Out Line for Town Hall Meeting

OPENING (Tone & Purpose):

- Board Member Introduction
- Welcome everyone and thank you for coming.
- This Morning is about education, not a vote.
- This is the first of several meetings.
- Goal: give you the information needed before next year's warrant articles.
- We are trying to get ahead of a problem, not react to one.
- Please ask questions after each section. Key line: "Tonight is about understanding, not agreement."

HOW THE MEETING WILL FLOW:

- History of our water system
- What the engineers and the State told us (Master Plan)
- The first major tool: residential meters
- Funding options
- Questions throughout

HISTORY: HOW WE GOT HERE:

- Built by a developer, not as a long-term municipal system
- Multiple wells, clusters of homes, poor records
- 1990: Lost Great Brook — now only ONE source: Liberty wells
- 2019: State warned us: over 80% capacity, shallow wells, no redundancy
- Money wasn't properly earmarked until 2021 Water Enterprise Fund
- 2022: first real data from transmission meters Key line: "For most of this system's life, we were flying blind."

MASTER PLAN: NOT OUR OPINION:

• Engineers confirmed what the State has been saying

• Focus on sustainability, redundancy, water quality, modernization, and record keeping

• Everything listed is considered critical Key line: “This is not a wish list. Everything here is considered critical.”

TRANSITION TO METERS:

• Meters give us the fastest understanding of our system

• Meters are not about charging more

• Meters are about knowing where water is going Key line: “You cannot manage what you cannot measure.”

THE SIMPLE EXAMPLE:

• Wells pump 3,000,000 gallons in a month

• One road gets 250,000 gallons

• Homes only use 50,000 gallons

• 200,000 gallons went into the ground

• With meters, we know the road

THE MONEY LINE:

• Every gallon costs $0.018 before it reaches a home

• Leaks mean we pay to pump, treat, and lose water

• A small leak could waste $3,600 in a month Key line: “That’s money we could be putting back into the system instead of into the ground.”

WHY THIS MATTERS FOR FUTURE PROJECTS:

- Helps plan road work and pipe replacement
- Detects small leaks before major failures
- Builds a leak history
- Eventually allows fair usage billing
- Avoids emergency, expensive repairs

FUNDING OPTIONS:

- Option 1: WEVD buys meter, homeowner hires plumber (~$340k bond)
- Option 2: WEVD pays for everything (~$565k bond)
- Nothing happens without a Warrant Article and your vote
- If Option 2 may limit funding for other critical projects

CLOSING:

- Our system has almost no margin for error
- Meters are not the solution; they are the first tool
- We are asking for understanding tonight, not agreement

Town Hall Script:

Introduction:

Welcome (point out refreshments if any)

Committee Introductions

Introduce yourself each member Gerry, Stan, Scott, Anthony, Bob, David, and Archie. Archie will take it from there until questions. **(I have done a lot of research in the last year, but it does not make up for the knowledge that some of you have).** Before I turn it over to questions I will ask if you all have anything further to add.

How long have you lived here

Full or Part Time

Years on the Board

Professional background

Why we are here and how the meeting will unfold:

I am going to speak to the following, History of our water system, the water master plan, capital improvements, and water metering. After each section we will open to questions. Some of you may have already heard some of this as several of these discussions have been going on for decades in some cases.

This meeting is not about resolutions to any one problem, but rather it grants us the opportunity to share with you the most current information that we have and to answer as many questions as we can about the current state of our water system. Ultimately, we want this to be the first of several meetings leading up to the annual meeting where we would like to introduce warrant articles for the residents to vote on that will help improve our community. We feel that without the proper knowledge, it would be difficult for anyone to make an educated decision.

After a general history, and a brief overview of the Water System Master Plan, we are going to tackle the first and from my research one for the more controversial improvements to the system individual metering for our homes.

After that, we will discuss a few other large items on the improvement list, that we hope to have other meetings in the future to discuss in depth, but currently some of these projects are in the very beginning stages of design, so other than mentioning them, we do not have much more information to offer at this time.

We are hoping for and encourage an open and respectful dialogue. We are looking to be as transparent as possible with the community, and we would ask for that in return.

History:

1969 – First water system installs mostly drilled wells

1974 – Waterville Estates Water Company, for profit private water company

1977 – Waterville Estates Village District is created, but only responsible for roads.

1978 – Winterbrook Water Company Inc Private water company

1980 – 1981 – Voters voted to take over the water company from the developer. Important step, but no organization to oversee it at this time. Waterville Estates Village District was charged with the task of maintaining our water system along with the roads that it was already overseeing. This was a big step in separating for the developer and becoming our own community. The problem was/is that the previous companies kept horrible to no records of the systems at the time. Multiple wells feeding clusters of homes.

1982 – First public monies were approved ion the form of a $150,000.00 bond for the purpose of funding the water system capital budget.

1990 – Great Brook Reservoir was the only water source for the community but had to be abandon due to new EPA regulations. WEVD developed Liberty Lane Gravel Wells and abandoned Great Brook. This is very important to us now, as this is the only water source for our community. Booster pumps at the well field pump to the Ski Bowl Location, where it is treated, and then pumped to holding tanks to feed water to the community.

2019 – NHDES notified WEVD that there is a critical need for an additional water source to be developed, due to the build out that has occurred in the community. In addition to being over the recommended 80 percent consumption of our source, the 2 wells at Liberty are still shallow wells and susceptible to contamination, drought conditions, and extreme cold events. The concern is the lack of redundancy, and the extreme wear on the pumps and other systems due to the very high demand.

The water system was originally funded by the development company, and then by taxes alone, and then recently 2018-2021 by a $200.00/year charge to each home with the thought of that funding well upgrades in 2030 ish, but the problem was that money was deposited into the unassigned fund account and not saved in an ear marked fund.

The Roads and Water Committee was created.

2020 – Hired Dubois and King Engineering firm to develop a water system master plan. The contract was terminated towards the end of 2020 due to a lack of progress on the project. The effort was not s total loss, as some of the data that had been collected was used by Horizon Engineering when they took over the effort.

2021 – The WEVD Water Enterprise Fund was established and made us compliant with State Law. This is also when the water ordinance went into effect, and the new billing structure that we now all pay was established.

2022 – In line valves and meters are purchased and installed in the main. Still very limited, but began to help in isolating leaks, and making repairs quicker, and to get a more accurate picture of the actual demand within the Estates.

2022 – Talk of residential meter. Total would have been between 800.00 – 1,200.00 per home. Many discussions about WEVD supplying meters, resident's hire plumbers, WEVD doing both, WEVD Selling meters to residents, and then Residents install, many options were discussed, but no resolution was arrived at. 2023 there was a warrant article that was voted down dealing with water meters and allowing WEVD to continue to research and purchase meters. Much confusion swirled around this warrant article.

2025 – Horizon's Engineering (now Verdantas) was hired to complete a master plan for the Water system. Within that plan, there are several critical items that we have already started working on. But others that cannot be covered by the operating budget need to be discussed with the community and placed on the ballot as Warrant Articles. One of those items is individual metering of homes, and the primary reason we are here today.

Water Master Plan:

The water master plan has proved to the committee that what we suspected was true, our water system is in dire need of updating, and suffers from many years of underfunding, neglect, and a lack of quality records. We are not here to point fingers, we are here to improve on our history, and preserve our greatest asset, and natural resource water. This study that was completed by a qualified engineering firm, is in complete agreement with the correspondence/information we have been receiving from the State of NH.

Improvements recommended by both the engineering firm, and in many cases NHDES. These improvements will improve sustainability, operational readiness, water quality, distribution, and eventual financial benefit.

1) Purchase a GIS system (GPS Location of assets). Purchased with Operating budget training ongoing.	Completed

2) Replace and upgrade PH Balancing system (funded through operating budget)	In progress
3) Metering of transmission main. Will continue and become more robust as monies and water main projects allow.	In progress
4) Upgrade of Snowbowl treatment access.	Not started
5) Provide more water storage capacity. Verdantas Engineering is starting field investigation and design work, funded by a warrant article that you voted on at this years annual meeting; **Thank you all for that.** For a new 200,000 gal storage tank adjacent to the existing 200,000 gal storage tank on Pegwood. Construction will be funded by an additional Warrant Article.	In progress
6) Provide Increased Source Capacity Liberty Lane Verdantas is going to complete a hydrological survey of the current field to see if there is more capacity. All other infrastructure is in place but still would be a length permitting process. Funded through operating budget. If survey shows a productive well, the further construction and permitting of a production well would be funded through the Warrant Article.	In progress
7) Provide Increased source capacity at the Snowood Site. Reason held: pending outcome of Liberty study but would like to pursue either way in the future for the sake of production capacity, and redundance in the future.	On hold
8) Install Meters at all users.	Not Started
9) Automated treatment system SCADA Upgrade	Not Started
10) Remove T Section in main from Liberty to Snowbowl	Not Started
11) Remove direct taps from transmission Main.	Not Started
12) Remove Sunset Storage Tank. Funded by operating budget.	In progress
13) New PRV Valves based on pressure and elevation study post Sunset Tank Removal	Not Started
14) Replace and increase transmission main from Liberty to 6” Main. Most likely to be a Warrant Article.	Not Started
15) Replace Reservoir Building.	Not Started
16) Replace Liberty interior plumbing in pump station	Not Started

17) Replace Ski Bowl/Line Ski Bowl Holding Tank In Progress

The above list is a five- or so-year plan, depending on funding, and is above and beyond all of the regularly scheduled maintenance, and emergency repairs. Everything listed above is critical. In addition to this, as road work is planned, any water mains will be surveyed and hopefully replaced (funding dependent) in the process of paving the roadway.

Meters:

Meters are very important to the water system. They help the operator WEVD be proactive in operations and leak detection. Eventually, it will allow for accurate usage billing, but this will take some time. The current water ordinance does allow for metered billing, and it will be a fairly easy transition, once WEVD was able to collect accurate water usage numbers.

Pros to Metering Immediate and Future:

All the usage data that is collected will help guide future Capital Improvement Projects. Rather than waiting for a regulatory agency to tell us we need to act now, we will be able to plan ahead as we move forward because WEVD will be able to see the usage and how it is trending. We are confident that the above improvements that we mentioned from the master plan will aid in this as well.

Leak detection and response will be improved. Right now, we have a limited picture through metering in the transmission lines, and by level detectors in the different storage tanks in the community, however with the introduction of house meters, it could pinpoint leaks down to a section of roadway, rather than half of the community. In addition, small leaks often go undetected until they become catastrophic to the system causing a major interruption of service. By installing house meters, it will alert the operator there is a small leak before it becomes a major incident. We are not saying it will catch everything, but it would be light years ahead of where we are now. Here is an example of how it works hypothetically:

Through the computerized monitoring system, the operator knows that in one month the wells have pumped 3,000,000 gallons of water up to the treatment facility, and then they also know that the 3,000,000 gallons was sent to the storage tanks to be fed to the system. The operator then reads the residential meters and realizes on one road that received 250,000 gallons through the main, but the homes only used 50,000 gallons, that means that the other 200,000 gallons went somewhere, and most likely went back into the ground as a leak. The operator can then start looking for the small leak before it drains 100's of thousands of gallons and shuts down the water system. In addition, every gallon of water costs $0.018 for electricity, treatment, labor, and wear and tear on pumps and other equipment. Having the ability to be

proactive in leak detection and repairs will have the potential to save the community $3,600.00 in a month. This savings does not necessarily mean a rate reduction in the coming year, but that would represent money that would be available for immediate reinvestment in to modernizing the system, rather than having to finance it in the future. Eventually the money would lower rates. Currently, our water system has several leaks a year, and the above scenario is on the small side.

By establishing a leak history, it will also help WEVD in developing future main replacements and road work.

Eventually, the goal would be Metered billing as well so that people are paying for what they use. There will always be a distribution fee, but the water usage will be billed by the gallon.

Some Hurdles:

Paying for the Meters, and the installation.

In order to get accurate data, and be able to cover the budget, all residences must be metered. The WEVD cannot even start collecting accurate data until this step is complete.

Once a sufficient amount of residences are metered, the data will have to be collected for a minimum of 2 years in order to figure out the exact usage of the community and set a fair rate per gallon used.

So how do we get there:

No matter how we approach this, it will have to go through the Warrant Article process and be put on the ballot for the annual meeting. The hope would be to garner enough support so that the funds would be appropriated next year, and we could move forward.

As the water fund does not currently have the monies to support this effort, I believe that we would be look at a Bond and then paid back through water rates for the term of the bond. The upside to bonds is financially we as a community are in a good place to be approved for a low interest municipal bond.

One thing of importance to note, is any new construction and property transfers would be required to have a meter installed.

Now the options:

1) WEVD purchases the meters and supplies them to the homeowner, and then the homeowner hires a licensed plumber to install it. So, in this scenario WEVD finance the approximate $600.00 for the meter, and the homeowner pays approximately $400.00 directly to the plumber. The install number may and will vary, depending on the plumbing in

your home. Condos will have access to their services, as there may be common services (multiple units on one service). If that is the case, the individual HOA's will have to figure out how to pay the bill. So the Warrant Article for this item would be somewhere in the neighborhood of $340,000.00. Unfortunately, we do not know the interest rate on this money at this time, do to fluctuations in rates.

2) The second option is WEVD pays for it all, well most of it. We have added this cavate, because we have been warned that some older homes may have to do some extensive plumbing work and grounding to come up to code. So, in this option the WEVD pays for the meters, and $400.00 towards the install. In either scenario, WEVD will purchase the water meters, as they want them to be standardized and compatible with the meter reading equipment. But in this scenario, we finance the whole thing through the bond. Total would be approximately $565,000.00. Again, the interest is unknown at this time.

   The downside to option 2 is that because it is a larger amount, it may limit the WEVD ability to finance some of the other larger critical items on the list.

   Long and short of this, we realize this is an additional financial burden on all of the residents, and there are no guarantees that it lowers your bills in the future. What I can guarantee it will do is to allow WEVD to continue to grow and operate with a quality water system well into the future.