

MOUNTAIN LAKES DISTRICT COMMISSIONERS MEETING MINUTES

November 10, 2007

(Not approved)

The meeting was called to order at 9:32 AM. Commissioners present were Commissioner Schmid, and Commissioner Demers. Commissioner Farr was excused.

Residents in attendance were Beverly Jacobs, Tom Eighmy, Don Hasbrouck, Beverly Hasbrouck, Joel Godston, Peter Olander, Sandy Schmid and Ed Westman.

The motion was made by Don Hasbrouck and seconded by Peter Olander to accept the minutes.

Mr. Bonanno asked that Mrs. Schmid statement concerning how well the Oktoberfest went be corrected to reflect the day. The Oktoberfest went well even better than last year.

The minutes of the September 8, 2007 Commissioners Meeting were accepted as amended.

Planning Board Update:

Commissioner Schmid stated that the garbage and septic enforcement is being worked on. There are 96 homes that have not pumped their septic tanks within the four year interval required by an Haverhill Health Regulation. We had asked the Health Officer for the Town of Haverhill to write a letter to these homeowners. This letter would refer to the ordinance that gives the town the authority to pump their tanks then charge them for the service on their tax bill. There will be a meeting of the Board of Health on Tuesday, November 13 at 5:30 p.m. at the Town Office. Mr. Bonanno asked if garbage issues should be discussed as well. Commissioner Schmid replied that that is a possibility. Mr. Godston stated that he will e-mail a district copy of the Town of Haverhill Select Board agenda. The subject ordinance is a great worry for the preservation of the lakes in Mountain Lakes stated. Mrs. Schmid.

Mrs. Schmid stated that the Planning Board has been very busy this month. They have had four new applications for homes, some of which are on private roads and other deals with the right-of-ways. It worked well that we included a special use permit in our zoning ordinance at the last annual meeting. We have used it in two of our Zoning Permits applications. We are looking at staying ahead of potential problems with new building. We were pleased that builders came to present their permits at our meeting. We are continuing to work with the Zoning Officer to get his work done in a timely manner. The watershed committee has completed a grant application which includes a fence around the pump house and wellhead as well as an inventory of all the culverts and storm water drains in Mountain Lakes. The road agent if the town of Haverhill does not have one at this time. We have to protect our lakes from dirt and salt that can contaminate them. Also, Ms. McGovern has put together a guide to help navigate the Zoning Ordinance. We had a second meeting with the builder that is planning to build a home on Ski Way Terrace. We asked him to give us a proposal that determined the upgrades he would do to the road. Horne Excavating is the company that will be doing the upgrade. They are only improving the road enough to bring in construction vehicles to build the house. Mr. Godston asked where the new home will be located. Commissioner Demers stated that it will be just before the existing home on Ski Way. He will also be putting in his own well. Mr. Godston asked if he was following the Town of Haverhill's road construction specifications. Commissioner Schmid replied that his proposal does not bring the road up to town standards. Mr. Godston asked if we are going to commit to maintaining the road. Commissioner Schmid replied that we should not put the district in the middle and the owners of each of the lots need to work it out for themselves. Mrs. Schmid stated that the town is not liable to provide police and fire protection on private rooms.

Recreation Update:

Commissioner Farr stated that the Halloween party was fantastic. There are pictures of the Halloween party on the web. We have some events planned for 2008. The committee discussed having a skating party at the Lodge in February that could include a Valentine theme. We are looking at February 9th and could call it "Skate with your Sweetheart". The Easter egg hunt will be held in Haverhill. The committee decided on April 12th which is during school vacation for Spring Cleanup and we will offer hotdogs at the Lodge for all who pitch in. The committee decided to have a potluck on May 24th for Memorial Day Weekend and the opening day will be on June 21st but there will not be a potluck that day. Next, during July and August Beverly will serve ice cream sundaes. The calendar for July- Dec 2008 will be discussed further at the next meeting. Our next recreation meeting is on December 5 at 6:30 p.m. The committee will be planning a Game Night on January 12th at the Lodge. Rosie spoke with Glen Hatch and the winter fest will take place on March 1, 2008. The committee would also like to have a New Years Eve party and maybe even organize Christmas caroling. We will need 3 days at the Lodge for the New Year's Eve party for set up, the party, and clean up. We will continue at our next meeting to plan upcoming events. The Recreation Committee would like to offer Cocoa at the Lodge again this year. Also they do not want to charge for the service. This service will be contingent on suitable weather conditions. Beverly will be in charge of the cocoa schedule. Hot chocolate will be served during Ice Skating. This is a recommendation to the Budget Committee. Mike mentioned the possibility of having a Pancake breakfast to offset some of the costs of upcoming Recreation events paid for by donation. We would like to have it in January or February. Mike and Leslie have volunteered to cook for this event.

Water Update:

Commissioner Schmid stated that the water usage is to for the month of October. We used an average of 40,000 gallons per day. Our usage is up a little from last year. We have had no major leaks last month. Commissioner Schmid, read the water department report. We had one tap for a new home on Brookfield, and we have done some curb stop and service line repairs with Horne at various homes around the district. The water usage is still staying around 40,000 and we have had no breaks to report. Four homes have had the water shut down for the winter. A new cover built of aluminum was made by E-Z Steel for the gravel pack well. I would also like to thank everyone who has volunteered or has offered to volunteer while I am on vacation. It is very much appreciated. That's the last water committee meeting in the made a recommendation to not charge for seasonal shut offs and subsequent turn on. The logic behind having the charge in the tariff was to cover the additional expenses paid to an outside contractor. We want to discourage people from doing it themselves. Mr. Drew has checked curb stops while some have been draining and one was in backwards. When ever we see curb stops like those we replace them. The homeowners don't notice this when they turn the curb stop to their home. Commissioner Schmid stated that curb stops are meant to be emergency shut offs only and not for seasonal use. Mr. Godston stated that we should have a meeting to review the Water Tariff. We should pick a date to review the Water Tariff and then have a special meeting to makes the necessary changes. Commissioner Schmid stated that we could send out an email to the community when we begin the process. Mr. Godston replied that the notice could go in the next water bill.

District:

Commissioner Schmid stated that a letter was sent out to the Bath residents explaining that the Town of Bath Selectmen denied the request by Mountain Lakes to create a District in Mountain Lakes that would include those Bath residents with the original covenants & easements from Town & Country. The letter read. Regrettably we have been informed by the Bath Selectmen that it has been decided to not extend the Mountain Lakes District to include that portion of the original Town & Country development located in Bath. As we mentioned in our information meetings and letters, this action presents Mountain Lakes and

the Bath residents with some major issues. The two major issues are the supply of water for non district users (Bath residents) and the use of tax supported district facilities.

Since a large portion of the expenses of the water system are paid for by district taxes, and since the amounts which the District charges to Bath residents for water use do not pay for, and cannot be adjusted to pay for, the actual cost to the District of providing the water service, Mountain Lakes can no longer supply water to non-district users. The District intends to begin the process of terminating regular water services to all properties located outside the District by April 1, 2008. We would request that all Bath owners who have been receiving water service from the District should notify the District by Dec. 31, 2007 of how you intend to obtain water in the future, so that we can be assured of an orderly transition.

Turning to the remaining recreational and other services provided by the District, since many of you bought your property to utilize the lakes and recreation facilities of Mountain Lakes, we would consider offering a special "Recreation Activities Membership" for an annual fee to the Bath Mountain Lakes residents. If you choose to not pay for an annual membership, access to tax supported facilities (the beach, lodge, tennis courts, etc.) would no longer be available to you. Offering this membership would require approval of the District voters, hence the amount of the fee has not been calculated at this time.

We regret having to take these actions. We sincerely believe that the best option would have been to expand the district to include Bath residents.

Our lawyer told us that this is the legal and correct answer to our problem and to keep the lines of communication open. Some of the Bath residents have called rather upset but are still not calling the Bath Selectmen. Many of the Bath residents told us that the Bath Selectmen never contacted them. Commissioner Schmid stated that Mountain Lakes can choose to release the Bath residents from the Covenants and Easements but then they will not receive water services. Mr. Godston asked if we could just ask them to pay an additional fee to cover the capital improvements to the water system in the district budget. Commissioner Schmid replied stating we are bound by New Hampshire legislation which limits additional fees to outside of District users to a 15% premium and that isn't even close to the true cost. If they want to form their own District we could sell them the pipes and bulk water possibly. It certainly sounds to me that it would be cheaper to be part of the District. The Bath residents have chosen to tie our hands. Mrs. Schmid stated that if 2 or 3 people made this decision for all of them it is sad. We feel the Bath residents simply need to start a petition to become part of the District and give it to Bath. Mrs. Hasbrouck stated that we had a meeting and told them their options and also personally invited each of them and they choose not to attend. Commissioner Schmid stated that the homeowners and lot owners in the Haverhill section of Mountain Lakes have carried the burden of the Bath residents to the tune of between \$200,000 and \$400,000 since 1976 for recreation services and since 1986 for the Water System. Mr. Olander stated that there are hundreds of residents in Mountain Lakes that don't know about this. Commissioner Schmid replied that the important people namely the Bath residents know about it.

Commissioner Schmid read Mr. Drew's report. We have been working to prepare the grounds for winter, coordinating time with both Kevin Horne and Steve Robbins to help store items such as the rafts and the grounds prepared for winter. The ice rink seems to be holding some water and it was noticed that we had some ice starting just from the rain and cold weather we have had already. So this looks good. Renee and I are preparing for our next fiscal year by working on our 2008 budget items.

Commissioner Schmid stated that we have scheduled budget meetings for November 13, November 27 and December 11 at 1 pm. Mrs. Schmid asked what the schedule and process are. Mr. Hasbrouck replied that first we have budget committee meetings for the Lodge, Recreation, Water and General Operations. For these the committee speaks with the Water Operator, Maintenance, and District Manager. After we finalize

the budgets the Commissioners review them and we have hearings in January and February. Finally the voters vote on the budget in March at the annual meeting.

Commissioner Schmid stated that you have already received your tax bill and as you are well aware the rate for Mountain Lakes went up slightly. We moved \$9,000 out of our anticipated fund balance to keep it from increasing any further. Commissioner Farr requested that the District Manager ask the Town Manager when the new assessment will take affect. Commissioner Schmid stated that part of the reason the tax rate went up was because we didn't collect the anticipated revenue from the Bath residents and the snack revenue came in at less than we would have liked. Mr. Drew is spending so much of his time doing water related work we have moved \$15,000 more of his salary out of the District Budget and into the Water Budget. Legal expenses are under budget at this time by \$4,000 but with the ongoing issues with the Bath Residents and Mr. Connole over the trees we expect to spend the remaining balance. The two special events items in combination are only overspent by \$400 but the lifeguards are under spent considerably. District Manager Mrs. Cota stated that she spoke to our Auditors concerning the \$2,000 increase in our Audit Expense and they assured her that because of new federal requirements it will increase another 10% next year. We have not yet spoke to other Auditing Firms at this time. The Dam expenditures have increased by \$2,300 this month primarily because of additional legal fees over some trees that were cut in our emergency spillway. We were ordered by DES to do this. Commissioner Schmid stated that the big issue here is that Mr. Connole retained a lawyer on contingency and while we are paying for ours Mrs. Schmid stated that he hasn't pumped his septic tank in eight years and he is required to do it every four years and he lives on the lake too.

Mr. Godston asked if we have received an as built drawing for the DWL project yet. Commissioner Schmid said that he will have to check with our Water Operator.

New Business:

Mr. Godston announced that any youngster between 5 & 18 years old that want to fly he would love to take them up. Mr. Godston has flown 300 kids to date. He will love to take some more flying.

Mr. Godston made a motion to adjourn and Mr. Olander seconded it. The meeting adjourned at 11:15a.m. The next Commissioners meeting will be on December 8, 2007 at 9:30 a.m.

Respectfully submitted,

Renee L Cota
Office Manager