

Maintenance and Recreation Management Agreement

This agreement is entered into this 9 day of JUNE, 2020 by and between Waterville Estates Village District, a municipal corporation, with a principal mailing address of 562 Winterbrook Road, Campton, NH 03223 (hereinafter the “District” or “WEVD”), and Waterville Estates Association, a New Hampshire corporation, with a principal mailing address of 562 Winterbrook Road Campton NH, 03223 (hereinafter the “Association” or “WEA”).

AUTHORITY

This Agreement is entered into under the authority of RSA 35-B.

PURPOSE

The purpose of this agreement is to formalize the financial arrangements relative to the financing and operation of Recreational Activities, Recreational Promotion, the construction of Recreational Capital Improvements, and the maintenance and care of parks and common areas in order to ensure that activities and services provided by the District and the financing of those aforementioned items is consistent with the use of Association funds.

DEFINITIONS

The meaning of the following words or phrases used in this document are as described below, unless the context indicates otherwise:

Admission policy:	A formal statement outlining the eligibility requirements and application procedures for admission to common areas and recreational facilities of Waterville Estates
Business Activities:	The revenue generated by Association activities including but not limited to recreational activities.
Community Manager	An individual that oversees and coordinates activities on behalf of the Association and the District
General Maintenance	Inclusive of but not limited to snow removal from walkways, driveways, parking areas, rubbish removal connected to WEA’s use of premises, landscaping and lawn mowing, and other repairs that arise from Lessee’s use of premises
Maintenance of Facilities	Inclusive of but not limited to preventative, ongoing, or emergency actions taken designed to maintain, repair, or improve the condition of the facilities.

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Owner Usage Policy	An enforceable formal code of conduct applicable to all members, guests, and renters of Waterville Estates
Recreational Activities	Management and maintenance of Recreational Programs, the construction of Recreational Capital Improvements”, and the maintenance and care of parks and common areas
Recreational Capital Improvements	Improvements, expansions, or updates made to existing facility amenities including but not limited to exercise and weight rooms, saunas, hot tubs, indoor/outdoor furniture, tanning booth, Teen Room, tennis courts, swimming pools, audio and video systems, snow making equipment, trail systems, and bars and restaurants.
Recreational Programs	Activities and entertainment that provides benefits to the Association’s members as well as WEVD residents
Recreation promotion	The processes involved in fostering interest in Association Recreational Programs
Waterville Estates	The community of residences and building lots, facilities, and community amenities contained in the Waterville Estates Village District

RECITALS

The District has been formed pursuant to RSA Chapter 52 as a municipal corporation funded through property taxes for the purpose of funding community services such as the supply of water for domestic purposes (RSA 52:1, I(d)), the maintenance of roads (RSA 52:1, I(m)), the impoundment of water (RSA 52:1, I(d)), the maintenance of facilities and activities for “recreational promotion” (RSA 52:1, I(h)), and the maintenance and care of parks and commons (RSA 52:1, I(g) and (h)).

The District’s roles and responsibilities include the following:

- a. Maintenance of Facilities, other than General Maintenance by the WEA as required by lease agreement(s), and the management of facilities.
- b. Construction of any Recreational Capital Improvements and caring for parks and common areas.
- c. Operating Recreational Programs.

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- d. Ensuring a safe and inviting environment of all common areas consistent with their intended uses, managing safe and responsible alcoholic beverage service, and maintaining liquor and food service standards commensurate with licensing for each.
- e. Exercising universal and unilateral authority to take actions to manage its responsibilities relative to safety and professionalism.
- f. Provide the necessary personnel and equipment to perform the services required related to such activities as contractually agreed upon.
- g. Provide accounting, billing, and clerical services to the Association as contractually agreed upon.

The Association was formed as the successor to Waterville Estates developer, Locke Waterville Corporation, and represents all owners of property in Waterville Estates.

The Association's roles and responsibilities include the following:

- a. Establish and maintain an Admission Policy to all recreational facilities falling within the scope of this agreement, so long as said policy does not interfere with the governmental operations of WEVD.
- b. Protect and provide access to Waterville Estates common property enjoyed by all eligible property owners and those non-property owners approved by the board members and which are in the best interest of the owners.
- c. Exercise final approval of all "recreational activities" which are to be funded by the Association.

In consideration of the mutual covenants stated within this document, the parties willingly enter into this **Maintenance and Recreation Management Agreement** concerning the management and maintenance of Recreational Activities, Recreational Programs, the construction of Recreational Capital Improvements, and the maintenance and care of parks and commons area pursuant to the terms of this Agreement,

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DURATION AND TERMINATION

- a. This Agreement supersedes all prior agreements between the parties concerning Recreational Activities.
- b. This Agreement shall be effective April 15, 2020 and shall run to April 15, 2025. Annual review of the Agreement's terms and conditions will be conducted by representatives of the contracting parties prior to April 15 each year. This Agreement may be changed by mutual consent of both contracting parties only upon each anniversary date. Changes, if any, are to be in written form on the original agreement document or by addendum and to include the names and signatures of the approving representatives. Copies of the updated original agreement or addendum are to be provided to the WEVD and the WEA.

INSURANCE

The WEA agrees to maintain liability insurance as well as insurance for Directors' and Officers'. The specifics of required coverage include: Liability ISO forms or their equivalent without limiting endorsements, \$1,000,000 CSL, WEVD named as additional insured, volunteers as additional insured and provided by an insurer rated "A" or better by AM Best. Directors and Officers is provided by an "A" or better rated carrier and provides a \$1,000,000 limit. A certificate of insurance evidencing this coverage is to be provided to the WEVD on an annual basis and prior to the annual anniversary of this Agreement.

SERVICING OF RECREATIONAL ACTIVITIES AND BUSINESS ACTIVITIES

- a. The District shall supply necessary qualified personnel and equipment in order to provide Recreational Activities agreed upon by the parties on an annual basis, within the limits of the funds made available by the Association.
- b. On or before November 1 of each year, the WEA shall formally advise the WEVD of the irrevocable commitment of an amount of money the WEA shall make available to the

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- WEVD for Recreational Activities for the ensuing year, payable on a quarterly basis or when those services are rendered. Also at this time, the WEA shall provide a formal program proposal of Recreational Activities together with the description and estimated cost of each such activity. Additionally, the WEA shall provide a separate formal proposal for Recreational Capital Improvements that includes a corresponding commitment of WEA funds to be made available for each improvement.
- c. On or before December 15, the WEVD shall accept or deny the WEA's proposed activities and funding. The WEA's failure to timely submit their proposal for Recreational Activities will be considered by the WEVD as there being no changes from the prior year's recommendations.
 - d. The WEVD, in its sole discretion, may provide additional funds as it deems necessary to deliver services required by the proposed Recreational Activities to be provided by the WEVD.
 - e. Thereafter, but not later than January 15, the WEVD and WEA shall meet to discuss and reconcile budgetary and programmatic issues for the ensuing year. Both the WEVD and WEA shall share information, including budgeting, planning, engineering, and economic studies, and reports, to the maximum extent possible, and may establish joint working groups and committees.
 - f. The District and the Association shall mutually agree upon the final budget for Recreational Activities for the ensuing year. But in no event shall the budget exceed the amount of money made available by the Association, combined with such amounts as may be approved and contributed by the District.

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- g. Any surplus funds created in the “Recreation Fund” of the District in a given year shall remain in the recreation fund and will be utilized solely for the recreational fund budget in the following year.
- h. Nothing contained herein shall prevent the Association from making additional funds available to the District for Recreational Programs during the fiscal year.

PAYMENTS

The Association shall pay as a Management Fee its share of the budget, representing the total budget approved by the District, less the amount which the District may contribute for the ensuing fiscal year. These funds are payable quarterly subsequent to services rendered, by the Association. All payments made with respect to Recreation Capital Improvements shall be paid before project completion dates and included with the quarterly remittance.

BOOKS AND RECORDS

The District shall oversee maintaining books, accounts, and records that reflect all expenditures incurred in connection with the provision of Recreational Activities by the District. These books, accounts, and records shall be maintained at the District’s offices and shall be available for inspection by the Association during regular business hours.

REMEDIES

- a. If the District breaches any term of this Agreement, the Association shall give written notice of the breach to the District. If the District fails to remedy the breach within 30 days of such notice, or if such breach shall have been of a nature that the same could not have been cured within 30 days, and if the District shall not have, in good faith, commenced the curing or remedying of such breach, within such 30-day period, the Association may, at its option,

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terminate this Agreement. Upon termination, the District shall return to the Association all unexpended funds which are not encumbered by a contract with a third party or owed to the District for services already rendered.

- b. The Association shall make timely quarterly payments for Recreational Services, as those services are rendered. If the Association fails to make timely payments as set forth in this Agreement, the District may terminate the provision of services for Recreational Activities until all payments due the District are made by the Association, and the Association provides assurance that future payments will be made in a timely fashion.
- c. Notwithstanding anything to the contrary contained herein, the District will not be obligated, by this Agreement, to perform services beyond the amount funded by the Association.

SUCCESSORS AND ASSIGNS

This Agreement shall be binding on and inure to the benefit of the successors and assigns of the parties hereto, however, this Agreement may not be assigned by either party without prior written consent.

VALIDITY

This Agreement is understood to comply fully with the laws of the State of New Hampshire relative to Village Districts, and in particular, relative to the authority and duties of the commissioners, and therefore, to the extent any provision of this Agreement in any way may conflict with or breach such laws, such provision shall be null and void.

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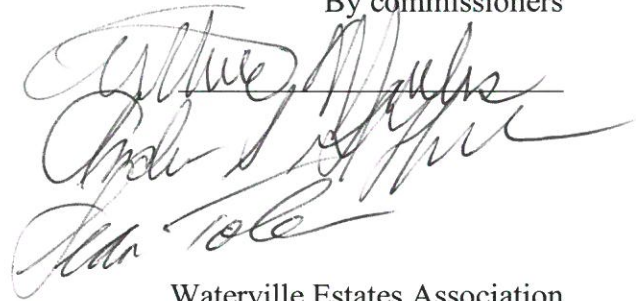
NOTICES

- a. Notice to the Association shall be in writing to the "Community Manager" and President of the Association Board of Directors.
- b. Notice to the District shall be to the Commissioners of the District and the District General Manager.

WHEREFORE, the parties have signed this Agreement on the date first written above.

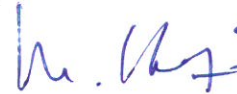
Waterville Estates Village District

By commissioners



Waterville Estates Association

By the President of the Board of Directors



MICHAEL G. HERING