Waterville Estates Village District

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611

Approved as amended on May 18, 2022.

Waterville Estates Village District

April 20, 2022 Commissioners Meeting and Public hearing APPROVED Minutes

Attendees: Commissioners Maureen Patti, Gerri Panuczak, and Dave Spinney. Interim General Manager John Scruton, Assistant General Manager Judy Kinney, Financial and Administrative Assistant Allison Smith, , Douglas Iverton, Harry Bertino, Barry and Lucy Danzig, Christopher and Kathy Fagas, William Mitchell.

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

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

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

Approval of the Agenda: Ms. Patti noted that she would like to modify the agenda by adding after item #13 (public comment) and before #14 (Non-public session) the signing of approved minutes and procedures/policies. Other Commissioners had no objections.

Public Hearing re: Water Rate Adjustments

Ms. Patti called the public hearing to order at 6:02 PM. She then reviewed the District Public Hearing Policy and stated the purpose of the public hearing and provided a brief historical background of how the water ordinance was adopted and the process under which the rates were set and the percentages of availability and usage (60% and 40% respectively) were determined. The District consulted with the New Hampshire Municipal Association regarding issues with our water system. After receiving their (legal) advice re: funding, we consulted with the District's legal counsel. We then retained an engineering firm to assist with the development of a water ordinance (Dubois & King). The Water & Roads Committee then worked on both a proposed ordinance and the water rates which were recommended to the Commission. The original rate structure adopted by the Commission was a 60:40 split in water fees or charges was based upon a review of the last 5 years of actual expenditures of the Water Department – 60% of the expenditures went to overhead and 40% to treating and delivering water Ms. Patti noted that there is a write up presented in the Interim General Manager's report, available both in hard copy and online, with the proposed changes.

Mr. Scruton said that in that write up there are two options suggested by the Water and Roads Committee (page 1), both shifting away from undeveloped lots to developed ones. In the first instance, they use an assessment based approach, based on median home values and a set percentage with respect to the amount to be collected. The second approach is rate calculation based on a flat fee ($75) per each lot and a per bedroom rate for the remaining amount to be collected. The next page (2) of the report contains the previous presentation of the water rate structure discussed at the April 6th public hearing. He also added that the budget has gone up about $135,000 more than originally calculated since it has been approved, which explains why the second billing is higher as it covers the increase. The next page (3) of the report presents an attempt to shift the burden from undeveloped lots by

changing the ratio from 60:40 to 25:75 (availability and usage respectively) making the rate for undeveloped lots $174.73 . The next page (4) has a table with a 10:90.

Mr. Panuczak asked Mr. Scruton to clarify whether the 25:75 split is similarly equitable to the 60:40 one in that that all lot owners and homeowners are paying the 25 percent, and the homeowners are responsible for the remaining 75 percent. Mr. Scruton said yes, but added that the calculation to getting to 25 percent was different.

Ms. Patti said that she would like to note that the departure from the original 60:40 split will be particularly burdensome on the larger homes with a higher bedroom count, however she is not sure if it is possible to get to a perfect ratio until (meters are installed and) the actual usage is known.

Mr. Spinney said that the 25:75 split is moving towards the usage based rate, which is ultimately the goal. There is some debate regarding usage by full time residents as opposed to part time owners. We are going in the direction of having a usage-based rate but it is going to take time to get there. He noted that part of the value of these undeveloped lots is access to our water system. It could cost $20 to $40,000 to put in wells etc. in other parts of the state. He also said that he was also advocating for a higher water connection fee, thus lessening the burden on those undeveloped lot owners, some bought them for the open space and not building a house. Using the 25:75% rate would take $30k out of the Water Department funding from the undeveloped lot owners and adding to the rates for homeowners. Charging more for hooking into the water system is a way to make up for some of this and adding to the water department.

Ms. Patti suggested to table the discussion of the hookup fee to another meeting as more research is needed on comparable communities and what is being done there.

Then Ms. Patti opened the floor for public comment:

- Barry Danzig, 186 Summit Drive, thanked the Commissioners for taking into consideration the concerns expressed at the last public hearing and continuing the search for solutions. He then spoke about his own research into NH communities and rules and regulations on water rates and said that he had not encountered availability charge/rates anywhere, but users, customers, fixed and variable rates, etc. Mr. Danzig disagreed that the value of the land has any significance when setting a water rate, since it has no relation to the usage of water and water infrastructure. He asked the Commissioners to show him sources where availability is described and used in water rate structure calculations so that he could also learn more about it.
- Christopher Fagas, 3 Isaax Fox Drive, stated the first table referred to by Mr. Scruton is median sales price, not median home value. Assessed value would be much better to use for calculations; however, he understands that it is quite cumbersome. He then said that even using median value is fairly reasonable because everyone is paying the same percentage and it is a step in the right direction.
- Harry Bertino, 27 Condo Road, said that it illegal to assess a tax under the guise of a fee in New Hampshire and median value could not be valid, because it will mean basing a tax on a fictitious value. He said that he suggested at the Water and Roads Committee meeting that special meeting be held, for the District to make a request to the Superior Court to redo Warrant Article 3. Mr. Bertino said he thinks that there was a valid amendment proposed that was shot down, and he does not think that should have happened. Mr. Bertino said that one cannot change the purpose but can change how the funds are appropriated. He reiterated his request for a special meeting with permission of the Superior Court to redo the WA 3. He also

asked to show him the RSA that allows start billing in 2021 for a budget in 2022. Then Mr. Bertino expressed his concern with using the number of bedrooms for 'guesstimating' usage.

- Mr. Spinney responded to Mr. Bertino that once the meters are used the payments will be fair regardless of how many bedrooms a house has. Then there was back and forth on equity and previous discussions. Mr. Bertino repeated his statement about the need for a special meeting and Warrant Article 3 done incorrectly.

Mr. Scruton alerted the Commission and members of the public that Mr. Jaime Oldmixon had alerted him of an error in the computation of the 25:75 rates. The IGM distributed the corrected rates to all present at the physical location.

25:75 Proposed Waterville Estates Village District Water Rates

25% Availability 75% Usage			
Budget Approved	$ 532,455.00		
10% non collect	$ 53,245.50		
Total Due	$ 585,700.50	This represents what needs to be raised	
25% Availability	$ 146,425.13		
838 Properties	$ 174.73	Availability fee/lot	
75% Users of System	$ 439,275.38		
1977 Occupant	$ 222.19	Usage Charge/occupant	
ANNUAL RATE		1st half billing	Second billing
Undeveloped lot	$ 174.73	$ 161.10	$ 13.63
One bedroom	$ 619.12	$ 252.14	$ 366.98
Two bedroom	$ 841.31	$ 297.67	$ 543.64
Three bedroom	$ 1,063.50	$ 343.19	$ 720.31
Four bedroom	$ 1,285.70	$ 388.72	$ 896.98
Five bedroom	$ 1,507.89	$ 434.24	$ 1,073.65
Six bedroom	$ 1,730.08	$ 479.76	$ 1,250.32
Seven bedroom or larger	$ 1,952.27	$ 525.29	$ 1,426.98

- William Mitchell, 88 Donovan Farm Road, spoke about eliminating the need for meters and using higher connection fees, using assessed valuation to make rates more equitable, and going back to the way things were, using tax revenues and eliminating water rates, as it worked.
- Matt Antinoro, via Zoom, thanked everyone and said that there are some audio issues and he was not able to hear the various proposal described by Mr. Scruton and did not see those materials distributed electronically. He asked if those could be made available. Mr. Antinoro also asked about what steps and actions would be taken to expedite the availability of meters and what would the actual cost of a meter be to a resident.

Alison Smith said that she believed that meters are $360/meter and the Kornerhorn is $275 or $279 each, with the latter not always being required. Mr. Scruton explained that the type of rate structure that gets chosen may affect the need for meters. There are negotiations ongoing with a meter supplier

and if the order is placed, it would be a couple of weeks for delivery. Ms. Patti added that the calculations for all the proposed and original rate structures have been included in the hard copy version of the handout, and the version of the handout is posted online and available electronically, and she will make sure that the updated versions get posted as well. She added that at the end of this hearing the goal is to finalize the 2022 rate structure.

- Mr. Danzig spoke in support of meters.
- Mr. Bertino asked clarifying questions about the budgeted amount to be collected, including the stipulation of 10 percent for non-collected funds, which were added to the amount approved by the voters. He repeated his question about the RSA that allows the Water Department to bill for the 2022 budget in 2021. He also asked to clarify what the District owns according to the paperwork that was circulated at the last Water and Roads Committee meeting.

Ms. Patti explained that the document Mr. Bertino read from was a draft description of the WEVD Water System that was circulated at the last Water & Roads Committee meeting

- Mr. Mitchell said that choosing the assessed value approach should be fair.
- Ralph Wilbur, via Zoom, referred to McGrath v. Canaan which states that each customer should be charges in the event when he is connected but there is no flow, therefore the case does not support collecting availability fee from undeveloped lots as they are not connected.

Ms. Patti advised Mr. Antinoro and all in attendance that the WEVD Administrative Assistant posted the corrected proposed rates on the District website as an urgent alert so the information is available to all.

- Mr. Fagas said that it seems that the 25:75 split burdens the smaller number bedroom homes too much.
- Mr. Bertino asked about the court case noted earlier and whether it was about connected or disconnected water service .

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 6:59 PM. She noted suggested that the Commissioners may need to discuss scheduling a public hearing about modifications to the hook-up rate, and that she was alerted by a resident that there is a similar community (Village District) named Eidelweiss that is charging a flat rate to all lots with houses and without.

Mr. Panuczak noted that the original Water & Roads Committee recommendation was intended to get our community more toward usage based rates. In his opinion, the 25/75 rate continues to move us toward a usage-based rate and equity. *Mr. Panuczak made a motion to modify water rates to the updated & mathematically correct 25 percent availability charge and 75 percent usage charge. Mr. Spinney duly seconded.* After a brief discussion about how this split may affect ordering the meters, and Mr. Scruton's response that he would encourage the Commissioners to order them.

- Mr. Bertino asked to clarify a point about which details were referenced by Ms. Patti, from 2019 or 2014. Ms. Patti said that that she did not know as this was all she got from a citizen.
- Rick LeBlanc via Zoom said if we know that roughly 23% (of the costs of the Water Department) are usage, how are we going to switch to 75% usage. Mr. Panuczak said that the previous billing was done at 60:40 (availability:usage) split and this is a motion to switch to 25% availability and 75% usage where the 25 percent of the annual costs will be billed as

availability, and 75 percent of the annual costs – as usage, which will be calculated by the number of bedrooms until meters are installed an actual usage is known.

- Mr. Bertino read some 2019 information from the Eidelweiss website regarding its water budget.

Ms. Patti restated Mr. Panuczak's motion and added that the updated calculations for the 25% Availability and 75% Usage rate formula were published on the website and pushed out as a notification during this meeting.

A vote was taken and motion passed unanimously with a roll call vote.

Approval of Minutes.

a. April 12, 2022

Ms. Patti made a motion to adopt the 04/15/2022 meeting minutes as written. Mr. Panuczak duly seconded. Motion passed with a unanimous roll call vote in favor.

b. April 6, 2022

Ms. Patti made a motion to amend the 04/06/2022 meeting minutes according to the list of changes she prepared and that were in the meeting handout (attached). Mr. Panuczak duly seconded. Motion passed with a unanimous roll call vote in favor.

Ms. Patti made a motion to adopt the 04/06/2022 meeting minutes as amended. Mr. Spinney duly seconded. Motion passed with a unanimous roll call vote in favor.

c. March 28 , 2022

Ms. Patti made a motion to adopt the 03/28/2022 meeting minutes as written. Mr. Panuczak duly seconded. Motion passed with a unanimous roll call vote in favor.

Treasurer's Report

The Treasurer's report was deferred to the May 4th Commissioners' meeting.

Interim GM's Report

Before Mr. Scruton went over his report, Commissioners decided to schedule a public hearing on modification of the hook-up rate at their May 18th meeting at 4 PM.

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

2. The need to order meters and software for them.

Mr. Panuczak made a motion to authorize the Interim General Manager to order the meters, software, and Kornerhorns. Ms. Patti duly seconded and motion passed with a unanimous roll call vote in favor.

3. The need to buy two new portable generators. The used one that was bought in the past had serious problems and was not reliable.
4. AmeriGas: Regarding the price per gallon for the next year, since the prices have dropped slightly in the last two weeks, AmeriGas is able to offer a fixed rate for a year at $2.899 per gallon. Due to the volatility of the energy markets, they are only able to hold this price for a short time.

Mr. Panuczak made a motion to adopt the proposed by AmeriGas rate of $2.899 per gallon. Ms. Patti duly seconded and motion passed with a unanimous roll call vote in favor.

5. Mr. Scruton advised that the Office wing, which did not burn, had a septic system in the area of the horseshoe pits. When the swimming pool wing was rebuilt after the fire it was linked to a new septic system located the area between the pond and tennis courts. Around 2009 the material created by the blasting for the Pegwood tank was put in the area that is now the horseshoe pits. Unfortunately, that fill buried access to the septic tank and very probably the leach field of the original system for the part of the building that had not burned. The building that did not burn is now the Office Wing of the building. As a result, it has been impossible to do maintenance on that system since then. That system connects drains, sinks, and the family changing room in that part of the building. Fortunately, the system has not failed. If it does fail, the only reasonable solution would seem to be is to re-pipe or move the family changing room plumbing and the interior septic in the Office wing in some way to the existing septic (provided there was capacity to do so).
6. Wind caused substantial damage to the water system, highway garage, a highway truck on Monday night, Tuesday morning. Insurance claims being filed.
7. Administrative Services Agreement discussion will be taken up as a later item on the agenda.
8. The highway department truck we are going to dispose of this fall needs about $2,000 work to get through the summer. The District needs it for the dump body for work that is done. The new truck is still awaiting transport from the Midwest (hold up in transport vehicles). Mr. Scruton said that he authorized proceeding.
9. The Commission is still seeking candidates for the manager position.
10. Sanborn and Head will begin work focused first on the oil on the ground behind the garage where the old heating oil tank was, the area in front of the fill station and the area in which the Management wants to place the salt shed.
11. An inventory of doors was done at the Community Center to plan replacements. There are 88 doors in the building. Only one contractor was found at this point willing to respond to our request regarding replacement of the worst ones.
12. Fireworks. PRIMEX, our risk/insurance carrier, indicated we should not have unlicensed uninsured staff setting off fireworks. Mr. Scruton called a professional company that does it for a lot of towns. The dates for 7/2,3 & 4 are unavailable. Friday the first and the following weekend are. The cost would be between $5,000 and $7,500 for a 10-15 minute show to have an insured, licensed company do it. Mr. Scruton have passed this on to the WEA Board to see how they wish to proceed.
13. Mission statement suggestions will be discussed later in the meeting.
14. Proposed changes RMA fee. Ms. Patti spoke about the recent meeting with the WEA Board and what was discussed. Mr. Scruton went over the changes presented in the table in the handout. Ms. Patti said that the changes affected the anticipated revenue from WEA in the 2022 budget under the RMA, which went from about $364 thousand to somewhere around $298 thousand. Mr. Scruton pointed out that WEA is billed for employee time actually spent on Recreation. The Budget consists of predicted costs but the RMA billing is based on actual costs. Mr. Panuczak said these changes are reasonable and asked if the Budget Advisory Committee reviewed the changes? The answer was no and a brief discussion followed on how

to proceed given that the BAC is not scheduled to meet until next fall. Ms. Patti reported that at this meeting, both sides worked and negotiated in good faith to make a lot of headway to resolve issues with invoicing per the RMA. *Ms. Patti made a motion that the Commission modifies the RMA billing to the Association in a manner reflected on page 7 of the Interim General Manager's Report. Mr. Spinney duly seconded. Motion carried with a unanimous roll call vote in favor.*

Committee / Board Reports
Planning Board
Report submitted by Mr. Canfield is in the packet.
Water & Roads
No report.
Outdoor Courts
No report.
Snowmaking
No report.

Ms. Patti said that the Records Committee is working on moving the oversized files into the special file cabinets that were purchased used a year and half ago.

CONSENT CALENDAR
a. Manifests
Ms. Patti made a motion to approve manifests. A vote was taken with no second. Motion carried with a unanimous roll call vote in favor.
b. Committee and Board Reports
Ms. Patti made a motion to approve the Planning Board report. Without a second, the report was approved by unanimous roll call vote.
c. Re-appointment of advisory committee volunteers
Ms. Patti made a motion to correct her own submission for this item for the date at the bottom to read 04/20/2022. Mr. Spinney duly seconded and the amendment passed unanimously by a roll call vote. Ms. Patti made a motion to adopt the re-appointment schedule with respect to the one person identified with an X in a third column. Motion was passed without a second by a unanimous roll call vote in favor.

GENERAL CALENDAR ITEMS
a. Reorganization of Commission – Outdoor Courts Committee, etc.
Ms. Patti resigned from the Outdoor Courts Committee and Mr. Spinney was appointed as the liaison to the Outdoor Courts Committee. Mr. Panuczak noted that Mr. Herlihy was a representative of the Water and Roads Committee and there need to be a new Commissioner appointed to that. Ms. Patti asked Mr. Panuczak if he would agree to become that representative and he agreed. Ms. Patti appointed Mr. Panuczak as the representative of the Water and Roads Committee. Ms. Patti clarified that Mr. Herlihy was appointed a regular member of the Water and Roads Committee instead.
b. CIF to pay for 2 new Hot Tubs

Ms. Patti said that she would like to thank the WEA Board for voting to use CIF funds to pay for the two new hot tubs for the indoor and outdoor areas. Her understanding, as well as Mr. Scruton's that the installation will also be paid by WEA. Mr. Spinney noted that the contribution is significant as the hot tubs themselves cost in excess of $21,000. Mr. Spinney described the WEA Board's cooperation as "huge" and noted that CIF is for replacing items like this for the benefit of the community.

c. WEA Board paid the January and February invoices – ASA & RMA

Ms. Patti also thanked the WEA Board for authorizing payment of January and February ASA and RMA invoices. Ms. Patti described a new era of cooperation and positive relations between the District and the WEA Board of Directors.

d. Request from WEA Board to use 3rd party vendor for HOA administrative services, no disruption in District staffing, not a breach of the Administrative Services Agreement

Ms. Patti explained how the request by the WEA Board to use a 3rd party vendor to run the HOA administrative services will not breach the ASA or disrupt any District staffing. She said that this process will take time and everyone has been very cooperative. Ms. Patti described the process of creating the Administrative Services Agreement and described the current state of affairs as an era of cooperation and positive relations between the Commission and the Association's Board of Directors. The intent is that the 3rd party vendor will be billing for WEA dues. Ms. Kinney said that she is working with the company on making sure the accounts are all in order.

e. WEVD Commission Mission Statement

Ms. Patti said that some suggestions are presented in the handout. Members discussed and agreed that the third version (which Ms. Patti compiled from the public feedback) should be given more thought and subjected to more public input.

Upcoming WEVD Commission Meeting: Wednesday, May 4, 2022 @ 6 PM; Wednesday, May 18, 2022 @ 4 PM.

Public Comment Period

Mr. Danzig spoke about the purpose of the mission statement. Mr. Panuczak noted that the mission statement will be posted for the community discussion and encouraged residents to comment on it. Mr. Mitchell asked if this mission statement was replacing an older one and the answer was no. Mr. Bertino asked if it would be possible to get an estimate of how much water is used by each property to get an estimate of the usage charge.

Signing of previously approved minutes, policies, and procedures

Members signed the documents provided to them.

Non-Public Session

Ms. Patti motioned to enter non-public session for the purposes described in RSA 91A:3, II (b), (c) and (l). Mr. Panuczak duly seconded and the motion passed at 7:59 PM by a unanimous roll call vote.

Non-public session was entered at 8:01 PM. Commissioners Patti, Panuczak, and Spinney were present in person as well as IGM Scruton and AGM Kinney.

Resumption of Public Session

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

Public session was entered at 08:21 PM. Commissioners Patti, Panuczak, and Spinney were present in person.

The nonpublic session minutes were sealed by a motion from Mr. Panuczak, a second by Mr. Spinney, as divulgence of the minutes affect the reputation of any person other than this commission. The motion passed by a unanimous roll call vote.

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

Meeting adjourned at 8:22 PM.

Prepared by Alvina Snegach

Amendments to April 6, 2022, Draft Commission Meeting Minutes:

1. Page 1, line 6 – correct 'Coxley' to "Cox"
2. Page 5, line 199 – insert after 'introduced' the following: "by the former General Manager"
3. Page 6, line 239 – insert name "Dave Ketcham"
4. Page 8, lines 297-8 – delete 'Ms. Patti said there are none'
5. Page 9, line 370 – correct typo "Mr." not 'Mrs.'