

ANNUAL MEETING
VILLAGE DISTRICT OF EASTMAN

MARCH 19, 2008

GRANTHAM TOWN HALL, GRANTHAM, NH

Notices of this meeting were posted at the Village District of Eastman Office, the Eastman Community Association Office, the Kearsarge Shopper, the Grantham Post Office, Rum Brook Market, the Grantham Town Hall, the Dunbar Free Library, and on the Village District of Eastman Web site.

Moderator Richard C. Woodhouse called the meeting to order at 7:00 PM.

Mr. Woodhouse introduced those seated at the head table: Commissioners Robert E. LaGassa, William E. Sullivan, Robert B. Fairweather, Water District Manager James J. Donison, Treasurer David W. Wright, and Clerk Charles R. Pippin. He also introduced Deputy Treasurer Laurie E. Hayward who was not sitting at the table.

Mr. Woodhouse thanked the Supervisors of the Check Lists: representing Enfield; Jim Gerding and Nancy White: representing Grantham; Donna Stamper, Sandra Noordsy and Janet Goodrow: representing Springfield; Cheryl Wood and Sally Allen.

Appointments were made by Mr. Woodhouse to Deputy Moderators; JoAnn Pippin and Laurie Hayward.

Mr. Woodhouse explained the meeting format and his plan to use the Condensed Robert's Rules as printed in the Annual Report.

The Moderator then proceeded to open the polls at 7: 07 PM, for a period of two hours for the purpose of voting on the Article 1: to be brought before the meeting. The Moderator read Article 1:

Article 1:

To choose Village District of Eastman officers: one Commissioner to serve a three year term.

A call for comment was made, but there was none.

Mr. Woodhouse introduced Commissioner LaGassa who took a few minutes to address how the commissioners arrived at the dollar amounts recommended in the warrants. He explained how the budget development process sets growth at the Consumer Price Index increase for the North East region for the third quarter of the previous year; which was 2.0 percent. He also explained the assumptions that went into building the budget. He pointed out, however, that the commissioners' recommended a budget that is 2.0 percent less than in 2007. Commissioner LaGassa outlined how the VDE would be able to cover revenue needs for the 2008 budget that will result in a 3.2 per cent

reduction in the tax rate for this year. This is the second consecutive year that both the budget and tax revenues have been reduced.

Commissioner LaGassa went on to explain where VDE was in completing the Well Field Improvements Program started in 2006, and advising that the commissioners look forward to final approval of Source #5 well in the fall of 2008. Once that approval is granted the project will be complete.

Commissioner Sullivan addressed the open house held by VDE during the summer of 2007 and announced that another one will be held this coming summer.

The Moderator then proceeded to address the remaining warrant articles by first reading each one in turn, asking for a motion to approve the article, hold discussions and then read the article a second time before voice votes. Actions in the articles are as follows:

Article 2:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Seven Hundred Twenty Two Thousand Nine Hundred and Sixty five Dollars (\$722,965) which represents the Budget. This amount includes Five Hundred Thousand Eight Hundred Dollars \$500,800 for the Operating Budget and Two Hundred Twenty Two Thousand One Hundred Sixty Five Dollars \$222,165 which represents the Principal and Interest payment for the Well Field Improvement Project. Said sum does not include special or individual articles addressed. (Majority vote required)

Commissioner LaGassa moved to approve the article and Commissioner Sullivan seconded the motion. Commissioner LaGassa briefly addressed the article before a vote was taken. Article 2 passed unanimously.

Article 3:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Ten Thousand Dollars (\$10,000) to be added to the previously established Inventory Hardware Reserve Fund (created in 2005).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Sullivan moved to approve the article and Commissioner LaGassa seconded the motion. Commissioner Sullivan proceeded to give a brief explanation of the purpose of the reserve fund. As there were no questions, the Moderator called for a vote which passed unanimously.

Article 4:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Three Thousand Dollars (\$3,000) to be added to the previously established Filter Media Replacement Expendable Trust Fund (Created in 2005).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Sullivan again moved to approve this article, which was seconded by Mr. Rodman. Commissioner Sullivan explained the purpose of the reserve funded and it passed unanimously.

Article 5:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Three Thousand Dollars (\$3,000) to be added to the previously established Office Equipment Trust Fund (Created in 2005).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Fairweather moved to approve the article and Commissioner LaGassa seconded the motion. Commissioner Fairweather gave a brief explanation of the funds purpose and it passed unanimously.

Article 6:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000) to be added to the previously established Water Main Maintenance Expendable Trust Fund (Created in 1995).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner LaGassa moved to approve the article, which was seconded by Mr. Barnes. Commissioner LaGassa explained the trust fund goal of having funds to replace one half mile of water main piping. This article was passed unanimously.

Article 7:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Five Thousand Dollars (\$5,000) to be added to the previously established Well Renovation Trust Fund (Created in 2006).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Fairweather moved to approve the article and Mr. Rodman seconded the motion. Commissioner Fairweather addressed the purpose of the fund. Mr. Barnes stated he noticed that this article was for \$5,000. In the 10 Year Capital Improvement Program documentation this fund is to receive \$10,000 in each of the remaining nine years. He wondered why it was held to \$5,000 this year. Commissioner Fairweather stated that it was strictly a matter of budget priorities, while the commissioners would have liked to add \$10,000, there were more pressing needs for the extra funds. The article passed unanimously.

Article 8:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Four Thousand Dollars (\$4,000) to be added to the previously established Meter Replacement Expendable Trust Fund (Created in 2003).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Fairweather moved to approve the article and Mr. Rodman seconded the motion. Commissioner Fairweather addressed the article, which passed unanimously.

Article 9:

To see if the Village District of Eastman will vote to change the purpose of the existing Vehicle Replacement Capital Reserve Fund (Created in 2007) to the Vehicle and Equipment Replacement Capital Reserve Fund and to vote to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000) to be added to the Vehicle and Equipment Replacement Trust Fund.

The commissioners recommend this appropriation. (Two-Thirds vote required)

Commissioner Fairweather moved to approve the article and Mr. Rodman seconded. Commissioner Fairweather explained the commissioners asked to revise this Trust Fund so that mobile equipment other than motor vehicles could be purchased with the money. Mr. Wood asked where it was stated that the fund could not cover other items beside trucks. Commissioner LaGassa stated that the Capital Improvement Program previously limited this project to motor vehicles and now it was intended to use it to also provide for future purchase on an excavator, therefore, this warrant article was necessary. It passed unanimously.

Article 10:

To see if the Village District of Eastman will discontinue the Anderson Pond Storage Tank and Booster Station Capital Reserve Fund established in 2005. Said funds with accumulated interest to date of withdrawal, estimated to be Seventy Five Thousand Five Hundred Dollars (\$75,500) to be transferred to the VDE's Fund Balance.

The commissioners recommend this article. (Majority vote required)

Commissioner LaGassa moved to approve the article and Mr. Rodman seconded the motion. Commissioner LaGassa explained that an engineering analysis, which was confirmed by the state, showed that the district did not require additional storage tank capacity and less costly alternatives to accomplish the goal of providing an alternate path for water to homes in the West Cove-Anderson Pond area, should there be a major line break, have been developed. The money from this reserve fund will be applied to those alternatives in future articles on this warrant. The motion passed unanimously.

Article 11:

To see if the Village District of Eastman will vote to raise and appropriate the sum of Twenty Five Thousand Dollars (\$25,000) to be added to the previously established Generators and Pumps Capital Reserve Fund, with said funds to come from the VDE Fund Balance (Created in 1995).

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Sullivan moved to approve this article and Commissioner LaGassa seconded the motion. All three commissioners added comments about the need to add to the fund and where the funds were coming from. The article passed unanimously.

Article 12:

To see if the Village District of Eastman will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of a Pressure Reducing Station and to raise and appropriate

Seventy Five Thousand Five Hundred Dollars (\$75,500) to be placed in this fund, with Fifty Thousand Five Hundred Dollars (\$50,500) to come from the VDE Fund Balance and the remaining Twenty Five Thousand Dollars (\$25,000) to come from Revenues and to designate the Commissioners as agents to expend from this fund.

The commissioners recommend this appropriation. (Majority vote required)

Commissioner LaGassa moved to approve the article and Mr. Rodman seconded the motion. Commissioner LaGassa explained that establishing this fund was a part of the Anderson Pond storage tank alternative. Mr. Barnes asked about getting the property to build the reducing station. Commissioner LaGassa explained that VDE will have to work this out with the Eastman Community Association, or property owners, for a preferred location near the West Cove tennis courts. The VDE had identified available property during a previous period when this project was contemplated. Mr. Zimmerman asked if there were other places where pressure reducing stations would be needed. Commissioner LaGassa responded that this was the only one. The motion passed unanimously.

Article 13:

To see if the Village District of Eastman will vote to discontinue the Communications Upgrade and Replacement Trust Fund established in 2005. This fund has zero balance.

The commissioners recommend this appropriation. (Majority Vote Required)

A motion was made by Commissioner LaGassa and seconded by Mr. Rodman. Commissioner LaGassa stated that technology had changed and the communications system was no longer needed. The motion passed unanimously.

Article 14:

To see if the Village District of Eastman will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of an Office Building and raise and appropriate the sum of \$5,000 to be placed in this fund and to designate the Commissioners as agents to expend from this fund.

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Fairweather moved to approve the article and Mr. Rodman seconded the motion. Commissioner Fairweather explained the current annual leasing arrangement for the District office and the need to address a long term solution for the office. He explained the request is to just set aside funds to study the requirement. Mr. Wood asked if the issue was the size of the current office or short term lease. Commissioner Fairweather stated it was just the uncertainty of the lease length. The motion passed unanimously.

Article 15:

To see if the Village District of Eastman will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of Well Exploration and Development Fund and raise and appropriate the sum of Five Thousand Dollars \$5,000 to be placed in this fund and to designate the Commissioners as agents to expend from this fund.

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Sullivan moved to approve the article and Mr. Rodman seconded the motion. Commissioner Sullivan gave a short explanation of why the funds were needed. The motion passed unanimously.

Article 16:

To see if the Village District of Eastman will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of Water System Master Plan and to raise and appropriate the sum of Ten Thousand Dollars (\$10,000), with that entire amount to be transferred from the VDE General Fund Balance and to designate the Commissioners as agents to expend from this fund.

The commissioners recommend this appropriation. (Majority vote required)

Commissioner Fairweather moved to approve the article and it was seconded by Mr. Rodman. Commissioner Fairweather addressed the need for a system master plan. Mr. Zimmerman asked if we had cost quotes for writing the plan. Manager Donison answered yes a quote of approximately \$10,000 had been received, but the commissioners planned to solicit additional proposals. The motion passed unanimously.

Article 17:

To see if the Village District of Eastman will vote to raise and appropriate the accumulated interest sum of Three Thousand Three Hundred Dollars (\$3,300) for the purpose of reducing the principal of the notes for the Well Field Improvement Project WFIP. This money to come from interest which was earned on the retainage accounts as part of the WFIP.

The commissioners recommend this appropriation. (Majority Vote Required)

A motion to approve the article was made by Commissioner LaGassa and seconded by Mr. Rodman. Commissioner LaGassa gave a brief explanation of the article, which passed unanimously

Article 18:

To transact any other business that may legally come before the meeting.

The Moderator called on Commissioner LaGassa who addressed the progress that the VDE has made over the past 18 months in completing the major rebuilding of the water treatment system. He also took the opportunity to express his hope that others would volunteer serving the district as both a Deputy Clerk and Deputy Treasurer were needed.

Retiring Commissioner LaGassa was recognized for his hard work and dedication to the District over the term of his office with a round of applause from the citizens attending the meeting.

There being no further business, Moderator Woodhouse closed the meeting at 8:28 PM and adjourned the proceedings.

NOTE: Mr. Duncan Wood was unanimously elected, by a vote of 18 to 0, to serve a three year term as Commissioner.

These minutes are submitted by

C. R. Pippin,

Clerk