website notification capabilities, which every resident who signs up could tailor individually, thus making the use of Constant Contact moot. Mr. Scruton said that WEA may want to keep using it for notifying its members, if it chooses to pay for it, but the District will be moving to the new website shortly as well as YouTube streaming its meetings.
Mr. Herlihy expressed concerns with YouTube streaming and whether the District has enough bandwidth and technical expertise to be doing it. Discussion ensued about the technical side of YouTube streaming and consensus was to put this item on the agenda for the next meeting to evaluate further.

Upcoming WEVD Commission Meeting: Saturday, March 26, 2022 @ 9 AM.

ANNUAL MEETING – SATURDAY MARCH 19, 2022 @ 9 AM.

Public Comment Period

Harry Bertino was present in person and asked how the Commission would determine that the $200 water usage fee is equitable. Mr. Scruton reiterated that the fee was determined to be valid and will be treated as such. 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, and closed the public comment period.

Non-Public Session

Ms. Patti motioned to enter non-public session for the purposes described in RSA 91A:3, II (a),(c), (e), and (l). Mr. Herlihy duly seconded and the motion passed at 10:35 AM by a unanimous roll call vote.

Non-public session was entered at 10:42 AM. Commissioners Patti, Panuczak, and Herlihy were present in person as well as IGM Scruton.

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 11:16 AM. Commissioners Patti, Panuczak, and Herlihy were present in person.

The nonpublic session minutes were sealed by a motion from Mr. Panuczak, a second by Mr. Herlihy, as divulgence of the minutes would adversely affect the reputation of someone other than a Commissioner. The motion passed by a unanimous roll call vote.

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

Meeting adjourned at 11:19 AM.

Prepared by Alvina Snegach

1. Amendments to draft February 16, 2022 meeting minutes:

a. Page 2, line 74 – insert after 'actuals' the following: "…actuals (both expenditures and revenue)…"

b. Page 3, line 99 – insert "power point" in front of 'presentation'

c. Page 3, line 100 -- correct typo to read "WEVD"

d. Page 3, line 100 – substitute "expenditure" for 'appropriations' and substitute a parenthesis for the comma after 'expenditures' so it reads "Ms. Patti then asked Mr. Scruton to go over the pie chart that was part of Mr. Scruton's presentation which showed a breakdown of the WVED appropriations expenditures (which do not include WEA Recreational Budget) and explain what goes into the 35.51 percent portion labeled RECREATION"

e. Page 3, line 111 – delete 'building and other areas which the public can access' and insert "Community Center and the contraction in Front Desk employee hours – as Front Desk employees are paid from the Rec Fund and historically provided administrative services to WEA while on the job at the front desk, time permitting. When WEA cut back Front Desk employee hours, there was a need

for additional admin services to be provided by different employee(s)."
f. Page 3, line 116 – delete 'one' and insert "two wells that are located close to one another."
g. Page 3, line 118 – correct typo "plant" not 'plan'
h. Page 3, line 121 – insert period after '2019' and modify as follows: "She asked if any of the items identified by NH DES in that report have been addressed. Mr. Scruton replied they have not."
i. Page 4, line 133 – after 'the issues with the' insert "water overflowing from" and delete the word 'leaking'
j. Page 4, line 137 – delete 'which WEA Board refused to pay for' and insert "and she was advised the WEA Board chose not to retain the engineering firm"
k. Page 4, line 137 – modify as follows: "Ms. Patti said that the District was left with no other options but not to replace the hot tub in the same location in light of the excessive cost to remove a portion of the roof and extend the lap pool area out to the Center wall at the lower level, in order to have sufficient support for a hot tub in the original location. As a result, the Commission voted to authorize the GM to have staff order a new hot tub to be placed next to the oval shaped pool on the upper deck of the pool area"
l. Page 4, line 140 – modify the sentence as follows: "to be placed at the end of the lap replace the hot tub located adjacent to the outdoor family pool."
m. Page 4, line 145 – add "He noted that the cost for concrete is 3 times more expensive than before Covid."
n. Page 4, line 147 – correct typo "mentioned"
o. Page 4, line 149 – substitute "Summit Lounge at the Community Center" for 'this room'
p. Page 4, line 150 – substitute "Summit Lounge" for 'this room'
q. Page 5, line 165 – correct typo "teen" not 'team' and insert after "teen" the following: "(game room)"
r. Page 5, line 177 – add "when cleaned" at the end of the sentence
s. Page 5, lines 178 & 185; Page 6, lines 217, 222, 227, 232, 237, 247 – modify phrase 'There was nobody else willing to address the Commission either in person or electronically' to read: "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…"
t. Page 5, line 187 – insert "2022 WA4 is a" for 'this was'
u. Page 5, line 187 – add the additional sentence "Mr. Scruton explained that 2022 WA4 is for $100k to address HVAC in multiple locations within the Community Center. About 75% of that amount would go to restoring air conditioning in only the Summit Lounge. The other needs (heating & A/C for the Fitness Center, dehumidifying the locker rooms, etc.) make up 25% of this amount."
v. Page 5, line 189 – insert "the need for which was determined when an engineer evaluated the air handling system at the Ski Lodge at the request of the Commission. Both the State and the Federal agencies were recommending evaluations of all circulation systems of buildings which house members of the public before re-opening (having been closed due to Emergency Orders due to the Covid pandemic)."
w. Page 5, line 191 – insert between 'the' and 'warrant' the following: "2021 Fresh Air at Ski Lodge"

x. Page 5, line 191 -- delete 'this building' and insert "the Ski Lodge"
y. Page 5, line 194 – insert "2021" between 'that' and 'warrant article'
z. Page 5, lines 198, 199 – replace 'this room' with "the Summit Lounge in the Community Center"
aa. Page 6, line 210 – change sentence as follows: "she had opposing opinions from two does not know the outcome of a recent WEA Board vote regarding the retaining of said expert. Two members of the WEA Board reported different votes so members on the status of retaining this consultant, therefore, she is unable to provide the answer." on WEA stance
bb. Page 6, lines 212, 213, & 215 – substitute "Summit Lounge" for 'this room'
cc. Page 6, line 230 – substitute "District counsel" for 'The counsel'
dd. Page 6, line 248 – modify sentence to read: "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."
ee. Page 6, line 249 – End sentence after 'Warrant Article 1.' New sentence to read:
"In 2021, because there were resignations, there were two openings for Commissioner. This year, there is only one position on the Commission which is open."
ff. Page 7, line 252 – delete 'last year' and insert "the 2020 election for Commissioner"
gg. Page 7, line 253 – insert between 'concerns' and 'about' the word "expressed"
hh. Page 7, line 255 – substitute "limited" for 'certain' and add to the sentence " – probably a week or two. There is no remedy for an election from 2020 some 18 or 19 months later."
ii. Page 7, line 278 – substitute "discussions" for 'meetings'
jj. Page 7, line 286 – delete 'income' and substitute "population visiting the Community Center"
kk. Page 7, line 286 -- insert "outdoor" between 'the' and 'pools'

2. Amendments to draft meeting minutes of March 2, 2022:
a. Page 1, line 3 -- insert "approximately 6:10" in parenthesis
b. Page 1, line 4 – insert "and Administrative" after 'Financial'
c. Page 1, line 9 – insert "approximately 6:10" at end of sentence
d. Page 1, line 13 – delete 'a.'
e. Page 5, line 171 – delete 'all' and insert after 'capital projects' the following: "and repairs which impact accessibility for owners and guests at the community facilities"
f. Page 5, line 190 – insert "Commission" in front of 'members'
g. Page 5, line 206 – correct typo "mentioned" instead of 'mentions'
h. Page 7, line 291 – substitute "with all repairs completed" for 'that are all fixed'
i. Page 8, line 301 – replace 'it' with "the recent Reserve Study"
j. Page 8, line 327 – replace ':other (reputation)' with "(c)"
k. Page 8, line 327 – delete 'AM' and insert "7:30 PM"