562 Winterbrook Road Campton, NH 03223
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Waterville Estates Village District

October 26, 2022 Commissioners Meeting APPROVED Minutes

Approved as amended on November 2, 2022

Attendees: Commissioners Maureen Patti and David Spinney. General Manager Ron Beard, Assistant General Manager Judy Kinney, Head of the Department of Public Works Steve Baert, Financial Assistant Allison Smith. Also present were members of the public: Tom Lawler, Joan Wood, Mary O'Brien, Harry Bertino, Keith Barnes, Lucy and Barry Danzig.

Attendees via Zoom: WEVD Treasurer Rob Diefenbach, Susan Flemming, Sharlene Hemp, Ken Michaud, Mark Canfield, Erich Kikel, Matt Picco, Ben Redden, Russ Kikert, and other identified persons.

Call to order: Commissioner Patti called the meeting to order at 6:00 PM.

Pledge of Allegiance: The meeting began with the Pledge of Allegiance.

Roll Call of Commissioners: Ms. Patti and Mr. Spinney were present in person. (Mr. Panuczak arrived at the meeting at 8:18 p.m.)

Approval of the Agenda:
Ms. Patti made a motion to table the General Calendar item 8.b for the discussion to provide water lines off the system mains to the November 22, 2022 meeting at 4 PM. Mr. Spinney duly seconded and motion carried by a unanimous roll call vote in favor.
Ms. Patti made a motion to amend the 2023 Water Budget document by adding a word "variance" after the words "Year-end…" Mr. Spinney duly seconded and after a unanimous roll call vote in favor, motion passed.
Ms. Patti moved to approve the newly amended document for the 2023 Proposed Water Budget to make it an official attachment for the minutes of the tonight's meeting. Mr. Spinney duly seconded and after a unanimous roll call vote in favor, motion passed.

Public Hearing – Adoption of 2023 Water Rates
Ms. Patti opened the public hearing at 6:04 PM. She asked Mr. Spinney about the conversation that took place at the budget hearing regarding the rate. Mr. Spinney explained that this was not a final budget, as this is proposed so that the Commission could set a water rate. He added that the final budget will have to be approved at the annual meeting. Mr. Spinney then spoke about the adjustments that were made to the total budget for certain items: such as Ms. Allison's time, part of which was moved from the Village District budget to the Water Budget; such as the expenses that have gone up, like systems/materials/supplies to reflect the current spending plus some additional amount. The other big item responsible for the increase is utilities as they have almost doubled. Mr. Spinney said that the proposed

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amount was $76,000 originally but has been revised to $130,000 based on the actuals and upcoming trends. He added that another adjustment will be made that relates to the meters, since last year $40,000 was allocated for the purchase of new meters, which have not all been purchased, therefore, there is still a balance of $25,000. Thus, the District does not need to raise all of the $40,000. The remainder will be put into the strategic planning line item in order to start saving for future infrastructure improvements. Mr. Spinney said that in theory it was proposed to save about $137,000 this year alone for strategic planning purposed, which is not a realistic goal.

Mr. Beard explained about moving the balance and that it should indicate that the District has started a fund for any future water infrastructure replacements. The numbers will not change in terms of the budget but the money will be moved in order to start that strategic planning line item in order to be able to apply for grants going further.

Ms. Patti also clarified that in 2022 the approved budget was $532,454 and the proposed for this year is around$646,000. She then recapped Mr. Spinney's description of the proposed budget and the outliers that drove the numbers up for this year.

Ms. Patti asked Mr. Baert and Mr. Beard to address the need for the changes in the budget. Mr. Baert spoke about the raising costs of materials and supplies, supply chain issues, etc. Mr. Baert added that Mr. Baert's and Ms. Allison's hard work is now paying dividends in the form of the better operation of the system and it being tighter than it has ever been in terms of leaks, which results in savings to the District.

Ms. Smith also explained about the larger budget figures presented in the handout for the meeting and that these are not the actual numbers, but the ideal scenario involving various system upgrades and repairs. She added that this was deemed unrealistic as soon as the numbers became apparent and that the District has worked really hard to come up with a more realistic budget.

Ms. Patti reiterated Ms. Smith's statement about the higher variation of the budget and spoke about the District's effort to submit the application to the State Revolving Fund for loans/grants to address the water system deficiencies and how that process went. She explained, that despite the effort and the fact that all three projects were ranked within the top 100, it was not enough to get money in this round. Ms. Patti said that things like having the Asset Management Study, having a strategic planning line item that is funded, and modifying the way the money is collected to fund the Water Department, adds points in the application scoring process. The District is doing its best to raise the value of its applications for such grants and loans. Ms. Patti added that the system requires a lot of work and many of those things are being discussed, but the Commission is not asking the community to foot this bill through this budget and is looking for loan/grant opportunities to fund them.

Ms. Patti then went over the three options for the budget presented in the handout and explained that the first one is a non-option as it is not realistic. The second option provides for a 10% rate of non-collecting on water bills with a 25/75 split between availability and use rates. The third option is for a 3% rate of non-collecting on water bills. Mr. Spinney and Ms. Smith clarified that currently the rate of non-collecting is 2.6%. The fourth option is going back to 60/40 split between availability and use rates.

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Mr. Diefenbach via Zoom commented on the shortage of $129,000 in gross income shown in the handout and noted that in actuality a $148,000 of water fees for this year were collected last year and the goal is to collect some of the 2023 fees in the last months of 2022 to make up for that deficit. Ms. Patti added that the bills for 2023 will go out November 1, 2022 with a due date of December 1, 2022.

- Harry Bertino, 27 Condo Road, asked for clarification about the transfer of the funds from the District Budget to the Water Budget for Ms. Smith's wages.

Mr. Spinney explained that it will not be funds. He said that Ms. Smith splits her time between the District and the Water Department, therefore her wages/benefits will be apportioned between the two budgets (50/50) accordingly to the actual work performed. There was some back and forth on the way Ms. Smith logs her hours and how it will be paid from either of the budgets.

- Mr. Bertino then asked about November 1st water billing and the fact that according to RSA 38, this budget has to be approved by the legislative body, which will not meet before that date, therefore, people will be billed based on the budget they had no opportunity to comment on.

Ms. Patti said that this was the same issue that was brought up last year and that the Commission has vetted it with its Legal Counsel and has no issue with that.

There was a lengthy back and forth on the issue of billing taking place prior to the budget approval and whether it was akin to the tax bill or not and the municipal budget process.

- Mr. Bertino also asked who authorized the use of the tax cards to determine the number of bedrooms for the water rate billing purposes as in his opinion neither the Town of Campton nor the Town of Thornton had given such authority to the District. He also said that the sole purpose of a tax card is taxing. He said that the tax cards are produced by two different assessors (as there are two towns), thus potentially creating an issue of interpretation of what a bedroom is, therefore, there could be two different standards used in the water billing process.

Mr. Spinney noted that the tax cards are used for information purposes as they are public information but he was not sure on whether both assessors are using the same standard.

- Mr. Bertino also added that the Selectboard and the residents of each town have a say in the tax cards, therefore, the District, by using the tax cards in the water billing, gave a say to both town's Selectboards and residents who are not residing within the District boundaries a say in the District matters.
- Jared Waitkus, 165 Winterbrook Road, via Zoom asked how the meters will tie into the billing process at this stage. He will be one of the first residents who will have an operating water meter.

Ms. Patti responded that there needs to be sufficient data collected to estimate the actual usage before the meters could be reliably used to set the usage rate. She added that the District has not gotten to this point yet. New construction requires a meter installed and there are currently 55 people on the list to have meters installed.

- Susan Fleming 44 Liberty Lane, #4, via Zoom said that she had also had a question about the meters. She spoke about her $600 a year water bill for a four bedroom house in Florida and an almost $1,000 dollar bill for her vacation condo which has two bedrooms and is not used

throughout the year. She also added that there are units that are rented out almost all the time and the water usage in them is much higher, yet everyone ends up paying the same.

Ms. Patti said that she understands the frustration and that this is, unfortunately, not an easy thing to fix, given the fact that the rollout will take considerable time, and that the system is quite old and has a lot of issues. She added that the District is using the formula that in its view achieves the best results in terms of equity. Mr. Spinney added that the District's ultimate goal is to base the majority of its fees on the actual usage, which will require majority of properties to have meters.

- Sharelene Hemp, 4 Liberty Lane, via Zoom agreed with the previous speaker and asked to explain why the District is doing a study when only 10% of the residents have meters and it seems to her that if the rate is based on that study, the folks who are there part time will be paying for the folks who are there full time. She also asked at what point all the residents will be mandated to install meters.

Mr. Spinney said that the District has information on how much water it produces annually and is starting to take measurements on how much water is used in the Estates, but it will take a lot more meters to be installed to have more accurate information. He added that the water system costs are real and that the District is trying to be equitable in basing the rate on the size of each unit.

- Ken Michaud, 183 Reservoir Road, spoke about the District study that showed that 78% of the Water System costs were fixed and only 22% were variable and asked why the District is placing so much emphasis on meters if they can only affect 22% of the costs.

Mr. Spinney responded that the District will eventually get to a point where those actual costs would be divided by the actual usage in gallons and that should allow for all the users to pay their fair share. There was back and forth on the fixed costs and what they are and how the usage may only affect the smaller portion of the variable costs.

- Mr. Michaud said that it does not seem equitable and the legality of it is concerning to him. He added that he is all for per gallon billing, but he does not see how it is possible, nor was he ok with charging vacant lots for water services.

Ms. Patti responded that the District has consulted with legal counsel and weighed and considered various options. She added that the Commission does not have the same view about this issue as Mr. Michaud and that they appreciate his opinion on the matter.

- Mr. Michaud also had a question about grants, which were brought earlier and asked if the Commission had anything in writing that states the criteria that are used for grants, and how going to a per gallon billing model actually relates to those grants and whether there are writing communications or a grant scorecard or any evidence that shows that. He added that according to his own research he was not able to find anything on paper related to grants.

Ms. Patti responded that she would consider that a Right-to-Know request by Mr. Michaud and will ask Ms. Smith to notate what he is asking exactly (using the meeting recording if necessary) and the District will process this accordingly.

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- Mr. Michaud also asked about the highest "non-option" budget option presented in the packet and said that he has the NH Department of Revenue Administration forms going back to the nineties, and that the Water Department Budget in 2020 was only half of what it is now. He pointed out that the shown amount of over two million dollars is nowhere near what has been actually spent in any given year. He said that it seems disingenuous that this is being used to set the baseline and tell the residents that the District is giving them more than a 50% discount. He said that a comparable district in New Hampshire, Edelweiss, has a water budget that is a fraction of the WEVD one.
- Barry Danzig, 186 Summit Drive, spoke about his own research into various method the water rates are set and said that he had never seen an availability rate and asked how the Commission ended up using that term and concept and if they could refer him to any other community that is using it.

Ms. Patti responded that the Commission spent a great deal of time researching and seeking expert opinion and came to the conclusion that for the lots that are withing a 100 foot distance of the existing water line and are able to connect to it (there are 290 undeveloped lots like that in the District), the existence of the functional water system contributes to the value of those lots. The logic there being that if the lot is too far from the water system, it will take a great amount of resources to connect it to the water system, thus diminishing the value of such lot. This was a policy decision the Commission made in 2021 when it was starting to look into managing water rates.

- Mr. Danzig said that his taxes are paying for that availability and compared a lot in a rural Maine and in the middle of Manhattan taxation wise. He added that he feels that the vacant lots are double taxed in the District, having to pay taxes and availability rate.

Mr. Spinney explained that the Water Budget is no longer funded by taxes.

- Mr. Bertino reiterated his point about using tax cards for information on the amount of bedrooms brings other people who are not District residents into the water rates setting process. He again spoke about the possibility of two different assessing standard being used to estimate the number of bedrooms by each town. There was back and forth on the subject of using tax cards for the information on the number of bedrooms and whether the Commission has a right to do that for the purposes of the setting the water rate.
- Mark Canfield via Zoom, 17 Armistice Circle, said that he would like to continue with the review of the current budget and discuss whether it needs to be as high as it is proposed.

Mr. Spinney reiterated that this is a proposed budget of what the District anticipates will be required to fund the water system next year. The final budget will be presented at a budget hearing and at the Annual Meeting. The water billing has to go out next month and these estimates are going to be used for that.
Ms. Patti reiterated the big changes that attributed to the increase in these year's numbers: allocations for a fulltime employee who is spending half her time working for the Water Department; almost doubling in the system's material and supplies; and increasing utility costs. She added that the system is operating much more efficiently now due to the efforts of the Water Department staff, which may mean less money

in the future to run it. She also added that any money that does not get spent next year will remain in the water budget to be spent on the water system in the future.

- Erich Kikel, Streamside Road, via Zoom asked about a hypothetical situation when everyone has a meter, and given the split of 25/75 fixed/usage costs and everyone cutting their usage by 50%, would that then really affect the fixed costs?

Mr. Spinney said that it will with electricity, water treatment, wear and tear, replacement of equipment.

- Mr. Kikel asked if that will affect it that much.

Mr. Beard said that with new all the construction the water usage will go up even with conservation efforts in place but the goal is to have a reliable water system that will always have water available, which is impossible to achieve without proper maintenance.

- Mr. Kikel said that this is mostly a weekend community and estimated that the peaks are mostly on the weekend and that the water has to be available during those peak times. He asked what percentage of the budget is allocated to the electricity costs.

Mr. Spinney said it was probably about one-fifth (out of the budget of $532.000 about a $100,000 is planned for electricity costs).

- Mr. Kikel also asked about the high budget option and how it was put together.

Mr. Spinney answered that this option includes fixing and fully upgrading the system, which is why the Commission is looking into obtaining forgivable loans or grants. Ms. Patti added that a bond option is also one way to cover such improvement but that would be a legislative body decision. She reiterated that the District is looking into getting low interest loans or grants first.

- Mr. Kikel asked if there were any benefits to leaving the water budget funded by taxes.

Ms. Patti said that she did not know the answer to that question and said that she will also consider it a Right-to-Know request from Mr. Kikel which will be addressed accordingly.

- Matt Picco, via Zoom, asked whether the Commission was recommending any of the proposed options of the budget.

Ms. Patti said that originally the District was very conservative in its estimates of non-collected billing, however she was partial to the option where 3% non-collecting rate was chosen. Mr. Spinney agreed with her and Ms. Patti said that this leaves Option 2 as the recommended by the Commission. Ms. Patti also added that the availability/usage split of 25/75 is codified in the Water Ordinance, therefore, this would be an Ordinance change as well, whereas the non-collecting number could change based on the outcomes of this public hearing. Mr. Spinney pointed out that under this option the budgeted amount would be close to $659,000.

- Mr. Picco asked about the breakdown of the 55 residents who already requested meters into fulltime and parttime ones.

Ms. Patti and Ms. Smith both said that they did not know the exact breakdown.

- Mr. Picco suggested that once the billing is done on a per gallon basis it would be good to have that information. He also asked if there was a timeframe for obtaining information related to metering the water usage.

Mr. Spinney said that this is part of the discussion on when to start gathering the information so that decisions could be made. There is no set timeline but it is being discussed.

- Mr. Danzig thanked the Water Department staff for all their work on the water system improvement and asked if there was any thought given on how to incentivize people to get meters installed.

Mr. Spinney responded that the Commission is working on not only attaining the meters but also promoting them, not excluding a possible mandate, which is already in place for all new construction.
Ms. Patti added that the District has also installed meters on the community building and the Ski Lodge in order to know how much water is used there and to pay its fair share.

- Ben Redden, via Zoom, pointed out that probably most people who are signing up for meters now are second homeowners, as they have the most incentive to pay for water used; however, that would mean that the Commission will make its decisions based on faulty data. He concluded that he would like to hear more ideas about mandating the meters to make the usage data more uniform.
- Ken Michaud, asked about a hypothetical situation with the meters installed in a community that is roughly 65% vacation homes (which is also split 75/25 rentals/vacation homes) and where the meters are used and the vacation homeowners end up paying very little due to small usage, which puts the burden to fund the rest of the system costs (of which 78% are fixed according to him) on the fulltime residents and renters. He asked whether the Commission should have the answers first before moving to meters. The cost shifting to the fulltime residents who are also voters is going to make them very unhappy.

Mr. Spinney said that they District's goal is to get to a point where the fixed costs and the production costs of the system become assignable. With currently fixed costs being maybe 70%, which may change, and the District is going to have to figure out how to raise this money.
Mr. Beard added that having meters installed at a 100% rate, the District will know what the controllable water consumption is, then take that number from the production, and that will determine the leakage from the system and provide the Water Department with good data on what needs to be fixed.

- Ken Michaud said that the problem he sees is that what Mr. Beard described as a data gathering mechanism is being used as a cost allocation one, which to him is unsustainable because the cost burden will shift to the full time residents who are the voters. He concluded that using meters is unsustainable with the fixed costs being so high. He estimated that the District will have to raise the availability charge eventually due to the need to cover the fixed costs by means of programming average daily use.

Mr. Beard said that the meters also have the ability to detect leaks and alert the homeowner and Water Department staff about it, which is very helpful in early detection and prevention.

- Russ Kikert, McLaren Drive, via Zoom spoke about the previous speaker's point where the people who installed meters will not see any savings with the cost burden shifting and will vote to go back to the old billing system, which in turn will not be liked by the people who invested in meters to lower their water costs but ended up paying the same. He also asked on whether the District was

anticipating that the fixed costs would go down and why. His other question was on whether it would make more sense to just "bite the bullet" and put a special assessment on every property aimed at covering the needed infrastructure improvements.

Mr. Spinney said that he was not sure if the District could do that, and that funding it via a warrant article would still need to go to the voters.

- Mr. Kikert clarified whether the expectation was that with the fixes to the system and the necessary upgrades the fixed costs would go down and asked about previous funding from taxes and how it was done.

Mr. Spinney concurred about the fixed costs expected to go down once the system has been fixed and upgraded, thus becoming more reliable, and Ms. Patti explained that prior to 2017 the Water Department was funded by taxes alone, and in 2017 an additional $200 fee per property owner was introduced in addition to the taxes, which was collected until 2021.

- Mr. Kikert asked if he should expect his taxes to go down now that the Water Budget is no longer funded through taxation. He added that he would like to see it tracked in some way.

Ms. Patti said that the reasonable answer to that question would be it depends and listed several factors that may influence taxes to go up or down.

There was back and forth on the issue where the money from the budget was being spent and how to track it. Mr. Spinney added that the system was not funded sufficiently before or funds were spent on other things like offsetting taxes, which is why it is in such poor state currently. To Mr. Kikert's point that taxes could be written off whereas the water bills could not be, Mr. Spinney responded that the water system has to be kept its own entity.

- Eric Kikel asked whether any residential water meters were currently operational.

Ms. Smith answered that the first one will become next week.

- Mr. Kikel asked about cell service in the area where the meter is going to become operational, about the approximate number of residences in the District being 500 and whether it will roughly cost $2,000 or more for each homeowner.

Ms. Patti disagreed with the amount and said that it is yet to be determined.

- Mr. Kikel estimated that it would be roughly a million dollars (given his math and numbers) to be spent on meters and asked whether it should be better spent on the system itself.

Ms. Patti reminded the community that this was all discussed when the meters were selected and that the cell service for them is a radio frequency, which is not akin the service needed for regular cell phones.

- Mr. Diefenbach spoke about Mr. Kikert request about where the money went and said that this was extensively discussed at the Annual Meeting and he can provide that information to him should he need it. He also said that he is a full time resident who resides alone in a three bedroom house, therefore this affects him a great deal. He added that unlike Eversource, which buys electricity to resell to the consumer, the District does not have to split the costs into fixed and variable, and can simply take the cost of production, divide by the total use and come up with the rate. He added that there is no reason for the District to separate the costs, and that he is an accountant.

- Mr. Michaud spoke about having no problem with an evenly divided cost allocation as it seems rational to him. He said that is currently being done is pitches as money savings for all, however, he is not sure what happens when everyone saves money, but the costs remain fixed and funds still need to be raised.

Mr. Spinney disagreed that the system was pitched as it would save everyone money and that the meters are going to be used to see how much water is used by who to allocate the costs accordingly.
There was a lengthy back and forth about meters being used for leak detection and how much reducing waste within the system can actually save. Mr. Michaud kept reiterating that the meters are only going to affect the 22% of the system costs which are variable and whether this massive investment was worth it. He said that installing meters in the main could serve the same purpose of determining leaks and be cheaper. Mr. Beard and Mr. Baert both said that leaks (sometimes major ones) also happen on private property.

- Mr. Bertino agreed with Mr. Michaud's point of fixed costs being close to 80% and asked what the per gallon fee would be based on that.

Mr. Spinney said that it is unknown right now.

- Mr. Bertino asked about the peak usage times and whether there was a difference between weekdays and weekends usage.

Ms. Patti said that they will add this to the Right-to-Know request by Mr. Bertino and provide the data for his review.
There was back and forth on the efficiency of meters and leak detection and being able to tell from meter data whether it is a leak or someone is in fact using a lot of water on a weekend.

- Mr. Bertino also said that in the eighties the use of taxation was approved for funding the water system and what the Commission is doing goes against that as the budget would need to be approved next spring and the billing will be done next week. Mr. Bertino then provided a brief historical overview of the legislative decision related to the water system since the seventies and estimated that the people will eventually get tired of this and go back to using taxes to fund the system. He also brought up Lincoln where in his opinion people had the same issue of installing meters and not using them.

Mr. Beard said that in Lincoln the meters were installed in order to get a grant to build the treatment facility and they are no currently used as they have been worn out, but they served their purpose.
Ms. Patti asked for a recess at 7:54 PM. Recess ended at 7:59 PM.

- Mr. Kikert asked about how the meters are promoted to the community or are planned to be.

Mr. Spinney said that it is currently being discussed along with ways to attain meters. He answered that he personally will get a meter for the reasons stated earlier, such as water conservation, qualifying for loans and grants, which will help fund the system. Ms. Patti added that Mr. Panuczak and she are also getting meters, in her case for water conservation in her own household.

- Mr. Kikert asked whether promotion was also based on telling people that their water bill will go down.

Mr. Spinney said that meters were not promoted to the community solely as a money saving measure for all. He said that for some people the bills will go down, but the ultimate goal is to be able to raise the money for the system and for everyone to pay their share fare.

- Mr. Kikert offered a hypothetical for a very low water user like himself and whether the pitch for a meter to him would be that his bill will go down.

Mr. Spinney responded that that may be the result but it is not how the meter would be promoted to him. Then there was back and forth on what may happen to the bill in different scenarios and what fare share means given that there are fixed costs and they need to be covered. There was also a discussion about what is in the proposed budget for just operating the system versus what would be needed for a full system repair and upgrade.

- Mr. Danzig spoke about the fixed cost versus usage costs split and how it may change with time given that the meters are installed that more data is gathered that will allow the Commission to set the rate based on the split that is more equitable. He concluded that is it hard to answer some of those questions that are asked right now without that.

Mr. Spinney agreed and said that the fixed costs that have been estimated for next year are there in the proposed budget numbers and the Commission is trying to find ways to raise money to cover them.

- Mr. Bertino asked a question about the modification of the billing procedure.

Ms. Patti said that this was a separate public hearing.

- Mr. Bertino said that this is related to this public hearing and asked what the projected daily cost is to run the system next year and then suggested a model to estimate the base line by using a 100 or whichever is the average amount of gallons a day usage by each household. Mr. Bertino kept insisting that the public hearing is conducted in a way that all the questions that are asked there are answered and that there is more information available to have an educated discussion.

Ms. Patti made a motion to close the public hearing. Mr. Spinney duly seconded and it passed unanimously by roll call. Public hearing closed at 8:12 PM.

Mr. Spinney made a motion that the Commission adopts Option 2 as the next November 1st billing. Ms. Patti proposed to restate the motion as follows: to apply Option 2 to set the water rates for 2023 beginning with the billing that is going out on November 1, 2022 in accordance with a budget of $639,738 and a 3% amount for non-collection built in to give a grand total of $658,930.14 to be collected. Mr. Spinney agreed with the amended motion. Ms. Patti seconded and offered a friendly amendment that the change in the water rate is reflected as 25% availability fee is modified to $198 and the 75% user rate is adjusted according to the number of bedrooms, all of which is reflected in Option 2. Mr. Spinney accepted the amendment. Ms. Patti duly seconded the friendly amended amended motion. Motion carried with a roll call vote with all voting in the affirmative.

Public Hearing -- Modification to Billing Procedure, Section 24, of the WEVD Water Ordinance re: town tax card adjustments

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Ms. Patti opened the public hearing at 8:15 PM. Ms. Patti noted that the change will be made to Section 24 and a second paragraph will be added under Billing beginning with words "Any changes in a tax card…". The proposed change language is available in this meeting handout. She added that definitions would also need to be added to the Section 3 of the Water Ordinance, thus a new definition under letters nnn. will be added that will read as follow: "Definitions for calculations, when Town tax card is adjusted:
P: Annual amount paid by customer for water, not including any finance charges
X: Annual rate for water applicable to number of bedrooms originally billed for
Y: Annual rate for water applicable to the changed number of bedrooms
R: Amount to be refunded to, or still owed by, the customer
T1: Number of months the property was listed with the number of bedrooms originally billed for (in current 24 year)
T2: Number of months the property will have a changed number of bedrooms (in current year)."
Ms. Patti explained that the changes are related to changes to tax card changes done by the towns throughout the year and gives the District the ability to adjust accordingly. She added that this was discussed at length during a Commission meeting and she suggested to have a public hearing to seek input from the community.
Mr. Panuczak joined the meeting at 8:18 PM. Ms. Patti opened the floor for public comment.

- Mr. Bertino read the language of the proposed change to the Water Policy and stated that the use of the tax card was part of that policy. He then asked the Commission to confirm it.

Mr. Spinney and Ms. Patti responded in the affirmative.
Having nobody else willing to address the Commission, Ms. Patti closed the public hearing at 8:20 PM.
Ms. Patti made a motion to amend the Section 24 of the Water Ordinance (pg. 14) adding what begins at line 8 and ends at line 37 on the document that is part of the handout for tonight's meeting; also, to insert into Section 3 the Water Ordinance (pg. 8) an additional definition (nnn.) with contents between lines 19 through 25 from that same handout for tonight's meeting. Mr. Spinney duly seconded and motion carried by a unanimous roll call vote in favor.

General Manager's Report
Mr. Beard spoke about the following:

1. The Myrtle water line project has been delayed again due to the contractor encountering ledge and the need for more equipment. Mr. Panuczak asked if Mr. Beard knew what the approximate additional cost would be related to the ledge issue and Mr. Beard said he does not know yet. Agreement was to defer this discussion to the subsequent meeting when the numbers are available.
2. Campton Mountain will be open October 29th with live music from 4 to 10 PM. There will be a Haunted Hayride, Trunk or Treat and costume contest.
3. The tennis and basketball courts have been paved as well as the handicapped ramp.
4. Ms. Kinney and Mr. Beard began meeting with the Department Heads to develop their 2023 budgets.

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5. MRI will be meeting with Ms. Kinney and Mr. Beard this Thursday to answer questions regarding District financial reports.
6. Mr. Pelchat and his team have been busy getting ready for the winter.

Ms. Patti made a motion to approve and accept the GM Report as presented. Mr. Spinney duly seconded and motion carried by a unanimous roll call vote in favor.

General Calendar Items:

a. Water & Roads Committee input re: Water Ordinance violations

Mr. Panuczak provided an update and said that he spoke to Ms. Smith and they agreed that the Ordinance stands as it is and the staff will use judgement to determine further action. Ms. Smith corroborated and provided further details of that discussion.

b. Cost to Water Department to provide water lines off of water system mains to curb stops for new Waterville Estates residences

Tabled until November 22, 2022.

Upcoming Meeting: Wednesday, November 2, 2022 @ 6 p.m.

Public comment period

There were no public members willing to address the Commission, no phone calls, emails, or anyone on Zoom and the public comment period was closed.

Non-Public Session

Ms. Patti motioned to enter non-public session for the purposes described in RSA 91A:3, II (a, (c), and (l). Mr. Spinney duly seconded and the motion passed at 8:28 PM by a unanimous roll call vote of both Commissioners who remained present.

Non-public session was entered at 8:40 PM. Commissioners Patti, Panuczak, and Spinney were present in person.

Resumption of Public Session

At 9:26 PM Mr. Spinney motioned to exit non-public session, Mr. Panuczak duly seconded and the motion passed by unanimous roll call vote.

Public session was entered at 9:26 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 would adversely affect the reputation of someone other than a Commissioner and render proposed action ineffective. The motion passed by a unanimous roll call vote.

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

Meeting adjourned at 9:28 PM.

Prepared by Alvina Snegach

Water Department Budget Expense Account	2022 Budget	2022 Actuals	Year End Variance	2023
WATER DEPARTMENT INCOME				
3914W. Water Assessment	449,581	366,973	82,608	
3503.1. Interest	1	12	-11	
3301. Credit Card Processing Fee	321	0	321	
3401. Finance Charges	438	6,569	-6,131	
Grant procedes	50,000	0	50,000	
3503 Misc Income		10,720	-10,720	
3401.1. Contribution from General Fund			0	
3409 Meter Income	20,000	6,552	13,448	40,000
Gross Income	***520,341***	***390,826***	***-129,515***	
WATER DEPARTMENT EXPENSES				
Debt Service				
4711 Bond Principle	20,000	0	-20,000	20,000
4721 Bond Interest	1,500	0	-1,500	1,500
Sub-Total Debt Service	***21,500***	***0***	***-21,500***	**21,500**
4300 · WATER DIST & TREATMENT				
4331.1 Wages	43,680	16,890	26,790	89,530
4331.2 Payroll Taxes	3,778	3,193	585	7,502
4331.3 Retirement	6,141	1,953	4,188	13,009
Health			0	19,418
Dental			0	790
4332.1 · System Repair,Materials,Supply	61,800	99,879	-38,079	110,000
4332.11. Generator Maint.	5,781	473	5,308	5,954
4332.12 · Licenses/Fees/Education	18,000	3,336	14,664	10,000
4332.13 . Finance Charges	773	5,237	-4,464	1,000
4332.14. Office Supplies	1,030	2,147	-1,117	4,500
4332.15. Postage	1,000	678	322	1,000
4332.16 Legal Expenses	10,000	5,687	4,313	10,300
4332.17 Consultant	10,000	6,725	3,275	10,300
4332.18 Misc Expense		466	-466	500
Tools			0	4,000
4332.2 · Water Testing - DES	2,726	929	1,797	2,808
4332.3 · Leak Repairs	18,497	9,925	8,572	19,052
4332.4 · Engineering	51,500	14,561	36,939	53,045
4332.5 · Equip Rental	1,198	174	1,024	1,500
4332.6 · Telemetry	9,249	3,289	5,960	7,000
4332.7 · Misc Projects	1,000	1,271	-271	1,030
4332.8 · Subscriptions/ Dues	3,399	700	2,699	1,500
4332.9 · Water System Electricity	76,327	70,610	5,717	130,000
4335.1 · Water Treatment Chemicals	4,120	5,651	-1,531	13,000
Sub-Total 4300 · Water Distro & Treatment	**329,999**	**253,776**	76,223	**516,738**
Total Water Department Expenses	***351,499***	***253,776***	76,223	***516,738***
GROWTH & NEW			0	
Water Elements			0	
4909.1 Water Line Upgrade	54,200	0	54,200	70,000
4909.2 New Wells	0	4,866	-4,866	
4909 Strategic planning	50,000	0	50,000	

4909.10 Reservor Building Repairs	6,000	1,401	4,599	
4909.11 Pegwood Building Repairs	1,200		1,200	
4909.12 Pump Station Painting	2,500	308	2,192	
4909.15 Ski Bowl Repairs	4,500		4,500	
4909.8 Sunside Building Repairs	3,000	382	2,618	
Backup Power - Liberty Lane Pump House				0
Sunset Tank Expantion				0
Sub-Total Water Elements	**121,400**	**6,957**	114,443	**70,000**
Total Growth & New	**121,400**	**6,957**	114,443	70,000
CAPITAL PRESERVATION			0	
4909.13. Pump Phase Replacement	19,555	0	19,555	
4909.14 Water Metering Upgrades	40,000	14,198	25,802	40,000
Water Computer Software Update			0	
4909.3 Equipment - Backhoe		21,428	-21,428	
Domestic Water & Sub Surface Utilities			0	0
Domestic Water Pump Phase Replacement			0	20,000
New Storage Tank - Sunset			0	0
			0	
Total Capital Preservation	**59,555**	**35,626**	**23,929**	**60,000**
Total Expenses	***532,454***	***296,359***	236,095	***646,738***
Net Income	**-12,113**	**94,466**	**-365,610**	**-646,738**