

**Village District of Eastman**  
**Commissioners' Meeting–Village District of Eastman Office**  
8 a.m. March 16, 2011  
**Minutes**

**Attending:** Commissioners Sullivan, Fairweather and Wood; Deputy Treasurer Ben Conroy, DM Weber, Operator Worthen, Clerk McClory. **Absent:** Treasurer Wright.

Call to order at 8:05 a.m.

Office Manager Pat Conroy thanked the commissioners for dedicating the annual report to her. She said it means more to her than the commissioners can imagine.

**MINUTES:** Minor changes were made to the draft minutes.

***Commissioner Fairweather made a motion to approve the minutes as amended.***

***Commissioner Sullivan seconded the motion. Unanimous approval.***

**FIELD:** Operator Worthen said they're dealing with mud season already.

Anderson Pond area appears to be running about 2,000 gallons/day higher than it should be. The operators drive by twice a day and still have found nothing to indicate a leak. Dye available to put in toilets to find internal leaks. Water use in general seems to be up, but haven't found more leaks yet. A notice will be sent to Anderson Pond residents asking them to check for leaks.

The drill rig has arrived at the wellfield.

**FINANCIAL REPORT:**

1. The ECA has paid the nearly \$8,000 bill for the 7 Granite Way property that VDE has been carrying on its books for almost two years. ECA is paying off all debt associated with the property, which was bought at a sheriff's sale in the summer.
2. VDE's audit is scheduled in three weeks.
3. The refinance closing was completed on Feb. 25, 2011. All pertinent documents have been sent to or filed with the proper agencies.
4. Current receivables are at \$3,200, which is down from almost \$12,000 last month, (see item 1). Currently have seven liens.
5. The water main CD has been placed in the Lake Sunapee Bank for one year at the 0.85% rate quoted to the commissioners by the bank in February.
6. Our mailing permit costs \$185 per year; however, the savings so far this year has exceeded \$800 with just the Annual Report mailing.
7. Shutoffs for the season total 55, or \$4,125.00 in "turn-on" revenue in the spring. Since February 1, the work orders have not been counted as seasonal shut offs. We are already scheduling turn-ons for the season.

8. Commissioner Fairweather asked how the Fernwood leak affected the distribution and mains account. District Manager Weber said the district will be reimbursed for that.
9. Generators consume approximately 100 gallons of propane per hour during outages.
10. Social security: Under 2010 law, it was a wash and budgeted under one item. Now, employee contribution is less than the employer contribution, so it has been split into two separate lines. Commissioner Wood said that VDE is paying the same amount and the district doesn't have to see what employees pay. The line will be left in for now and checked with the auditor.

**MANAGER'S REPORT:**

1. The Annual Report was mailed on March 8, 2011.
2. The new wells are being drilled and should be complete in another 7-10 days. From that point the pump tests will commence. Longer process than bedrock well. Have to gather additional data as they install the well. Should be on line in July. Operator Worthen said perhaps this might provide water of better quality because iron in Source 1 passes through the filters. Pump test is 48 hours long. Source 1 is less viable during the pump test and demand is greater on weekends; therefore, the pump test will be done during the week. Last Sunday pumped 240,000 and weekday average is 170,000. Good snow and skiing could be a factor bringing more people.
3. Overall water use for January and February 2011 is higher than the same time frame a year ago. After adjusting for the main break and the flooded home, usage is still up by approximately 300,000 gallons for each month.
4. The #1 pump motor for Anderson Pond was tested and no problems were found. The VFD has been replaced and as of now the booster station is running as designed.
5. All reports, DMR, DBP Quarterly, and 4-log have all been submitted for February. Once the new wells have been activated and there are no issues in our sampling, VDE will stop the 4-Log sampling.
6. The data collected from the two offsite wells as part of the BRW 5 permit have been sent to the state with the required annual report. District Manager Weber has not been able to find in the data any correlation between the #5 running and the up/down movement of the two offsite wells. He requested the state allow VDE to stop monitoring based on the past two years of data and reporting. Waiting for a decision.
7. The new Dezurik valves for the WTP are complete.
8. District Manager Weber has completed a five-page report in conjunction with the state regarding unaccounted for water. This report was the response to a request for the billing waiver. State pleased with the report, but no decision yet. Probably have to bill minimum of three times a year. Should have a number of years to implement.
9. Finish water alkalinity: never lower than 27.2. Fix decimal error.
10. Commissioner Fairweather said he has noticed the taste of chlorine in his water. Operator Worthen said there was excess water drawn from the Snow Hill tank and the water being pulled in was more highly chlorinated. Snow Hill typically measures 1.09 parts and Anderson Pond measures 1.14. When residual higher, more water is going in. More chlorine in water in summer as more water is used.

### **OLD BUSINESS:**

1. SRF progress. Will drop this unless there is something to update. We pay first and submit for reimbursement, which should come within two to three weeks.
2. Met with Grantham Trustee Robert Fogg about monthly reports and received the first good balance in six months on every single account. Will update monthly.
3. Water Conservation: Look at rate structure(s) and current cut offs at certain usage amounts. District Manager Weber has collected data that has been sorted into 500-gallon increments to determine peak users and amounts. The majority of customer usage is between 28,000 and 44,000. See #2 under New Business.
4. Discuss flow chart and water leak repair policy. The commissioners received a draft flowchart as a start for policy creation.

### **NEW BUSINESS:**

1. Assign tasks for the Annual Meeting.
  - Article 1: no one running for commissioner. Commissioner Wood could not sign up because he was out of the country, but he would like to be re-elected. District Manager Weber will call the secretary of state's office to clarify if this is a write-in or from-the-floor vote.
  - Article 2: Bob
  - Article 3: Bill
  - Article 4: Duncan
  - Article 5: Bob
  - Article 6: Duncan
  - Article 7: Bill
2. Rate structure and billing breakpoint: should the board consider a rate increase or a restructuring of the current rate? The current break point is 60,000 gallons residential or commercial. The last rate increase was 10 cents/1,000 in February 2009 and was effective on the November 2009 bill. District Manager Weber provided a spreadsheet that was generated by DES based on a survey of PWS. Note the dollar amount was based on a set usage of 100,375 gallons per year or 275 gallons per household per day.

The amount seems to be high and that doesn't take into account the tax rate. Every village district collects taxes. The mean and not the average is 45,000 gallons per household per year. Very few reach 60,000 gallons; four commercial users get to 70,000-plus. Can do several break points for rates: 25/50/75 or 20/40/60. The current rate is 70 cents/1,000 under 60,000 and 85 cents/1,000 over that. Commercial rates are \$1/1,000 for first 60,000 and \$1.10/1,000 over that.

Some districts are going per fixture: toilets, sinks, etc. The object is to promote conservation and not increase revenue. State formula is 150 gallons/person/day. That's very high. Commissioner Wood said 100 are typical. Approximately 67% of VDE's population is full time. Town estimates 2.3 people/household. There are 800 users

below 30,000; 300 between 30,000 and 45,000. Population of a household fluctuates throughout the year with guests visiting, children away at college, etc.

Should taxation be used for capital costs and usage fees for operating costs?

Commissioners asked for a proposal with three break point scenarios. Don't need to do anything for current calendar year, but should consider for next year as it gets harder to keep tax rate flat. Commissioners can vote increase at regular meeting. One of the break points needs to be at 40,000 or 45,000 to keep most of customers below it.

Some districts charge vacant lots because the main goes by and adds value to the property. Our lot owners pay taxes.

Clerk McClory said higher water usage does not just mean outdoor watering but families with more than two people in the household, meaning more laundry and showers, etc.

3. Proposals are needed for the text of a state-required conservation mailing that must go out with the May bill. This could include some text, facts about water leaks, usage and conservation. Will include info on open house on one side and conservation suggestions on the other. Commissioner Wood will help develop. Open House will be July 16 and rain date July 23.

Meeting adjourned at 9:47 a.m.

Respectfully submitted,



Lorie McClory

