



Emerald Lake Village District

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ELVD Budget, Bond and Loan Hearing Saturday, Apr 25, 2020 10:00 AM - 2:00 PM (EDT)

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-If you have questions prior to the meeting please email them to info@elvdnh.com. We will take note and be sure to address the questions during the meeting.

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-During the meeting the “mute all” option will be selected. At every section break we will unmute for discussion from residents. If you have a question, posting in the chat box is the best way so we aren't talking over one another and we can address each question in an organized fashion.

Attendees in Person:

Brett Taber: *Chairman*

Sara Auger: *Commissioner*

Deb Kardaseski: *District Administrator*

Shawna Kilcoyn: *Treasurer*

Rick Rose: *Clerk*

Mark Rodier: *Moderator*

Other Remote Attendees:

Melissa Taber, Greg Klos, Martha Caron, Carolyn Renken, Erick Toledo, Jim Czifrik, John Segedy, Nick (last name not provided), Sylvia & Guy Pelletier, Kevin Gorman, Lisa Whitten, Chris Reed, Jon Daley, Edward Ley, David & Tricia Stefanelli, Susan Ireland, Joanne Staples, Wayne Held, Steve Botana-Gumbs, Peter Howe, Dennis Herzog, JSBH, and Linda Whiting.

Meeting was called to order at 10:07 AM by Chair Taber.

- Roll Call & Quorum of Commissioners
- Checklist review

* Under revised Governor Emergency order #12: Pursuant to Executive order 2020-04 - temporary modifications of public access to meetings under RSA 91-A and emergency order #23; this public body is authorized to meet electronically and there are no physical locations to observe. Chair Taber has confirmed we are utilizing GoToMeeting. All participants have the ability to speak and to listen whether by phone or computer. All votes taken during this meeting will be done by roll call.

- First item to discuss is the revised date for the Annual Meeting. Chair Taber asked Commissioner Auger and Moderator Rodier if they both agreed that a new date needed to be chosen. Both responded yes. Chair Taber suggested that we hold the Annual Meeting on May 30th and cited reasons as it falls in line with statute and also falls within the timeline for the proposed bridge replacement construction. Chair Taber made a motion to initially set May 30th for the Annual Meeting. Roll Call vote; Commissioner Auger responded yes; Chair Taber responded yes; Moderator Rodier responded yes; motion passed.
- There were inquiries as to whether or not the board may/may not have followed protocol (concerning the warrant articles) regarding informational rules prior to this meeting. The meeting continued as planned, however, the board will consult with counsel and if necessary hold a follow-up meeting next Saturday for any of those concerns. Chair Taber made a motion to establish a follow-up hearing date for next Saturday at 10 AM in the event that counsel advises it's necessary. Roll Call vote: Commissioner Auger responded yes; Chair Taber responded yes; motion passed.

The PDF of the ELVD Budget Bond and Loan will be uploaded in conjunction with these minutes and is meant to be viewed along with the discussion points.

GENERAL:

~ The General Operating budget is in **green** and the water budget is in **blue**. The total budget is \$188,569.75 and the overall increase from the 2019 budget is .24%.

~ For the water portion: this year's proposed budget (without bonded debt) is \$229,602 while last year's was \$177,389. With bonded debt: \$366,861 for 2020 and in 2019 it was \$318, 891.

~General Budget details: Overall there's a 6% decrease in the tax rate. This section is what directly impacts the district's precinct portion of the tax rate. We had some office expense reductions; new expenses for operating software; rent has only increased \$50.

~Advertising budget was decreased by \$100. Postage for the office also decreased, which is for general and non-water related postage expenses.

~Government admin section (4130): the biggest change was how some of the reported deductions were categorized and showed a 36% decrease from what was budgeted due to not having full labor on board for the entire year.

~Program expenses (4130.23): an increase from actual based on programs we're using but a 38% decrease from what was budgeted last year and we removed an extra program expense. We are also able to decrease it further by \$299 for use of Intuit Quickbooks for Cloud backup and was found to be not necessary as our Bookkeeper does this already.

~ Line item 4130.23: for payroll for two part-time employees: the District Admin (\$1700 per month) and the File Clerk (\$400 per month). Education is for printing programs, certifications and anything else the board requires to maintain readiness and information within the state/district. We have had a need for additional advertising this year due to the changes which ultimately cost \$46,936.75 and the reason for this increase. Item 4130.24: prior leadership separated payroll between General and Admin because of the requirement for payroll and taxes. This is now considered General Operating and has an increase of 14.06%.

~Financial admin; dealing with legal and bookkeeping costs as well as a total line for the entire government operating subsections. Overall: proposed for 2020 is the same as 2019 at \$8050. The total government proposed is \$74,917.75 which is a 7.24% increase.

~Highways & Streets; Item 4312.11: sand and gravel reduction; We were able to carry over monies as they were not spent in 2019.

~Incidental plowing 4312.13: increase split between water and general; this task was bid on and we accepted the lowest bid.

~Calcium chloride; 4312.14: based on resident feedback the board thought it best to budget more for this road treatment.

~Road signs 4312.15: to add additional stop signs and install culvert markings. We will start with 5-10 locations and then add more each year until everything is identified.

~4312.16: road repair sub-contracted; all labor to add the sand/gravel and cost for repairing culverts is extra. We are looking to repair/repair at a minimum 6 culverts this year. This work is done by the same contractor but is/was not included within their contract. The \$64,800 (divided by 12) covers the cost to treat the district's 13 miles of roads and covers snow plowing for all storms.

~Bridge repairs; line items need to be open in order for money to be expended. This is not directly related to fixing the Red Fox Crossing bridge. This will be presented later in the presentation.

~Culture & Rec: reduction to item 4520; 4520.1 was reduced from \$3K to \$2K, to be used for the repairs to the gazebo and some building repairs such as for windows; painting and safety supplies; 4520.11 the electrical increase for the office was rolled into

general as to not have a separate line item; the outhouses (4520.12) installed from May to mid-September shows a reduction by \$1000; lake testing (4520.13) details a 3 month period (June-Aug) where the district tests 2 samples from each beach had a reduction of 20%.

WATER:

~4331 Admin expenses dropped by 38%; board chose to make a reduction for legal fees; rent had a slight increase; the Granite State membership (4331.12) had a reduction based on actual lower expense; the audit reduction was also based on actual lower expense; payroll for the Admin (4331.14) was removed and moved to General.

~Maintain & Repair Water systems (4332), maintenance other (4332.1) increase is for repairing of curb stops (10-20) and associated labor including a valve cycling process for the district's 800+ valves on a 5-year cycle and because this hasn't been done in many years some, unfortunately, will break.

~Zone meter (4332.5): there are 3 zone meters that have failed or showing intermittent failure and need to be replaced in order to track accurate water usage.

~Monthly contract cost (4332.11): WSO had an increase in excess of 22%. The board decided to check out replacing WSO and is nearing completion of this and will incur an additional 10-15% increase for the onboarding and getting things started. We decided to change operators because of challenges with support, communication and follow-up. We should see cost reductions in the future as they get acclimated to our system and having the abilities to do things our current contractor cannot provide. The board wants to move to a more proactive than reactive way of handing the water system.

~Ayer & Goss (4332.12): \$4K budgeted ad looking to further reduce that cost.

~Eversource (4332.13): cost of the electricity for our 2 buildings that the water system supports including all 8 wells and the pumps. The current rate freeze for the next 18 months will provide some relief for this expense.

~Powers Generator (4332.15): reduction from what was budgeted. The prior board budgeted inspections every 3 months, but we decided to do every 6 months instead.

~Incidental snow plowing (4332.16): increased due to taking on a new contractor, which was the lowest bid we received.

~Overall for this section, due to the increase to the water system operations, the increase to the budget is in excess of 40% and brings the total budget for this section to \$152,850.54.

EMERGENCY/ LEAK REPAIRS:

~There were in excess of 30 leaks in the past year and 3 pump failures that needed replacing and occurred all at once over a 2 week period. These situations required water to be brought in excess of \$36K. Allocation of funds for trucking in of water is included in the 2020 budget shall it become necessary.

~Leak repairs (4332.2): labor for leak repairs. We are hoping there's a reduction in leaks this year, but on average we usually experience about 25 leaks.

~Excavation (4332.21): this expense has been contracted out by WSO. The proposed current operator has their own equipment for these purposes, which should result in a decrease of this expense.

~Parts (4332.22): to replace curb stops, the budget amount remains the same.

~Leak detection (4332.25): to use contracted services, both free and paid services, based on timing and availability. Leak detection can either be proactive or reactive.

~This leaves a budget figure of \$28,250, which is actually 40% less than last year's actual cost on the entire section.

NON-LEAK REPAIRS:

~When we find we have a leak and the curb stop is bent and neither WSO or anyone else can turn the water off quickly to reduce water loss and troubleshoot issues. There are 10 active repairs needed and part of the budget is the labor expense and excavation costs.

~Curb stop parts (4332.31): for replacing curb stops and parts for planned projects.

~Well maintenance (4332.32): we had 3 wells that needed maintenance. Most of this was covered through prior credits. Some were covered under warranty and some came out of the Capital Reserve Fund. In the last 12 months we've replaced 4 wells out of the 8 we have. The \$3500 here will be for transducers to monitor the output of our wells on a 24/7 basis. Currently, the wells output is 50-60 gallons per minute.

~Replace pipes for Treatment Center (4332.33): down \$2500 from 2019 and are needed once we change out the media.

~Building repairs and maintenance (4332.34): for upgrades to the tank system like ladders and adding insulation to decrease heating costs.

WATER TREATMENT COSTS (4335)

~Testing (4335.1) Analytical does testing for the outside water. The state has mandatory testing. Some are done monthly and some are quarterly. This item covers the lab costs and also includes PFAS testing. We performed the mandated first quarter of tests before an injunction was placed. Prior to this injunction, if you tested non-detect for 2 consecutive quarters, you could apply for a waiver which meant we wouldn't have to test for 3 years.

~Monson Chemicals (4335.11): what we use to treat our water. It is purchased in 55 gallon drums.

~Quality reports (4335.12): when the district has violations, as we do now, the residents need to be notified. This line item covers the producing/distribution and mailing (4 times a year) of the notices.

~ WSO chemicals (4335.14): to test for the PH.

~WSO treatment parts (4335.15): to keep an inventory of parts so as to not slow down repairs.

WATER CONSERVATION (4338)

Maintain the same amount budgeted as last year. Costs for surveying and other tasks performed by an engineering company.

ENGINEERING & PERMITS (4339.1)

The board is anticipating additional permits and engineering possibilities for source water this year. All the preceding has left a total operating budget without the current loan debt of \$229,602 from last year's operating budget of \$177,389, showing a 29.43% increase for this section and the biggest cause of this is water systems operations costs and changes.

WATER BONDED DEBT:

Those cover the 2 debts that we have for the 2014 infrastructure replacement, the main perimeter around the district, as well as the 2006 bonded loan for the storage tank within the system. The infrastructure loan is due to be paid off in 2033 and the storage tank loan in 2026.

WARRANT ARTICLES:

1. To choose one Commissioner for a 3-year term; one Commissioner for a 2-year term; one Commissioner for a 1-year term; one Moderator for a 2-year term; one Clerk for a 1-year term; and one Treasurer for a 1-year term. (To be voted on by Official Ballot.)
2. To hear the reports of the Village District Officers, Auditors, Agents, Committees or other Officers heretofore chosen or appointed; or to take any other action in relation thereto.
3. To see if the village district will vote to raise and appropriate the sum of \$357,000 (the lowest bid out of 6 contractors that ranged from mid-\$220K thru \$900K) for the purpose of replacing the Red Fox Crossing culvert (which will be a concrete box culvert with a life expectancy of 50 years), and to authorize the issuance of not more than \$220,000 (10-year note) of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the municipal officials to issue and negotiate such bonds or notes and to determine the rate of interest therein. The remaining sum of \$37K would be withdrawn from the ELVD Roads & Bridges Capital Reserve Fund. The Board of Commissioners recommends this article. Holding our annual meeting is the challenge to get this voted on and accepted. (2/3 ballot vote required.)
4. To see if the village district will vote to raise and appropriate the sum of \$350K for the purpose of researching (areas include Mary Rowe and Eastman Park) and obtaining a new water source (based on the multitude of system failures and having to truck in water) and infrastructure upgrades, and to authorize the issuance of not more than \$275K of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the municipal officials to issue and negotiate such bonds or notes and to determine the rate of interest therein. The remaining sum of \$75K would be withdrawn from the ELVD Capital Reserve Fund. This in NO way would lift the current water ban. The board is following up on Wright-Pierce's report advising there may be 6 different options in getting hooked up to the Hillsboro and/or Henniker water system and costs would begin at 3 million dollars. The Board of Commissioners recommend this article. (2/3 ballot vote required.)
5. To see if the Village District will vote to raise and appropriate the sum of ONE HUNDRED EIGHTY EIGHT THOUSAND TWO HUNDRED THIRTY FOUR DOLLARS (\$188,234) for the operating expenses of the District. This article does not include appropriations contained in special or individual articles voted separately. (Majority vote required.)
6. To see if the Village District will vote to raise and appropriate the sum of THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTY ONE DOLLARS (\$366,861) for the purpose of operating the Water Department during 2020, including debt services. This article does not include appropriations contained in special or individual articles addressed separately. (Majority vote required)
7. To see if the Village District will vote to appoint the Board of Commissioners as agents to expend from the Purchase of Meters and Related Expenses Capital Reserve Fund, previously established in 2003. (Majority vote required)
8. To see if the village district will vote to raise and appropriate the sum of THREE THOUSAND SIX HUNDRED DOLLARS (\$3,600) for the purpose of increasing the stipends of the district officials as follows:

- Chairman of the Board: \$500.00 per month; stipend to remain the same. \$6,000.00 annually.
- Commissioners (2): \$400.00 per month; former stipend \$300.00 per month. \$4,800.00 annually.
- Clerk: \$200.00 per month; stipend to remain the same. \$2,400.00 annually.
- Treasurer: \$200.00 per month; former stipend \$100.00 per month. \$2,400.00 annually.

Changes would result in an increase of THREE THOUSAND SIX HUNDRED DOLLARS (\$3,600) to Line Item 4130.21—Stipend Payroll, in the General Budget. The Board of Commissioners recommend this article.

9. To see if the Village District will vote to create a Capital Reserve Fund for the purpose of repairing and maintaining the dam at the outlet end of Emerald Lake, a.k.a. Gould Pond, with the Board of Commissioners named as Agents to Expend, and to raise and appropriate the sum of FIVE THOUSAND DOLLARS (\$5,000) to be added to the Dam Repair and Maintenance Capital Reserve Fund. Back in 2006 this area had a flood and we lost the dam and the bridge. The state does an inspection every 6 years with one done this year. The Board of Commissioners recommends (as well as the state) this article.

10. To see if the Village District will vote to create a Capital Reserve Fund for the purpose of funding matching funds for future grant or loan applications requiring matching funds, with said grants or loans to be used for the water system, with the Board of Commissioners named as Agents to Expend, and to see if the Village District will vote to raise and appropriate the sum of FIVE THOUSAND DOLLARS (\$5,000.) to be added to this matching fund for grants (available throughout the year) Capital Reserve Fund. Funds are to be offset by income to the water department. The Board of Commissioners recommends this article.

11. To see if the Village District will vote to raise and appropriate the sum of FIFTY FIVE THOUSAND DOLLARS (\$55,000) to be added to the previously established Roads and Bridges Capital Reserve Fund. The Board of Commissioners recommends this article. (Majority vote required.)

12. To see if the Village District will vote to raise and appropriate the sum of THIRTY FIVE THOUSANDS DOLLARS (\$35,000) to be added to the Water Capital Reserve Fund, previously established. Funds to be offset by income to the water department. The Board of Commissioners recommend this article. (Majority vote required.)

13. To see if the village district will vote to raise and appropriate the sum of TWENTY NINE THOUSAND FIVE HUNDRED DOLLARS (\$29,500) for the purpose of purchasing, installing, and disposal of media necessary for the treatment of arsenic and fluoride at the Meeting House Water Treatment Plant. Said sum to be withdrawn from unreserved fund balance of the Water Department. The Board of Commissioners recommends this article. (Majority vote required)

14. To transact any other business that may legally come before said meeting.

- Granite State has offered bulk quantities of surgical masks. We have a quote between \$50-\$100 dollars for 100 masks. Chair Taber made a motion to purchase at least 2 cases in the event we can have an outdoor meeting for our annual meeting. Roll Call vote: Commissioner Auger responded yes, Chair Taber responded yes, motion passed.
- Chair Taber made a motion to adjourn the meeting. Roll Call vote: Commissioner Auger responded yes, Chair Taber responded yes, motion passed. Meeting adjourned at 12:11 PM.

***Meetings will be held primarily online via GOTO meetings as posted on the website. As emergency orders become relaxed, meetings will resume at the District Office: 147 W. Main St. Hillsboro NH unless otherwise noted.**

***The Agenda is subject to change at the Commissioner's discretion up to and during the meeting.**

Regards,

Rick Rose, *ELVD Clerk*

Approved by:

Brett Taber; *Commissioner (Chair)*

Sara Auger; *Commissioner*

Mark Martin; *Commissioner - did not attend*

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