562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

WEVD 2023 Warrant Article Hearing APPROVED Minutes

March 14, 2023 – 6:00 PM

Approved as amended on March 22, 2023.

Attendees: Commissioners Maureen Patti, Gerry Panuczak, and David Spinney. General Manager Ron Beard, Assistant General Manager Judy Kinney, and Water Department Administrator Allison Smith, Denise Bujalski, Chris and Kathy Fagas.

Attendees via Zoom: Ralph Wilbur, Billy Mitchell, Jeff Soubert, Bob and Tricia Winters, Erich Kikel, Nancy Seward, Rob Diefenbach, Keith Barns, Bill Donohue, Tom H., the Glynn's, Kimberly Pacheco, Mark Canfield, Sue Cahill, Sarah Bernardi, Barry Danzing, Terry Bennett, Dave Ketcham, Maryanne, Jack Letvinchuk, Jaime Oldmixon, and other unidentified callers.

Call to order: Commission 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, Mr. Panuczak, and Mr. Spinney were present in person.

Ms. Patti noted that instead of holding several separate public hearings for each of the Warrant Articles she is suggesting holding one for all. Other commissioners agreed.

PUBLIC HEARING: Waterville Estates Village District 2023 Warrant Articles Public Hearing
Ms. Patti opened the public hearing at 6:01 PM.
1. Warrant Article 1 – to Choose One Commissioner, Clerk, and a Moderator To choose one Commissioner for a three-year term, a Clerk for the ensuing year and a Moderator for a two-year term.
Ms. Patti noted that there is no mention of the Treasure in this Warrant Article because in either 2020 or in 2021 this position was made to have a three year term.
Ms. Patti opened the floor to the public comment. After checking with Assistant General Manager Judy Kinney, she determined there was no one willing to address the Commission at the physical location, on the phone, or electronically.
2. Special Warrant Article 2 – Bond for Replacement of Water Lines $262,000.00.
Ms. Patti read Warrant Article #2 into the record as follows: **"To see if the Village District will vote to raise and appropriate the sum of Two Hundred Sixty Two Thousand Dollars and No Cents ($262,000.00) for the purpose of the purchase and installation of materials related to the replacement of a three thousand, two hundred feet (3,200) of water main on Pegwood Road,**

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

such sum to be raised through the issuance of bonds or notes under and in compliance with the Municipal Finance Act, RSA 33:1 et seq., as amended and to authorize the Waterville Estates Village District Board of Commissioners to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; to authorize the Waterville Estates Village District Board of Commissioners to issue, negotiate, sell and deliver said bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof; and to authorize the Waterville Estates Village District Board of Commissioners to take any other action or to pass any other vote relative thereto."

Ms. Patti said that Ms. Smith has already contacted the Municipal Bond Bank to inquire about which bonds would be best if the article gets approved and received an answer that it would be a 20 year note and the first year payment, which will not happen until 2024, will be $30,755.00 and each subsequent year the payment will be lowered, with the year 20 payment being $10,550.00.

Ms. Patti then read the remainder of the Warrant Article #2 language as follows:

"Because this is a bond article 3/5ths (60%) vote is required. Notwithstanding the general obligation nature of the bonds and/or notes, this article is intended to have a zero tax impact as it will be funded by WEVD Water Department income."

Ms. Patti reiterated that this article will be funded from the Water Department income and not tax dollars.

Ms. Smith said that the total bond service over 20 years will come to $398,405. Ms. Patti noted that this total is based on the 5% interest rate which the Bond Bank is not expecting to remain as high in the future.

Mr. Beard spoke about why Pegwood Road water line has been chosen to be funded this way, as there have been continuous problems with the distribution main on that road, and this is the main that feeds Pegwood Tank, so if this line goes, there will be issues with that 200,000 gallon tank. Mr. Beard also said that once that main is done, Pegwood Road could be finally paved.

Ms. Patti reiterated that it is a critical main because of the Pegwood tank, it has been problematic over the years, and once it has been replaced, the District can move forward with paving Pegwood Road.

Mr. Panuczak added that replacement of Pegwood Road main is in the Water Department strategic plan as well. Ms. Patti asked Mr. Panuczak if there was any discussion about it by the Water and Roads Committee. Mr. Panuczak said that this project is among the four that were suggested for application for the grant/loan money from the State Revolving Fund and that the District was ranked quite high last year, but not high enough to receive the funds yet. He said that there will be further attempts to apply for the money hoping that there are better chances in the future. Ms. Patti added that according to the feedback from NHDES on the District's application, the completion of the Strategic Plan should improve the ranking even more, therefore, they will keep applying each year.

Mr. Spinney said that this main has been problematic for quite some time and there have been multiple fixes done. He added that this is one of the bigger risks for the community and that if not for the Warrant Article to address the issue of funding it, it would have had to be included into the Water Budget, therefore adversely affecting the water rate. Ms. Patti added that with the bond, the highest

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

amount to be paid in any given year over the 20 year life of the bond will be just over $30,000. Mr. Panuczak also said that if the application for the grant/loan money is successful it will be applied towards repaying this bond as well.

Ms. Patti opened the floor to the comments from the public.

- Chris Fagas – asked to confirm if the bond payments will be funded by the water rate collections, which the Commissioners confirmed, and then said that even if that is the case every taxpayer will end up paying for it even if it is not done through taxes. Ms. Patti said that not every taxpayer, but only those who have lots within a 100 feet of the water lines in the system, excluding those who are within that distance but have a well. Then the Chris Fagas asked if the work will even last for 20 years of the bond repayment period or there will be a need to do this again in 10 years.

Mr. Beard said that the type of the pipe to be installed and the installation itself should guarantee that it will last a very long time. He could not give an exact number of years but said that it should be at least 50 or 60 year. Chris Fagas also asked how old is the pipe that is in the ground now and the answer was the Asset Management Plan has the year when the Pegwood tank was put in, which is probably the same year when the main was put under Pegwood Road. Ms. Patti said that she did not have that number with her at the moment but can check what it is before the Annual Meeting.

- Denise Bujalski asked if the bond was only for the water main replacement and not paving of Pegwood Road.

Mr. Spinney said that this was only for the water line replacement. There is another Warrant Article that would cover the pavement of Pegwood Road should the water main be approved for replacement.

- Billy Mitchell asked to clarify that the bond payments each year will be added to the water budget and included in the water rate, therefore, he wanted to make absolutely clear that almost everybody, besides few exceptions, will be paying for that.

Ms. Patti made a motion that WEVD Commission recommends Warrant Article #2 for Bond for Replacement of Water Lines $262,000.00, which will be a 20 year bond not to exceed 5% rate and to cover replacing 200 feet of water lines on Pegwood Road. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Panuczak – aye, Mr. Spinney – aye.

3. Special Warrant Article 3 – Bond for Purchasing Water Meters $705,000.00.

Ms. Patti read Warrant Article #3 into the record as follows: **"To see if the Village District will vote to raise and appropriate the sum of Seven Hundred and Five Thousand Dollars and No Cents ($705,000.00) for the purpose of the purchase of residential water meters, such sum to be raised through the issuance of bonds or notes under and in compliance with the Municipal Finance Act, RSA 33:1 et seq., as amended and to authorize the Waterville Estates Village District Board of Commissioners to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; to authorize the Waterville Estates Village District Board of Commissioners to issue, negotiate, sell and deliver said bonds and notes and to determine the rate of interest thereon and the maturity and**

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

other terms thereof; and to authorize the Waterville Estates Village District Board of Commissioners to take any other action or to pass any other vote relative thereto.
3/5ths (60%) vote required.
Notwithstanding the general obligation nature of the bonds and/or notes, this article is intended to have a zero tax impact as it will be funded by WEVD Water Department income."

Ms. Patti noted that Ms. Smith also worked with the Municipal Bond Bank on this matter and received a quote for a 20 year bond with the interest rate not to exceed 5.5% for the total amount of $1,107,762.50.

Mr. Panuczak asked if the language should note installation of meters as well. Ms. Patti said that it was missed in the wording and that she will make sure to note that in the motion later on. Ms. Patti said that the first year payment, which will not happen until 2024, will be $77,012.50 and each subsequent year the payment will be lowered, with the year 20 payment being $36,925.00 and this will be paid from the Water Department income.

Mr. Panuczak spoke about the original adoption of the Water Ordinance and a lot of commentary about the per bedroom rate being inequitable given the mix of full time and part time residents and those who rent out their properties as short term rentals. He continued to say that this bond is trying to address this unfairness in introducing metered water usage to all residents so that they pay for what they use. This bond will allow to install meters in a short period of time and if the residents are not on board with this plan, the results of the bond article vote will be the indicator of the residents' desire for meters.

Ms. Patti said that the amount of the bond also includes the reimbursement to those residents who already installed meters.

Ms. Patti then spoke about the fact that the District has not yet had a professional consult them on the structure of the water rate, and hopefully this will be done soon. Secondly, there were a lot of concerns from residents that meters are not going to solve the issue of the water rate being equitable. Ms. Patti said that originally the District was envisioning a move to a metered rate but had not set a cutoff percentage as it was difficult to gauge if there was enough interest in the community to install the meters. She said that this bond is proposing a 100% meter coverage (with the exception of a few properties that cannot have a meter installed) and her concern is that this may not yield the reduction in water fees as that some owners expect. Mr. Panuczak noted that there is no savings that will result from meters. It is basically a redistribution of costs as what funds the Water Department needs to operate. If the bond does not pass, the District will keep the per bedroom rate and collect the money that way.

There was discussion of the rate structure and how it was originally determined to have two parts, an availability and a usage portions, which were adjusted sometime after the Water Ordinance was adopted as there was an adverse reaction to the way it was split originally. Mr. Panuczak said that introduction of meters is only going to apply to the usage portion of the rate, and the change will be in how this money is collected, if the meters are used as opposed to the bedrooms. The amount to collect

per year to operate the water system will not change regardless or whether the usage is measured by meters of by bedrooms plus one.

Ms. Patti asked Ms. Smith to provide the numbers for the water rate increases in 2024 if either or both bonds were to pass. Ms. Smith said that in 2024 the percent increase in water rates would be as follows: 1) if the Pegwood Road bond passes alone – 12%; 2) if the meter bond passes – 21%; and 3) if both bonds pass – 28%.

Mr. Spinney spoke about the amount being too much and that he does not see if there is anyway to offset it in the future. He said that he thinks that it is the wrong time to do this and that he does not see much savings in doing this but only that the burden will shift somewhat from the part-time owners to the full-time ones. Mr. Spinney said that he personally does not support this but thinks it should go to the voters to decide.

Mr. Beard said that the life expectancy of those meters is about 20 years. Mr. Panuczak said that if the community ever decides to switch to meters, it will have to spend that amount either by individually paying for a meter, or collectively purchasing all of them and the difference in amounts would only be the interest connected to borrowing money for a collective purchase.

There was also a discussion about the people who already installed meters, as the Water Ordinance requires it, and the ones who were on the list to install them but are now hesitant as they are not sure how the billing will be done in the future.

Members discussed at length the intent of switching to meters and the potential savings if any.

- Chris Fagas asked about the technology that the meters would use to communicate with the readers, as 3G should be phased out by 2033 and 2G even earlier, which means the meters will have to be replaced in ten years when the bond is for 20.

Mr. Beard said that he thinks that the meters are on 3G but he would need to check that. “He also said that the meter itself will have a life expectancy of 20 years. The remote reader is a separate device and could be possibly updated without replacing the meter.

- Barry Danzing, via Zoom, asked if there was any way to make the meter installation process mandatory and how that would be enforced?

Ms. Patti answered that the Water Ordinance will have to be modified. Mr. Spinney said that as for conserving the water, the only way to reduce the costs there is to treat less water, which is only possible if there are no leaks and people are using the water conservatively. He said that the District has been quite successful recently in trying to do just that.

- Mr. Danzing asked what would happen if the Warrant Article were approved by the voters?

Ms. Patti said that in this case the Commission will have to proceed with amending the Water Ordinance to make sure that installation process is mandatory.

- Nancy Seward, via Zoom, asked if the installation of meters will improve the ranking of the District’s water infrastructure projects for receiving grants/loans?

Ms. Patti said that she does not have a definitive answer but there are indications that it did help other communities improve their position relative to receiving such grants/loans. She added that she can try to get that information before the Annual Meeting.

- Ms. Seward asked whether the wording of the RSA that governs setting the water rates requires that the rates are set based on the number of residents, or an approximation of such, and asked to clarify whether this wording precludes using real estate valuation in establishing a water rate.

Ms. Patti responded that this is not something she is ready to answer right away as it will require research to be done and that she will put it on her list of questions to answer. Mr. Panuczak added that he is sure though, that the per-bedroom method used by the District is a legal way to establish a water rate.

- Erich Kikel, via Zoom, asked if the bond amount for the meters is based on an actual proposal from a vendor?

Ms. Smith said that she spoke to New England Backflow and they gave her a higher end estimate for every household installation without any additional extraordinary circumstances.

- Mr. Kikel asked if there would be an ironclad contract before approving the bond.

Ms. Smith said that approval will have to come first.

- Mr. Kikel opined that the bond may not even cover it all?

Ms. Smith explained how she arrived at the number which includes the parts, the installation estimate on the higher end received from New England Backflow, and the reimbursement of those in the community who already had installed meters. She also said that the company is committed to do the project, they just need to receive the official request from the District.

- Mr. Kikel asked if there was any warranty on the meters and who is responsible for fixing/installing the new ones in place of broken ones, and who is going to be responsible for battery replacement in the meters?

Ms. Smith said that she was told that the meters should last about 20 years and that batteries are part of that life expectancy. She also said that the Water Ordinance sets the process for addressing the issues with meters breaking.

- Mr. Kikel said that if the cellular service is poor the batteries drain much faster.

Ms. Smith said that she will have to defer the answer to that question to Mr. Baert of the Water & Roads Committee.

- Billy Mitchell, via Zoom, spoke about writing a letter to Ms. Patti based on information from Mr. Scruton to which he has not received a response yet; and about the fact that after listening to the Commissioners tonight, he is under the impression that they are not very sure how switching to meters will be beneficial to the community. In this regard, he thinks it is unfair to put that to a vote to people who are even less informed. He said that this should be thought through much more and he does not believe that this is fair.

Mr. Panuczak reiterated that the availability (delivery) fee is not going to change with the installation of meters, only the usage fee will be changing.

- Ralph Wilbur, via Zoom, asked if anyone has done any type of a cost benefit analysis on this issue?

Mr. Panuczak said that there really is no need for a cost benefit analysis as this is just a redistribution of the usage fee based on actual use compared to per-bedrooms plus one use. Mr. Spinney added that there is no savings to this, as this is just how the District distributes those costs to the user.

- Mr. Wilbur suggested that unless there is a cost benefit analysis, this should not be done.

Mr. Panuczak reiterated that once the per-bedrooms plus one system was implemented, there was an outcry from the part-time residents that it is not fair. Therefore, this is an attempt to make things fairer for them.

- Mr. Wilbur agreed that the per-bedrooms plus one system is not fair but said that meters are not a solution either. He suggested that a better solution would be a census of the people living in those homes and asked if anyone has ever thought of doing that?

Ms. Patti said that the per-bedroom rate is based on the information taken from tax cards where the number of bedrooms is listed, and that number is used to estimate the number of potential residents in the home to bill for water. She added that this is an accepted methodology in other states and in other New Hampshire municipal water systems. Ms. Patti said that if Mr. Wilbur was referring to a census in a sense of what the federal government does every ten years when performing population counts, this is not what the District is doing. Mr. Panuczak added that a census in this regard is only as good as the data is coming in and there is no way to check the integrity of it. Mr. Spinney also said that there is no way to do a census on the rental properties either, or those who are only in the community part time.

- Mr. Wilbur said that in his town a census is done quite regularly and he was not sure if Campton does it or not. He suggested that a committee be formed to figure out how to do this as he thought that using per-bedroom method was absolutely ridiculous.
- Sue Cahill, via Zoom, asked what happens to those who already installed the meters if this bond does not pass?

Mr. Spinney said that there has been no formal decision made but there has been discussion to reimburse them if there is no decision to go to meters.

- Ms. Cahill also asked about the condo communities and how the meters will work there.

Mr. Spinney said that depending on the actual plumbing there might be a situation where only one meter is provided to a condo building and the condo association will have to figure out the fee split between individual units. He added that the estimates were made based on individual units though.

- Terry Bennett, via Zoom, noted that the cellular system used by the meters is not the same cellular system that our cell phones use and if there is a battery replacement issue with a meter that is part of the system owned by the District, it will become part of the budget. She also spoke about the US Census that is done every ten years and that there is no way to break out the Village District population from that of the larger municipalities of Thornton and Campton.
- Mark Canfield, via Zoom, asked if the meters are going to be considered part of the availability (delivery) fee or the usage as he thought that they are part of the former and should be shared by everyone as part of the delivery fee.

Mr. Spinney said that if there is a decision to go to meters, it will have to be considered.

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

- Erich Kikel, via Zoom, said that the census only works for fulltime residents. He also said that the water system has to be built to account for the peak usage, and building the water system comes out of fixed costs; therefore, unless the District has rates for both peak and off peak usage, meters will be of not much help and the money should instead be put into the infrastructure.
- Bob and Tricia Winters, via Zoom, spoke about the fact that the two of them live in two bedroom home with their children visiting them from time to time and that when someone says that they use a lot of water compared to someone who is renting out to multiple people over the weekend it is inaccurate. He said that he is not a fan of meters and is willing to pay what he owes knowing what his bill would be for the year. He said that he feels that the money for the bond is better to be used for the infrastructure instead.
- Barry Danzing clarified that the complaints about the water rate were about the split that was originally set and that the Commission responded very well to the outcry from the public and made it more equitable at the time, although it still needs some work.

Mr. Panuczak also commented on an earlier note from Mr. Canfield that the bond payments will be included into the Water Department budget and would not be applied to either availability or usage portions of the rate, but to both as it would be part of the budget.

- Jim Cahill, via Zoom, asked if there were more than one company consulted for the estimate for the bond amount.

Ms. Smith said that New England Backflow was recommended to the District by Dubois&King and that they are an experienced vendor so for the purpose of estimates, she only went to them. However, there was talk of going out to bid if the bond were to pass.

- Mr. Cahill also asked if there was an idea of how long the meter installs will take place and if there is a problem post installation, how would that be managed?

Ms. Smith said that from their conversation with the vendor they could not discern what the exact timeframe would be but that in other communities it took a couple years. Ms. Patti recounted a conversation with Ms. Smith that there is a certain time period during the year when they perform these installations. Ms. Patti also said that this particular hearing is about whether the Warrant Article regarding funding the installation of residential meters with Water Department income including Water Rates is the way the community would want to go, so the particular details of what happens to the meters once they installed is not quite part of this discussion. She did say that one should call the District though if there is a problem with their meter, once it had been installed, and the Water Ordinance describes how the process works regarding meter failure.

- Mark Canfield, via Zoom, said that based on what he is hearing, he thinks that the water costs for operating the District Water system are not well understood, and it does take a lot of resources to find and fix leaks and to maintain the system of that age. He said that maybe the suggestion to put the money into the infrastructure, as opposed into buying meters for everyone, is a better solution. He urged the Commissioners to rethink presenting this Warrant Article to the voters.

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

- Terry Bennett, via Zoom, agreed with Mr. Canfield and Mr. Cahill in that the system is very old and will need a lot of investment. She spoke about the District's application for grants/loans, the Asset Management study, the need for an alternative water source in addition to the existing two wells that are very shallow, and other various infrastructure issues. Ms. Bennett added that the idea of this article was that there was so much controversy behind the per-bedrooms plus one rate and the Water & Roads Committee wanted to get the final answer from the community in order to understand what the path going forward should be.

Ms. Patti noted that Ms. Bennett has been on the Water & Roads Committee for over three years now.
Ms. Patti made a motion to have the Commissioners consider whether or not to recommend the special Warrant Article #3 - Bond for Purchasing Water Meters $705,000.00 as written in the handout with one amendment, that on the second line of the narrative following the phrase "for the purpose of the purchase" to insert "and installation" to read as follows: "To see if the Village District will vote to raise and appropriate the sum of Seven Hundred and Five Thousand Dollars and No Cents ($705,000.00) for the purpose of the purchase and installation of residential water meters…" Mr. Panuczak duly seconded.
Ms. Patti spoke about her own reservations for recommending this particular Warrant Article. She said that the Commissioners could have begun by asking the voters whether they would like to purchase water meters this way and then after getting their consent, the Commission could have done more research into the meters, their installation and related costs and technical parameters. At this point, Ms. Patti thought it was premature.
Mr. Panuczak spoke about all the previous public hearings about the water rate and multiple comments and complaints about the current water rate being inherently unfair and this is an action, be it a costly one, to change that. The voters can vote no on the bond just as they could vote no on the question alone of whether they want to proceed with meters or not.
Mr. Spinney spoke about both Mr. Panuczak and Ms. Patti having valid points of a) needing to know what the voters want, and b) not doing enough due diligence (with the exception of Ms. Smith) to get the bond to a vote. He said that there are people in the community who do not even get to vote and that this article should not be here as it will never pass with this amount of money tied to it. Mr. Spinney agreed with Ms. Patti that the first question should be whether the voters want to switch to the meters and pay for them through the water rate. He suggested to remove the money from the article and keep the question about the meters alone. Ms. Patti explained that this will not be the same warrant article as it would require a different vote threshold for approval and will need a new number.
Mr. Panuczak reminded the Commissioners that there was another motion on the amendment of the Warrant Article #3 already on the table. Ms. Patti called a vote on the amendment of the Warrant Article #3. *Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.*
Then Commissioners discussed the language for the amended Warrant Article proposed by Mr. Spinney for inquiring whether the voters will want to move to a water meter system.

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

After extensive discussion and consultation with staff and Ms. Bennett, *Mr. Spinney made a motion that the word special will be removed from in front of the Warrant Article #3, the 3/5 vote requirement will also be removed and the article will read: "To see if the Village District will vote to consider the purchasing and installing of residential water meters using Water Department income in all WEVD residential units."*

- Mark Canfield, via Zoom, spoke about the newly suggested Warrant Article being very superfluous, as it does not address the issue at hand, which is the poor state of the District's water system. Mr. Canfield spoke about this article possibly having as much opposition as the original, since it is so nebulous. He suggested to focus the attention and the resources on fixing the water system first, and then come back to the issue of installing meters or not.
- Billy Mitchell, via Zoom, agreed with Mr. Canfield in that the Commission is putting the cart before the horse and needs to rethink this.

Ms. Patti made a motion to modify the Warrant Article #3, which will later have a different number assigned to it, to read as follows: "*To see if the Village District will vote to consider the purchasing and installing of residential water meters using Water Department income in all WEVD residential units." Mr. Spinney duly seconded and motion carried with a 2:1 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – nay.*

4. Warrant Article 4 – WEVD Operating Budget

Ms. Patti asked Mr. Spinney and Mr. Diefenbach to answer whether this Warrant Article has been recommended by the Budget Advisory Committee, as it was not noted on the agenda, and they confirmed that it was recommended by all members of the BAC. She also noted that the tax impact has not yet been estimated but will be by the time of the Annual Meeting.

Ms. Patti then read Warrant Article #4 into the record as follows:

To see if the Village District will vote to raise and appropriate the sum of One Million, Nine Hundred Sixty Thousand, and Thirty-One Dollars and No Cents ($1,960,031.00) for the general municipal operations of the Village District. This article does not include appropriation(s) contained in special or individual articles addressed separately. Majority vote required. This article will have an estimated tax rate impact of $XX per $1,000 of valuation. Recommended/Not Recommended 5-0 by the Budget Advisory Committee.

Mr. Spinney talked about the Budget Advisory Committee's approval of this budget that that it is going to have minimal impacts and increases. It took into consideration the new RMA. All increases were carefully considered as the BAC went line by line comparing expenditures from last year. Growth and new line item was scaled back as the BAC wanted to be mindful of the taxpayer. Mr. Spinney said that this budget does not plan for the future but only allows to get through the next year. Original budget would have resulted in over $9 dollars increase in the tax rate, which was cut back after a lot of work on behalf of the BAC and department heads, who after all agreed that this version of the budget is what the District can accomplish.

Then Mr. Spinney spoke about the new RMA which is set to be a flat rate to be paid by WEA. The amount is $400,000.00 split into four equal payments throughout the year. The Recreation Fund is to

become self-sustaining and WEA and the District seeded $50,000 and $25,000 into it respectively. This fund will be used to pay all the kitchen/wait/bar staff and the ski operations. The District will meet with WEA quarterly to see if there are any extra earnings that could offset certain expenses. Mr. Spinney added that the guest passes will also be going to the Recreation Fund.
Mr. Panuczak recapped what Mr. Spinney said which is that the cost of recreation in this community is such, that if the tax rate is to remain flat, it has to abandon its ability to service the infrastructure. Mr. Spinney agreed and added that the real cost of culture and recreation is about a million dollars in this community. Mr. Panuczak said that the good news is that a new committee has been formed to look at improving profitability which will try to look at the cost of recreation and make recommendations on how to improve it. Mr. Spinney said that Capital Preservation was $569,000 last year of which almost $400,000 was spent, and $200,000 was spent elsewhere last year, and the District put $208,000 in it this year.
Ms. Patti opened the floor to the public comment. After checking with Assistant General Manager Judy Kinney, she determined there was no one willing to address the Commission at the physical location, on the phone, or electronically.
Ms. Patti made a motion that the Commission would recommend submission of Warrant Article #4 - WEVD Operating Budget to the voters for the Annual Meeting on April 15, 2023 as written in the meeting handout. Mr. Spinney duly seconded.
There was a short discussion on whether it was premature to recommend the Warrant Article as there was no budget hearing yet. It was agreed the recommendation is only relative to whether the article should go to the voters and if there are adjustments made at the budget hearing to the numbers that would be what will go to the voters.
Motion carried with a 2:1 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – nay.

5. Warrant Article 5 – Water Department Operating Budget
Ms. Patti said that there is a handout that has a set of slightly different numbers that what has been written in the language of Warrant Article #5 due to some changes that have been made since Budget Version #63 (the number from Warrant Article #4) has been presented due to some changes that the management has made to Growth and New line item).
Ms. Patti then read Warrant Article #5 as it was written in the handout into the record as follows: **"To see if the Village District will vote to raise and appropriate the sum of Five Hundred, Thirty-Eight Thousand, Three Hundred Fifty-Seven Dollars and No Cents ($538,357.00) for the purpose of interdepartmental water department operation, said funds to come from Water Fees, Rates and other charges in the Water Fund. With an offset of Twenty-Four Thousand Dollars and No Cents ($24,000.000) from the 2022 WEVD Water Department surplus. Majority vote required.**
Ms. Patti explained that since the article was written, Mr. Beard and Ms. Smith came to the conclusion that instead of having two Warrant Articles for water system projects (for $3,700 and $55,000 respectively), Management will recommend adding these projects to the 2023 Water Department

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

Budget given these items need to be done this year per the recommendation of the Water Department Superintendent. It was also discovered that the $55,000 amount in the proposed Warrant Article was not correct and that would be needed for certain water meter pits for the water system. Ms. Smith explained that the line for the meter pits was not entered into Budget Version 63 as $100,000 amount but as $10,000 therefore the water budget was $90,000 less. Ms. Patti said that with the addition of the missing $90,000 the new budget number would be $628,357.00 if the Commissioners agree to the change. Ms. Smith said that the bottom line would be $668,357.00 as there is also the amount of $40,000 that budgeted for the purchase of residential meters and would not need to be collected since the residents will be buying the meters from the department.

Ms. Patti said that she would want to amend the Warrant Article language in her motion later to reflect the changes in numbers but noted that ultimately the net effect of that is still going to be the reduction of 11 percent in the May 2023 water billing. She said that there is a caveat, that if Warrant Article #2 passes, there will be a net increase, but this is for the budget.

Ms. Patti opened the floor to the public for comment

- Erich Kikel, via Zoom, asked how much of the water budget is used to fix the water lines breaking.

Mr. Spinney responded that last year for leak repair it was budgeted $18,000 and $12,000 spent. This year $19,000 was budgeted for the same purpose. He said that $54,000 was budgeted for water line upgrades last year and $25,000 was spent on that. Commission members also spoke about the Strategic Plan and whether it may help to obtain grants/loans to upgrade the infrastructure without it affecting the water rate. Mr. Spinney also explained that Pegwood Road water main replacement is suggested to be bonded because paying for it in one year will raise the water rate by a lot and this line is one of the most problematic ones, in addition to having catastrophic damage potential in that it will affect the operations of the Pegwood tank.

Mr. Beard said that the meter pit upgrade has to do with the ability to monitor the water system.

- Mr. Canfield, via Zoom, said that the Budget Advisory Committee has not offered its opinion on the suggested change in the numbers for the Water Department Operating Budget which should be formally acknowledged.

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

Ms. Patti made a motion to amend Warrant Article #5 - Water Department Operating Budget as follows: "To see if the Village District will vote to raise and appropriate the sum of Six Hundred, Sixty-Eight Thousand, Three Hundred Fifty-Seven Dollars and No Cents ($668,357.00) for the purpose of interdepartmental water department operations, said funds to come from Water Fees, Rates and other charges in the Water Fund, with an offset of Twenty-Four Thousand Dollars and No Cents ($24,000.000) from the 2022 WEVD Water Department enterprise Fund surplus. Mr. Spinney duly seconded. *Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak - aye.*

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

Ms. Patti made a motion to recommend the amended Warrant Article #5 - Water Department Operating Budget to be placed in front of the voters for the 2023 Annual Meeting. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak - aye.

6. Warrant Article 6 – Road Infrastructure – Paving

Ms. Patti read Warrant Article #6 into the record as follows: **"To see if the Village District will vote to raise and appropriate the sum of One Hundred Fifty Thousand Dollars and No Cents ($150,000.00) for the purpose of paving of Village District Roads. This appropriation is not included in the main operating budget Article #4. Majority vote required.**

Ms. Patti noted that this Warrant Article was recommended by all five members of the BAC.

Mr. Spinney said that this number represents what Mr. Baert thinks he can accomplish this year. There was discussion of whether paving Pegwood Road, if the bond article passes for water line replacement, was included in this amount. It was discovered that Pegwood Road was not included in Warrant Article #5 and if the water main is replaced it will have to remain under construction until next year's budget is approved, which would have the amount to pave Pegwood Road included in it.

Ms. Patti made a motion that the Commission would recommend Warrant Article #6 - Road Infrastructure – Paving as written to be put on the warrant of the 2023 Annual Meeting. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.

- Mr. Canfield, via Zoom, said that the BAC discussed that expenses should be separated between the Water Department and the District, so in case of Pegwood Road, if repaving it is because the water line needs to be replaced, then the expense should be borne by the Water Department.

Mr. Spinney disagreed and said that Pegwood Road has been in disrepair for many years and paving it was put off due to the fact that the water line needs to be replaced, not the other way around.

- Mr. Canfield argued that the BAC only talked about having a plan to pave the roads in the District and to set the money aside for it, but it was only towards the end of the BAC process this year, that Pegwood Road came up in discussions and the need to repave it.

7. Warrant Article 7 – Municipal Building Capital Improvements

Ms. Patti read Warrant Article #7 into the record as follows: **"To see of the Village District will vote to raise and appropriate the sum of Fifty-Eight Thousand, Six Hundred Dollars and No Cents ($58,600.00) for the purpose of capital improvements to Village District Municipal buildings. This appropriation is not included in the main operating budget Article #4. Majority vote required."**

Ms. Patti said that this Warrant Article was recommended by all the five members of BAC.

Ms. Patti noted that the Warrant Article does not spell out what the improvements are and she would need them to be noted in her amendment motion. Ms. Kinney provided a list of the improvements to

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

Ms. Patti. Mr. Spinney commented that these are the necessary things that need to be done this year, especially given the fact that items related to the ATV have to do with safety.
Ms. Patti opened the floor to the public comment. After checking with Assistant General Manager Judy Kinney, she determined there was no one willing to address the Commission at the physical location, on the phone, or electronically.

- Ms. Patti noted that Denise Bujalski commented (which may have not been heard by everyone) as the member of BAC that these items were the bare minimum of what staff requested in terms of improvements and supplies.
- Mark Canfield, via Zoom, spoke about the fact that there are a lot of things that need to be done, giving the example of the pool surface epoxy, for which WEA would not commit any CIF funds. Mr. Canfield noted that this budget, unfortunately does not contain any Capital Improvement Funds from the Association, therefore, making the District look towards the taxpayer to foot some of these bills.

Ms. Patti responded that there is a wish list of items that the District was discussing with WEA, however their commitment does hinge on the resolution of the mailbox issue. She also spoke about the fact that even though no CIF money is planned as a revenue, it does not mean that WEA would not contribute CIF funds in 2023 . She said that such contributions can come in as unanticipated monies and are accepted through public hearings.
Ms. Patti made a motion to amend Warrant Article #7- Municipal Building Capital Improvements as follows: to include a sentence after "purpose of capital improvements to Village District Municipal buildings." to read as "Improvements to include the purchase of maintenance equipment, replacement of the ATV (safety issues), Fire Pump Suppression, security and entry key system upgrades, pool covers, and repairs to indoor pools." Mr. Spinney duly seconded.
Ms. Patti made a friendly amendment to add the word "upgrades" after the words "Fire Pump Suppression". Mr. Spinney duly seconded the friendly amendment.
Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.
Ms. Patti made a motion that the Commission would recommend Warrant Article #7- Municipal Building Capital Improvements as amended to be put on the warrant of the 2023 Annual Meeting. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.

8. Warrant Article 8 -- Backup Power for Public Works Facility
Ms. Patti read Warrant Article #8 into the record as follows: **"To see if the Village District will vote to raise and appropriate the sum of Seven Thousand Dollars and No Cents ($7,000.00) for the purpose of purchasing a backup generator for the public works building. This appropriation is not included in the main operating budget Article #4. Majority vote required.**"
Since nobody could remember whether this Warrant Article was recommended by the BAC, Ms. Patti recommended to strike that phrase. Ms. Smith read the minutes of the BAC meeting and said that it

was in fact recommended by all five BAC members. Ms. Patti said that that should be put back into the description of the Warrant Article.
Mr. Beard explained that this generator is a necessity as it is needed for the diesel tank in the event of a power outage to facilitate fueling of the Department trucks, and also prevent the water from freezing in the building itself.
Ms. Patti made a motion that the Commission would recommend Warrant Article #8 - Backup Power for Public Works Facility as written to be put on the warrant of the 2023 Annual Meeting. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.

9. Warrant Article 9 – Improvements to Municipal Properties

Ms. Patti read Warrant Article #9 into the record as follows: **"To see if the Village District will vote to raise and appropriate the sum of Twenty-Nine Thousand Dollars and No Cents ($29,000.00) for the purpose of making repairs to Municipal Buildings. Improvements to include remodeling of the old shop and addition, constructing outdoor chemical storage, repairs to the community center and return terminal building. This appropriation is not included in the main operating budget Article #4. Majority vote required."**
Mr. Panuczak said that this Warrant Article was recommended by all the five members of BAC.
Ms. Patti opened the floor to the public comment. After checking with Assistant General Manager Judy Kinney, she determined there was no one willing to address the Commission at the physical location, on the phone, or electronically.
Ms. Patti made a motion that the Commission would recommend Warrant Article #9 - Improvements to Municipal Properties as written to be put on the warrant of the 2023 Annual Meeting. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.

10. Warrant Article 10 – To Close Account held by the Trustees of Trust Funds in Campton

Ms. Patti read Warrant Article #10 into the record as follows: **"To see if the Village District will vote to close the account for Friends of Campton Mountain held in trust by the Trustees of Trust Funds in the Town of Campton. This account has a $100 balance from when the account was established. The $100 will be returned to the Village District upon the closing of this account."**
Ms. Patti said that the confusion about whether the $100 came from has been clarified, as it has come from the Village District Operating Budget, and not the Rec Fund.
Ms. Patti opened the floor to the public comment. After checking with Assistant General Manager Judy Kinney, she determined there was no one willing to address the Commission at the physical location, on the phone, or electronically.
Ms. Patti made a motion that the Commission would recommend Warrant Article #10 - To Close Account held by the Trustees of Trust Funds in Campton as written to be put on the warrant of the 2023 Annual Meeting. Mr. Spinney duly seconded. Motion carried with a 3:0 roll call vote: Ms. Patti – aye, Mr. Spinney – aye, Mr. Panuczak – aye.

562 Winterbrook Road Campton, NH 03223
Phone: (603) 726-3082 | Fax: (603) 726-8611
www.waterville-estatesnh.gov

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

Meeting adjourned at 08:53 PM.

Prepared by Alvina Snegach