

## PLVD August Monthly Meeting

August 12, 2024

Chairman Andrew Pomeroy opened the meeting at 5:02

Roll call: Chairman Andrew Pomeroy, Commissioner Michael Malecha, Commissioner Susan Lawrence, Clerk Alison Scott and Treasurer Jamie Dow

Attendees: Christie Holland, Tammy Malecha, John Maraganis, Mary Lou Maraganis, Rachel Gagnon, Russ Lauffer, Dianne Lauffer, Erin McCormick, Kelly Lorden, Debbie Dufour, Chris Lorden, Kim Joaquin, Kathy Morrill, Zachary Hopkins, Debbie Grother, Mark Grother, Alex Cilley, Jennifer Weston, Colin Monge, Brandon Westgate, Peter Huckins, Jeff Wheeler, Lindsay Wheeler, Mary Pepin, Ernest Pepin, Heidi Babb, Lisa Robinson, Thomas Tanner, Meghan Oneil, Jennifer Buck, Erin Poquette, Jeff Perry, John Esposito, Cassey Lassonde, Donna Kenney, John Goodwin, MJ Turcotte, Bob Dufour, Claudette Lavesque, Robert, Erin, Lori, and Mike.

Chairman Pomeroy began by explaining the format of the meeting. Understanding that there's a lot of folks interested in the most recent billing. We're going to do an entire segment discussing the bills and how we came up with where the bills are currently and our plans moving forward. However, we want to get through the agenda items for the August meeting first, before we get into an open discussion. He assured those in attendance that if their questions aren't answered this evening, we can have another discussion in the nearest future and get our answers.

### **Treasurer's Report**

Chairman Pomeroy wanted to make a note that this is our smallest Treasurer's Report that I've seen since I started three years ago with the bills. That's a trend in the correct direction. Treasurer Jamie reported the TDS, Eversource, and the two Aquamen bills. There's only one customer account that's over 60 days late. Then the bank balances.

Chairman Pomeroy read the monthly bills. We have the TDS telecom bills \$182 for the internet and phone. We have four Eversource bills, \$18.76 for Garage, \$295.20 for Peninsula, \$140.43 for Franklin Pierce and \$117.48 for the clubhouse. Aquamen, we have a monthly fee of \$2,650 for their monthly operating service cost. That's their four trips a month on, typically, Thursdays, but they alternate days. We do have requests for them. They can change the date for us. And then they have a \$78.75 charge for a check on a meter check. We have the Poulin Property Maintenance, \$1,083- Clubhouse reimbursements, that will come out of the clubhouse fund. This is the general amount that we spend per month without leak detections, without extra Aquamen invoices, and without unknowns.

Chairman Pomeroy makes a motion to approve the Treasurers report, Commissioner-Malecha seconds, the Treasurers report is approved.

Chairman Pomeroy explained that we held a nonpublic meeting last week. Those minutes are sealed simply because we do not discuss individual bills and rates. This is private information.

Chairman Pomeroy asked Commissioner Malecha to share how the rates were set, and how we will be tracking forward.

Commissioner Malecha began.

It is my intention to elaborate on how the current water bills were calculated. The intent of this is to answer the bulk of the questions, if not all, that were submitted to us through the PLVD website, contact us button, or through other communications from the committee. Hopefully, by walking this through, you can understand how the bills were generated. First, just a brief history of how we got to where we are at this point. Last fall, during our monthly meetings, we had community members regularly coming and saying, you're illegally billing me for a utility payment. Utilities can't be billed to people who are not taking current, immediate benefit from the utility. That's the law. We took the time to check with legal counsel and really understand the law and how that works. We were told in no uncertain terms that it was not a legal practice. We also learned in our investigation that two prior boards, before any of us were present, had gone through the same exercise looking into this due to citizen complaints. Those two prior boards walked the same path, got the same results from legal counsel, but for whatever reason, and we don't know why, they didn't act on it. So, this has been something that's been coming to a head for quite some time. So based on this, during the March Annual Meeting, we wrote a warrant article to stop that practice. We explained the illegality, and it was voted on by the community. That resolved it. People who live in the village district but who are not on the water system would no longer be billed or taxed for the use of that system. Based on legal advice and the vote in March, we will not be going back on that decision. We simply need to find the best path forward. I hope you understand that this is not something we dreamed up. This is something that's come to a head and it's finally properly resolved, obviously some financial pain from it. That's why we're here tonight. You'll recall that we received new meter reading equipment last fall that was not properly set up. We had no meter readings to do the q1 and q2 invoices this year in January and April. What we did is we used normal property usage, if you were a high user or a low user, we billed you at those monthly standard rates, no charges for overages or anything else. There was no way we could calculate that at that time. When we sent those two quarterly bills, we indicated that adjustments would have to be made once we could finally get the meter reading back. The last actual reading was taken on September 23<sup>rd</sup> of 2023. We were finally able to take an actual read of all the meters on July 8 of this year. Nine months had gone by. The total water used by the district from that September read to the July read was 770,000 gallons, using a round figure. The annual water system operating budget approved in March is \$166,010. July is the third quarterly billing cycle. As a result, we need to have, through this third billing, collected 75% of that 166,000 for the year. That amount is \$124,500 roughly. What we've done to ensure that everyone is being treated equitably, is that we used the meter reads from September and July, to figure out where those 770,000 gallons had been consumed. We came up with a number of gallons used for each house and then we calculated what percentage of the total 770,000 use was. As an example, using those round numbers again, I really want to make sure you understand, I'm not trying to be super precise here. The round numbers of 124,500 do and 770,000 gallons used. If you were a home that used over that nine-month period, 7,700 gallons in my example, that would have been 1% of the use in the system. That example home would then owe 1% of the 124,500, that is due at the end of the third quarter. Because we calculated it over the three quarterly cycles, we credit the money that you have already paid in for the first two quarterly billings. This is called proportionate billing. It's actually not a per gallon rate, it is simply people paying their percentage of their burden on the system. Using this method, the billing amounts vary. We have one year-round resident who's a minimal water user, and he drew over that period of time, 5,700 gallons. His bill for water use for that period was \$900 roughly. Another user used 32,000 gallons, above that during the same period, their bill was \$5,100 so you can see that the use of the water from the system is being billed to the people who are taking the benefit. And that's our point. On top of the usage charges, the two loan repayment current portions were divided equally among the present water system users, which added roughly \$255 to each invoice. So, it's your usage, less the credits for the payments you'd made, plus two loan payments of about \$255 and that's how you came to your net bill.

We will not be reissuing any invoices to include the dates of the meter reads. We will not be changing to a format that was used in prior years. We hope this helps you understand the calculation. We welcome requests for payment plans, but all invoices are due 30 days from the date of the invoice, which is August 25 unless provisions are made. A \$25 late charge per month will be applied to any bills not paid in full within 90 days. If you have not made any provisions, the monthly charge will accumulate after 90 days, because we will then be entering the next quarterly payment cycle, it will be sent to an agency for collection. Now you can avoid that, even if you can't easily pay it. You can avoid that simply by working with us.

The fourth quarter meter reads are expected to occur in the first week of October. Invoices will come out shortly after. That billing period will have the remaining quarter of the year's budget collected, and the amount is roughly \$41,500. That will be divided by the gallons used in aggregate, by the system from July read date to October read date, and you will be billed in the same proportionate way that we've used in this invoicing cycle. So, your level of water use is important. It affects how much you're billed. We'll also add the loan portions onto the fourth quarter bill. It will be a little bit more than \$255 because it's divided by the number of people who are on the water system at the time of the invoicing. There are fewer people because people have jumped off the water system. The portions of the loan payments will be more than \$255, I can't tell you what that number is as it is going to be dependent on how many people are on the system then.

We are going to open the meeting to questions about the bills only.

This discussion can be found in their entirety on the video recording of this meeting found at

<https://youtu.be/wzRAf1GWkt4?si=1SP8fax3yYOi2dHy>

Chairman Pomeroy stated that we're going to transition from the discussion. He made a point that we have put a lot of effort with Aquamen and lowering Aquamen's budget. We've got a Aquamen to agree that they can come down to a two visit a month schedule. They've got to train Andrew on using their chlorine injector system. That's putting effort to lower the cost. Is our job. We can't move backwards. We can move forward. It's going to be helpful for this system to be more equitable, to be able to be sustainable.

Commissioner Malecha - What I'd like to do is to speak to another thing that we have ongoing. That is the Peninsula well. It is the most expensive to operate because of the filtration going on, and it requires more repair than most. It also requires inspections. We are trying to reduce Aquamen's visits. What we'd like to do is try to find a way to get Peninsula offline. You might recall that what we were seeking in last year's budget activity was a loan and grant combination so we could put another well in at Franklin Pierce. This would replace the need for the Peninsula well and allow us to take it offline. That was still going to be a very expensive proposition, but over a few years, not 50, it would have paid back. We were looking hard at that. With people coming off the system, it has come to our understanding that we may be approaching a point where the system could sustain itself without the Peninsula well in operation, in which case we would mothball it for future need or catastrophe. It's a complex decision process. Our consultant needs to get the number of bedrooms currently on the system. The wells are approved for the number of bedrooms in the community that they're going to serve. Our consultant is working on the math now. She must go back and determine the well capacity that our wells were approved for, which may be a greater number than the capacity at which they're running right now. She's trying to force through the math to figure out, if not yet, how many more bedrooms would have to come off our system, because we know they're coming off. So how many more bedrooms would have to come off the system before we could look seriously at that as a viable solution to save costs. So that's another creative thing.

Lisa Robinson: Do you perceive that there could be an issue? Well 8 is only temporarily permitted, so that must be considered. Another consideration is our only generator is on Peninsula, so it's there would be some cost to make the adjustments. But again, I'm happy Abby's knowledgeable in walking through I just didn't know if putting the other well in would be helpful to that only because Well 8 isn't fully permitted. I don't know if that would even allow us to shut the Peninsula off.

Chairman Pomeroy: Thank you for that. I'll relay that to Abby.

Mary Lou Maraganis: How many homes now are on that community water system?

Treasurer Dow: It's 53 right now. But we can't speculate the future.

Chairman Pomeroy reminded the community that the transition from a public water system to a private well is not free. It does cost an initial input. Also, the water that we're taking out at Peninsula is being treated because the groundwater at Peninsula is contaminated is being treated by a massive treatment system. That treatment system more efficient, the more gallons that go through it. If you install a private well at your house, you are now treating for your gallons individually in your own little treatment system. DES has tried to make the point it is substantially more expensive to be on a private well system if you're treating water, the board doesn't want to make economic decisions. We can't make requirements, and we don't want to make suggestions for you, but there are costs associated with switching from the water system to the non-water system. The homeowner that jumped off the system earlier, or somebody that transitioned to a well two weeks later, they also spent a significant chunk of change to get that water that they're using right now, and they spent that change this minute, like the change we're spending does add up, and I understand that. We're bringing costs down. If we can continue to do that, we keep this system sustainable, get new well added on, potentially have new properties here. Every open lot in this state is going to be built. So, there is a future here. It's not grim and dead. There are possibilities. I understand that the building cycle from last year to now is significantly different, but I want you all to understand that we're doing a ridiculous amount of work to keep that as low as possible. It's a significant change, and we're actively working to lower the cost as much as possible.

Zachary Hopkins: Expressed concerns regarding selling his home. He stated that there's plenty of information out there. And then the real question is, well, what, what is going to happen when everybody comes off? The future keeps changing, and it's getting more and more and more expensive every time.

Chairman Pomeroy: That one other thing that we're trying very hard to be working with an individual at DES named Cheryl to identify specific grants and beyond that, specific state funding to support the system, because there's an obligation at the state level to ensure drinking water availability to all its citizens. Chairman Pomeroy elaborated on other possible resources for funding and solutions.

Please refer to <https://youtu.be/wzRAf1GWkt4?si=1SP8fax3yYOi2dHy> for the complete conversation,

Commissioner Malecha: We have to be very careful on the commission. So, when you send requests for information to the board, there are times you're going to get responses, like we're going to talk to everybody at the monthly meeting, or something that sounds very nonspecific and vague, that's intentional. And the reason is, we as commissioners can't have direct conversations about the business of the community with individuals or separate committees, or we can't have one off

interaction that excludes other people from hearing what's being conducted. So, if you wind up in a situation where it was like, geez, they didn't really give me much there, please understand that it's probably intentional.

Mary Lou: asked About contact with Abby

Commissioner Malecha: We hope to have a response by next meeting.

Chairman Pomeroy: Discussed his attempts and will prioritize his contact with DES .

Additional questions and answers ensued.

The complete conversation is included in the link below

<https://youtu.be/wzRAf1GWkt4?si=1SP8fax3yYOi2dHy>

Chairman Pomeroy makes a motion to adjourn, Commissioner Malecha seconds, the meeting is adjourned at 6:40 pm.