Waterville Estates Village District
Water and Roads Advisory Committee
Minutes of February 17, 2023
(as amended)

Chairman Panuczak called the meeting to order at 9:01 am. The meeting was held in the Summit Lounge at the Community Center, 562 Winterbrook Rd. Campton NH 03223.

Members Present: Bennett (by Zoom), Bujalski, Herlihy, Panuczak, Patti

Others Present: Ron Beard, Scott Monroe (Zoom), Billy Mitchell (Zoom)

Mr Panuczak introduced Scott Monroe who will be appointed by the WEVD Commissioners to the Water and Roads Advisory Committee at the next Commission meeting on February 21, 2023.

Mr Monroe Introduced himself as having 39 years of Construction and Civil Engineering experience. He has experience consulting in the areas of civil engineering, construction oversight, and managing road paving projects.

Agenda: Motion by Bennett/ second by Panuczak to approve the agenda as presented. Yeas: Bennett Bujalski, Herlihy, Panuczak, Patti. Nays: none.

Approval of the Minutes of January 19, 2023. Motion by Bennett/ second by Panuczak to approve the minutes of January 19, 2023 as presented. Yeas: Bennett, Bujalski, Herlihy, Panuczak, Patti. Nays: none.

Item 1: Strategic Plan Update.
This item was postponed. Mr Sceggell was not present at the meeting.

Item 2: Updates:
A. Rate Information:

Mr Panuczak spoke about the Water Fund being an Enterprise fund. Money budgeted for 2022 projects which were uncompleted remains in the Water Enterprise fund for use in 2023. The unexpended funds no longer transfer into the unrestricted General Fund at the end of 2022.

Ms Smith provided a comprehensive rate review to the WEVD Board. It is available online with the WEVD minutes of the meeting, dated February 8, 2023. It was stated that the second annual water bill will be significantly less than the first billing. The two reasons are; the 2022 budget was underspent, and fewer new projects are projected in 2023. Projects in the 2022 budget were not completed. This money remains in the Water Fund for completion of these projects in 2023. In addition, a more conservative approach is being taken on evaluation of the number of projects that can be completed in 2023. A third factor is being considered. The projection for delinquent account payments was budgeted at 10%, and its actual number was 3%. Mr Panuczak stated that the true cost of the water system was an unknown. The Water Fund documentation and accounting practices are getting us to a true cost of service picture.

Mr Bujalski questioned the uncompleted project status. Mr Beard indicated Mr Baert is continuing to make the Pegwood pipe replacement a priority. Pipe for the project has been purchased and is being stored in an appropriate storage location. Meter Pit maintenance and equipment replacement continues.

Mr Herlihy asked if there was an estimate for the Pegwood pipe replacement. Mr Beard indicated Lakes Region estimates 175,000.00. Once the numbers are firmed up for this project a warrant article will have to go before the voters in April.

B. Water Meter Purchase Warrant Article

Mr. Panuczak made reference to the documents forwarded the the committee from Ms. Smith. In summary her report indicated:

* Water projects have a debt limit of 10% of the base evaluation
* General fund debt is 3% of base evaluation
  74,794,694 Valuation; 10%: 7,479,469.40; 3%: 2,243,840.82
* Estimates for bonding of 705,000.00 over a 10 year period was provided by New Hampshire Municipal Bond Bank and with the private savings and loan bank, MVBS.
* Status of the WEVD audits is problematic and may hinder any application.

Ms Smith does not recommend use of MVSB as the turnaround time is too short for the municipality and there is no room to negotiate as related to the

tardiness of the Audits. The bond bank is willing to work with us and has more understanding of our situation related to the audits.

NHMBB Application Process:

Audits need to be completed (2021 and 2022 Audits not complete)
Bond must be approved by the voters
July 2023 Disbursement target
Application deadline: April 28,2023
March 14, 2023 Public Hearing Target Date for Warrant Article
Requirement is a Warrant Article to be voted on at Annual Meeting.

It was noted in the discussion that MVSB estimated a loan payment 10 year schedule for 705,000 at a 5.34% fixed interest rate projecting a total of 912,058.50 repayment total.

NHMBB (New Hampshire Municipal Bond Bank) projects a 10 year loan at around 2.64% true interest cost.

Motion by Bennett, seconded by Panuczak: The Water and Roads Advisory Board recommends to the WEVD Board of Commissioners that a warrant article be presented at the April Annual Meeting to the voters procuring a bond in the amount of 705,000 from NHMBBfor the purchase and installation of Water meters in all homes in the District. And furthermore; the Bond application deadline is: April 28, 2023 with a possible disbursement in July of 2023. And where as; a public hearing related to the issue must be held by March 14, 2023.

Ayes: Bennett. Bujalski, Herlihy, Panuczak, Patti. Nays: None.

Discussion ensued related to installation questions. Vendor questions exist, as well as, questions related to installation issues unique to individual residences. A summary by Mr Panuczak explained that the current system is based upon a per bedroom water rate. There has been much questioning related to this rate model vs a metered water usage rate model. This warrant article put before the voters would give the WEVD Commissioner's a clear direction for funding the water rate structure for the Community. If the warrant article passes, meters would be mandatory. If the warrant article fails the per bedroom plus one would rate structure would continue.

Mr Herlihy clarified that Water Fund support the operation of the Water System. Rates support the Water Fund. If the Warrant Article is passed by the voter repayment of the bond would come from the Water Fund.

C. Rate Study Contractor Estimate Update:
Raftelis Inc., a company contacted to do a water rate study has still not sent a scope of work. Ms Smith is tying to get in touch with them but not yet gotten a response at this time. Mr Beard spoke to the fact he has experience with this company which did a rates study for Lincoln.

D. Proposed Changes to the Water Ordinance:

Mr Panuczak indicated that a resident in the community has found a language discrepancy in section 22.c of the Water ordinance. In the definitions listing of the ordinance the word “occupancy” (number of bedrooms plus one) is defined. In the referenced section (22.c) an additional undefined word “occupants” is used. It is thought that this is a scriber’s error within the original drafting of the ordinance that was missed. As a result the concern citizens is asking for a definition of occupants. Mr. Panuczak has referred review of this language issue to legal counsel. The second recommended change in the ordinance relates to a change of language defining the uncollectible water fees percentages as related to the budget.

Item 3: Road Improvement Plan Discussion

Mr Baert is continuing to work toward a Road Improvement Plan that projects a 20 year plan. The original Charter of the Estates called for this plan to be competed in 1989. It has not been completed. The plan should look toward paving all the Village Roads. Consideration should always keep in mind water line maintenance, valves, and improvement plans when scheduling road paving projects.

Village roads will remain as village roads. They will not be accepted by the towns of Campton and Thornton due to elevation/ slope of the Village roads. Village roads are not roads are not main roads moving traffic through the community. They are rather roads that service pockets of residential homes.

Item 4: Other

Discussion ensued related to asking individual who are hiking to report water infrastructure valves and issues with leakage along hiking trails. Mr Bujalski offered to work with the Trails Committee on an education program to report and identify these types of issues.

Mr Herlihy shared information on a seminar with the State of NH DES related to grant funding requirements for 2023.

Set Next Meeting Date: March 16, 2023 at 9:00 am.

Adjournment: Motion by Panuczak, seconded by Bujalski to adjourn at 10:19 am. Motion carried by all members present.

NHMBB New Hampshire Municipal Bond Bank

Waterville Estates Village District

July 2023 Bond Sale

10 Year **Estimated** Schedule - Level Principal

2022 Assessed Valuation: $74,794,694

Date Prepared: 02/02/23

Interest Start Date: 08/11/23

First Interest Payment: 02/15/24

Net Interest Cost: 5.00% Our 10 year interest rate in our January 2023 bond sale was 2.71% and we expect the interest rate for July 2023 to be lower than 5.00%. We use 5.00% to be conservative for budgeting purposes.

Debt Year	Period Ending	Principal Outstanding	Principal	Rate	Interest	Total Payment	Calendar Year Total Payment	Assessed Valuation	CY-Est. Tax Rate Inc.
	2/15/2024				$17,625.00	$17,625.00		$74,794,694	
1	8/15/2024	$ 705,000.00	$ 70,500.00	5.00%	17,625.00	88,125.00	$105,750.00		1.41
	2/15/2025				15,862.50	15,862.50		74,794,694	
2	8/15/2025	634,500.00	70,500.00	5.00%	15,862.50	86,362.50	102,225.00		1.37
	2/15/2026				14,100.00	14,100.00		74,794,694	
3	8/15/2026	564,000.00	70,500.00	5.00%	14,100.00	84,600.00	98,700.00		1.32
	2/15/2027				12,337.50	12,337.50		74,794,694	
4	8/15/2027	493,500.00	70,500.00	5.00%	12,337.50	82,837.50	95,175.00		1.27
	2/15/2028				10,575.00	10,575.00		74,794,694	
5	8/15/2028	423,000.00	70,500.00	5.00%	10,575.00	81,075.00	91,650.00		1.23
	2/15/2029				8,812.50	8,812.50		74,794,694	
6	8/15/2029	352,500.00	70,500.00	5.00%	8,812.50	79,312.50	88,125.00		1.18
	2/15/2030				7,050.00	7,050.00		74,794,694	
7	8/15/2030	282,000.00	70,500.00	5.00%	7,050.00	77,550.00	84,600.00		1.13
	2/15/2031				5,287.50	5,287.50		74,794,694	
8	8/15/2031	211,500.00	70,500.00	5.00%	5,287.50	75,787.50	81,075.00		1.08
	2/15/2032				3,525.00	3,525.00		74,794,694	
9	8/15/2032	141,000.00	70,500.00	5.00%	3,525.00	74,025.00	77,550.00		1.04
	2/15/2033				1,762.50	1,762.50		74,794,694	
10	8/15/2033	70,500.00	70,500.00	5.00%	1,762.50	72,262.50	74,025.00	74,794,694	0.99
	TOTALS		$ 705,000.00		$ 193,875.00	$ 898,875.00	$ 898,875.00		

Please show all warrant articles related to this project to bond counsel prior to submitting them to DRA. If you need a list of approved bond counsel, please let us know and we will provide one.

Approved: 03/34/20023

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NHMBB New Hampshire Municipal Bond Bank

PROGRAM OVERVIEW

- Created in 1977 by the New Hampshire State Legislature
- Non-profit agency, a political subdivision of the State of New Hampshire
- Operated by a 5 member Board of Directors, including the State Treasurer
- Full-time staff of 3
- Loans to NH Towns, Cities, Counties, School Districts & other Districts: $3.2 Billion since 1977
- Total number of individual loans: 1,390
- Total number of participants: 381
- Largest individual loan: $49,682,000
- Smallest individual loan: $19,000
- **AA+ assigned by S&P Global on 5/20/22**
- **Aa2 assigned by Moody's Investors Service on 5/9/18**

SERVICES OFFERED: Long-term loans through bond issues
Bond Anticipation Notes (BANs)
Debt service schedules in anticipation of meetings
We attend meetings in your community

For additional information, please visit our web site at www.nhmbb.com or contact Tammy St. Gelais, Executive Director, at 603-271-6639 or tstgelais@nhmbb.com.

PROJECTS FUNDED OVER THE YEARS:
Schools, Town Halls, Libraries, Police & Fire Stations, DPW & other Public Buildings, Water Systems, Sewer Systems, Landfills, Roads, Fire Trucks, Ambulances, Conservation Land, Court Judgements, Electric Systems, and Broadband Infrastructure

BENEFITS TO PARTICIPATING COMMUNITIES:

NO Up-Front Fee

Reduced time requirements

Competitive interest rates

Streamlined disclosure & borrowing process

Administrative assistance always available

Strong credit ratings

Refundings and Refinancings:

The Bond Bank has refunded bonds 24 times, returning over $70 million in savings to participating communities.

2023 Bond Issue Schedule Highlights:	January 2023	July 2023
Application Deadline:	October 28, 2022	April 28, 2023
Bonds Priced:	January 10, 2023	June 6, 2023
Participants Receive Funds:	February 14, 2023	July 12, 2023
First Interest Payment Date:	August 15, 2023	February 15, 2024
First Principal Payment Date:	February 15, 2024	August 15, 2024

July bond sale with August closing
January bond sale with February closing (depending on volume of applications)

Bond Bank Loan Volume Last 10 Years:

2021	$192 Million
2020	$137 Million
2019	$104 Million
2018	$175 Million
2017	$120 Million
2016	$61 Million
2015	$6 Million
2014	$68 Million
2013	$53 Million
2012	$72 Million

Interest Rate Coupon Range Last Bond Issue: (from the June 2022 bond issue)

4.1% - 5.1%

Approximate True Interest Costs Last Bond Issue: (from the July 2021 bond issue)

5 Year Loan	2.36%
10 Year Loan	2.64%
15 Year Loan	3.10%
20 Year Loan	3.38%
25 Year Loan	3.66%
30 Year Loan	3.81%

BOND BANK'S PROFESSIONAL TEAM:

Financial Advisor:	Hilltop Securities Inc.
Bond Counsel:	Locke Lord LLP
Trustee/Paying Agent:	US Bank, NA
Auditor:	Baker Newman Noyes