

**VILLAGE DISTRICT OF EASTMAN
COMMISSIONERS' MEETING
VILLAGE DISTRICT OFFICE
October 19, 2011**

Notices of this meeting were posted at the Eastman Community Association Office and the Village District of Eastman Office.

Those in attendance were Commissioners' Sullivan, Fairweather and Wood, District Manager Weber, Treasurer Wright, and Field Operator Perez. As Clerk McClory was not there, District Manager Weber asked Office Manager Pat Conroy to take minutes.

Commissioner Sullivan opened the meeting at 8:02AM.

MINUTES - Commissioner Wood made moderate changes to the September 21, 2011 Minutes, and there were no changes to the September 22, 2011 Special Meeting Minutes. Commissioner Wood made a motion to approve the September 21, 2011 Minutes, as amended, seconded by Commissioner Fairweather. All were in favor. Commissioner Wood made a motion to accept the September 22, 2011 Minutes as drafted, seconded by Commissioner Fairweather. All were in favor.

FIELD – Neil reported the shut-off repair at the Club House has been completed.

The blasting for the new home at 15 Greensward Drive was slow, but it is complete.

The pine tree at the garage has been taken down, and the other two trees on residential property will be rescheduled.

The Alpine Vista project is complete.

Commissioner Wood recommended putting bullets on the current monthly agenda pertaining to items from the prior month's minutes.

Meter reading is next week.

FINANCIALS – District Manager Weber reported we have received \$70,000 from the Trustees, with \$33,000 remaining to come in soon.

MANAGER'S REPORT – Water pumped has dropped considerably, probably from the leaks that have been repaired.

District Manager Weber met with the EPA and the Upper Valley Regional Planning for the energy audit. They were pleased with the data provided. PSNH will follow up after they receive their information.

Commissioner Wood questioned why we have 25% of the budget year left, and we have 31% monies remaining. Commissioner Fairweather suggested waiting for a couple of months data before deciding if this will be a projected 2012 budget concern.

The EPA Energy Management Program Seminar is scheduled for November 30th at the Treatment Plant.

The Ausbon Sargent Easement is still moving forward.

The Anderson pond pump times have now dropped to average.

Flushing will not be necessary this fall because of late spring flushing, and the fact that we have been running Source 5 all season. The particulates Source 5 puts out in the system are of a reduced nature.

Commissioner Fairweather stated he had residents complain of a chlorine taste. Neil reported this was because of a chlorine adjustment at the Plant.

SRF UPDATE- The plans for the contract bid package were extensively discussed. There will need to be updates done to determine the size of piping, layout of pipe lines, electrical lines and other issues before this can go to contractors.

Bob LaGassa had agreed to be the Clerk of the Works for the SRF Project.

OLD BUSINESS - The new Rate Structure on the residential and commercial fees, worked on by Commissioner Fairweather, Treasurer Wright and District Manager Weber, was discussed. Commissioner Fairweather reported it would mean a 9%-10% increase over the current bill for the average customer. A newsletter will be sent out after the first of the year to notify customers.

Commissioner Wood moved that we adopt the proposed rate structure presented on Exhibit A (attached), which is dated 8/4/11, and entitled Proposed Rate Revision. The rates will be effective after the October 2011 meter readings. The motion was seconded by Commissioner Sullivan, and all were in favor.

Commissioner Fairweather moved the adoption of the Water Use Ordinance. Commissioner Wood seconded. Unanimous approval. District Manager Weber will bring a clean copy to the November meeting for signatures.

NEW BUSINESS – The Employee Manual was updated by Commissioner Fairweather. All officials and staff will be given a copy to review. Any changes will need to get back to Commissioner Fairweather one week before the November Commissioners' Meeting.

District Manager Weber had planned on working from the wellfield one or two days a week, but the commissioners felt he would be more productive by remaining in the District Office.

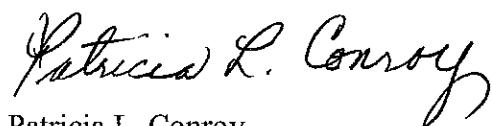
The date for the first Capital Budget Meeting is November 9th at 10AM.

The regular meeting adjourned at 9:56AM.

The meeting went into Non-Public Session at 10AM.

The Non-Public Session adjourned at 10:36AM.

These minutes are submitted by:



Patricia L. Conroy
Clerk ProTem

	proposed rate per 100 gal	2010			2011			proposed annual usage revenue	proposed total revenues
		summer number	summer %	summer avg	winter number	winter %	winter avg		
Breakpoint, 6 mos (gals)	0.70	457	34%	51	655	49%	34	31,904	
	0.75	464	35%	148	374	28%	149	90,979	
	0.80	246	18%	244	177	13%	242	75,941	
	0.90	93	7%	338	77	6%	340	32,297	
>40,000	1.00	62	5%	592	39	3%	691	63,653	
Commercial with tax (1)	1.00	2	0.1%	1009	2	0.1%	619	3,256	
Commercial without tax(2)	1.10	11(3)	1%	286	11(3)	1%	126	4,982	
total usage		1335	100%	222,070	1335	100%	176,627	303,012	

notes

- 1) ECA/6 Clubhouse Ln & 18 Pioneer Pt
- 2) all ECA except Clubhouse
- ECA "flowers" not charged at all
- 3) Should also add 3 houses at Hilltop Pl. customers outside precinct

	2008	2009	2010	PROPOSED
actual usage revenue	255,285	265,973	256,796	303,012
usage revenue difference (proposed - 2010)				46,216
actual taxes	467,715	561,686	565,981	519,765
actual total revenue (less fund transfers)	772,282	839,484	837,876	837,876
% revenue from usage	33.1%	31.7%	30.6%	36.2%

2010 ANNUAL VDE OPERATIONS TOTAL COSTS

2010 ANNUAL VDE DEBT SERVICE AND CAPITAL COSTS (less transfers from general fund or closed trust fds)

2010 ANNUAL VDE TOTAL COSTS

2010 % ANNUAL VDE OPERATIONS COSTS/TOTAL COSTS

2010 ANNUAL VDE DIRECT (VARIABLE) COSTS *	133,368
* variable costs	
distribution	113,760
water treatment	19,608
% variable costs/total costs	15.7%

The Commissioners of The Village District of Eastman Hereby Adopt the Following Ordinance
Effective October 19, 2011

WATER USE RESTRICTION ORDINANCE

I. PURPOSE

The purpose of this ordinance is to ensure the use of water is regulated in a manner the Village District of Eastman deems to be in the best interest of the property owners and residents of the Village District of Eastman.

The Village District of Eastman may use reasonable means to protect, preserve and maintain the public health, safety and welfare when a water supply shortage exists.

II. AUTHORITY

The Village District of Eastman adopts this by-law or Ordinance under its authority to regulate public water systems under RSA 38:26.

III. APPLICABILITY

The requirements of this section shall apply to all water users with connections receiving water from the Village District of Eastman.

IV. DEFINITIONS

A. Person: Any individual, corporation, trust, partnership, joint stock company, association, state, municipality, commission, United States government or any agency thereof, political subdivision of the State or any interstate body, or other entity.

B. Water supply shortage: A that situation when insufficient water is available to meet the present or anticipated needs of the village district. A water supply shortage usually occurs due to drought or a major infrastructure failure.

V. REQUIREMENTS

Upon declaration of a water supply shortage or other water emergency by the majority vote of the commissioners of the Village District of Eastman, the Village District of Eastman shall be authorized to determine and implement certain restrictions necessary to conserve and maintain adequate reserves of the public water supply. Provided there is a declaration as noted above, the following levels of restriction will apply immediately after the public notification period specified in Section VI.

A. If the Village District of Eastman issues a **Level 1** restriction, then the public is requested to voluntarily limit landscape watering to between the hours of 7PM and 8AM and to limit the amount of water used outdoors for all other purposes.

- i. The use of automated landscape sprinkler systems is prohibited.
- ii. Restaurants are encouraged to serve water only when requested.

B. If the Village District of Eastman issues a **Level 2** restriction, then

- i. Landscape watering by odd numbered addresses is allowed on odd numbered days with hand held hoses.
- ii. Landscape watering by even numbered addresses is allowed on even numbered days with hand held hoses.
- iii. Landscape watering shall not occur between the hours of 7AM and 7PM
- iv. The filling of swimming pools is prohibited.
- v. The use of automated landscape sprinkler systems is prohibited.
- vi Washing of streets, driveways, sidewalks or other impervious areas is prohibited.
- vii Washing of cars or boats at a non-commercial facility shall be prohibited.
- viii Washing of boats at the Eastman Community Association designated boat wash to prevent the spread of milfoil or other transient aquatic disease carrying organisms is allowed.
- ix Restaurants are prohibited from serving water to patrons unless requested.

C. If the Village District of Eastman issues a **Level 3** restriction, then

- i. Landscape watering by odd numbered addresses is allowed on Mondays and Thursdays with hand held hoses.
- ii. Landscape watering by even numbered addresses is allowed on Tuesdays and Fridays with hand held hoses.
- iii. Landscape watering using shall not occur between the hours of 7AM and 7PM.
- iv. Washing of boats at the Eastman Community Association designated boat wash to prevent the spread of milfoil or other transient aquatic disease carrying organisms is allowed.
- v. No other outdoor use of water is permitted.
- vi Restaurants are prohibited from serving water to patrons unless requested.

D. If the Village District of Eastman issues a **Level 4** restriction, then

- i. Landscape watering is prohibited.
- ii. Washing of boats, at the Eastman Community Association Designated Boat Wash to prevent the spread of milfoil or other transient aquatic disease carrying organisms is allowed.
- iii. No other outdoor use of water is permitted.
- vi Restaurants are prohibited from serving water to patrons.

VI. PUBLIC NOTIFICATION OF A WATER SUPPLY SHORTAGE

Notification of intent to implement water use restrictions by the Village District of Eastman due to a water supply shortage shall be posted in two public locations and published in a newspaper of general circulation within the Village District of Eastman or by such other means reasonably determined to notify all affected water users.

VII. TERMINATION OF A NOTICE OF A WATER SUPPLY SHORTAGE

The governing body of the Village District of Eastman upon a determination that the water supply shortage no longer exists may terminate a State of Water Supply Shortage. Public notification of the termination of a State of Water Supply Shortage shall be given in accordance with Section VI.

VIII. EXCEPTIONS TO RESTRICTIONS

A. Irrigation by handheld hose of crops used for food by residents at a residential property shall not be restricted.

B. Water to sustain animal life shall not be restricted.

C. Despite the authority granted by Section 4.0 of this Ordinance, orders imposing water use restrictions shall not apply to users that obtain water from sources other than the public water supply, unless it can be clearly demonstrated that the use of such water directly affects the public water supply. Municipalities or village districts have the authority to implement lawn watering restrictions in accordance with RSA 41:11-d applicable to all water users (including those using private wells) under state declared drought conditions. See DES guidance in Restricting Residential Lawn Watering During State or Federal Declared Droughts.

IX. PENALTIES

Any person failing to comply with the restrictions imposed pursuant to this Ordinance shall be subject to a fine and/or be subject to imposition of civil penalties pursuant to RSA 38:26, II not to exceed \$10,000 per day of such violation. Recovered penalties shall be used as the Village District of Eastman may direct. In addition to the foregoing penalties, the Village District of Eastman is authorized to discontinue the furnishing of water where orders and restrictions have been violated. Such discontinuance shall be made pursuant to RSA 38:31 and may be continued as long as there is evidence that the violations will continue.

First violation: Warning by written notification mailed or left at the address or with the customer, explaining the fine and penalty structure.

Second violation: \$ 250.00 (Two Hundred Fifty Dollar) fine.

Third violation: \$ 500.00 (Five Hundred Dollar) fine and discontinuance of water service. Water will be restored when payment of fine has been received.

X. APPLICATIONS FOR VARIANCES

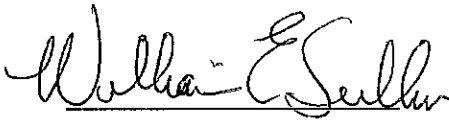
Users seeking relief from water use restrictions should file an application that states how the request qualifies for a variance and describes the nature of the relief desired. The applicant must provide reasonable assurances that the variance will not otherwise harm the water resources of the Village District. Users must conform to water use restrictions until the variance is granted.

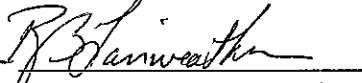
Appendix A

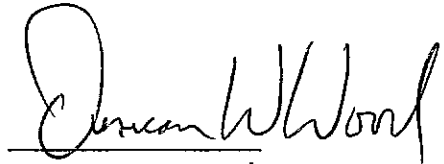
ENABLING LEGISLATION THAT ALLOWS THE ADOPTION OF WATER USE RESTRICTIONS AND/OR BYLAWS 38:26 Bylaws and Ordinances. –

I. In municipalities with public water systems the governing body, or the board of water Commissioners, if any, may adopt such ordinances and bylaws relating to the system or structures as required for proper maintenance and operation.

II. Any person who violates any ordinance or bylaw adopted pursuant to paragraph I of this section shall be subject to a civil penalty not to exceed \$10,000 per day of such violation. Penalties or other enforcement actions must be in accordance with the company's tariff, PUC rules or as otherwise approved by the PUC. For more information, contact Doug Brogan of the PUC at: 21 South Fruit Street, Suite 10 Concord, NH 03301-2429; Phone: (603) 271-2431.


William E. Sullivan


Robert B. Fairweather


Duncan W. Wood