



North Hampton Water Commission Meeting

Approved 5/26/2009

Date: November 8, 2006

Location: North Hampton Town Hall

Commissioners Present:

Henry Fuller, Chairman

Richard Bettcher, Vice Chairman

Bob Landman, Secretary

Timothy Harned

Don Gould, Selectman

David Peck

Guests:

Penny Kidd, Scribe

Absent:

Michael Pardue

Terry Conklin

I. Call to Order

Henry Fuller, Chairman, called the meeting to order at 7:07 p.m. He reminded the almost forty town residents of the petition which was circulated in town, its purpose, and the reason for meeting tonight. The water company is being bought by an Australian company. He stated that water is the most valuable asset for the town of North Hampton, now and for the lifetime of the town.

II. Presentation by Denise Hart and Arnie Alpert from Save our Groundwater

Save our Groundwater is a regional volunteer organization, started in 2001. They are also members of New Hampshire Water Table, residents working on issues for water protection. Their interest also includes the implications for communities whose water companies are based overseas and the selling of water to Europe. What is the potential impact on international trade agreements when water is seen as a commodity in the global marketplace?

A ten minute documentary "Capitalizing on Water," produced March 17, 2006, was shown about a small community in Felton, California, which united for the purpose of buying back their public water supply from a private company. It validated their purpose and demonstrated the necessity for community support and the potential for success.

The residents desired to take over their water supply for many reasons. They had been experiencing exponential rate increases. They realized the need to control the necessity of life—water. They wanted a public water system for the public good. They also expressed concern for the bottling of their water and selling outside their area. They realized the obstacles, such as negotiation for a fair market value. The community became and remained united in their purpose, raising money to pay for the legal fees and other related expenses by having barbeques, public dances, and other town events.

Ms. Hart and Mr. Alpert demonstrated a national trend for communities to reclaim their water, that small towns were capable of accomplishing this goal, and that volunteer organizations were available to assist communities in starting their own process to reclaim the management of their limited resource, fresh ground water.

A listing of the handouts offered by Ms. Hart and Mr. Alpert are at the end of these minutes. The Secretary has retained copies for the Commission.

III. Bob Landman and Tim Harned, North Hampton Water Commissioners, Presentation “North Hampton Investigates Possible Acquisition of Water Utility”

Mr. Landman and Mr. Harned made a presentation describing the purpose and process to begin an investigation regarding the feasibility of acquiring the water company. (The PowerPoint slide presentation is retained by the Secretary for the Commission.)

Following the presentation, Mr. Fuller opened the meeting to questions and comments from North Hampton residents.

Shep Kroner of North Hampton commented on three issues: (1) The Peabody Well—Planning board members Kroner and Phil Wilson attended a meeting regarding the regional impact of this well. The Aquarion representatives chose not to attend. (2) Regarding Mill Road—The building was to be moved, but no change in the structures has been observed by Kroner who lives nearby. (3) Aquarion lack of due diligence—Aquarion did drilling tests to search for water on private property around town, did so without permission, claiming not to know where property boundaries were. He believed this was evidence of a systemic lack of good management by Aquarion.

Ron Dupuis of North Hampton questioned the intent of this acquisition—was it to take over all of the Aquarion company and was it true that the Town of North Hampton had already spent \$15,000 in legal fees in this acquisition effort? How many wells are in town?

Mr. Landman responded by saying that the purchase would involve the assets in North Hampton. He denied that legal fees have reached anything near \$15,000. The use of an attorney has been limited to addressing the PUC and the construction of the Warrant Article, which required specific legal verbiage. When the sale of the water company was announced, the Water Commissioners, not being attorneys, needed legal representation at the PUC. The attorney for North Hampton was John Ratigan.

Mr. Fuller addressed the question regarding the number of wells in the area: ten in North Hampton, four in Hampton, and one in Rye.

Dr. Joe Arena of North Hampton commented that Aquarion owns the equipment, but is getting the water for free. Aquarion received a large rate increase at the PUC, making the company more desirable for its purchase by Macquarie.

Mr. Landman commented that the legal fees incurred by Aquarion for the rate increases and other purposes are paid for by rate payers, who, along with other taxpayers, pay for the legal fees incurred by the Town of North Hampton.

Peter Dodge of North Hampton asked what is likely to happen when agreement on the price cannot be reached. Do we go to court?

Mr. Landman responded by saying that the PUC is involved in the public interest. It is premature to provide all the answers at this time. The Water Commission is seeking approval from the residents of the Town of North Hampton to find out more facts.

Arnie Alpert added that if you have the support from the town (all its residents), you are stronger negotiators with Aquarion (Macquarie).

Phil Wilson of North Hampton asked if Stratham well is one of the 10 North Hampton wells?

Mr. Fuller replied that it was not.

Mr. Wilson stated that North Hampton is not large enough to have a municipal company, which would include offices, water towers, and similar infrastructure.

Mr. Landman responded stating the Glen Walker, an appraiser with experience in such matters, and John Ratigan, an attorney acting on behalf of the Town of North Hampton, would be involved in making such assessments as a result of the feasibility study. North Hampton is currently pumping to tanks in other towns. A tank in North Hampton is thought to be in the long term capital plan.

Mr. Wilson continued, asking if the PUC would allow North Hampton to hold water “hostage” from Hampton and Rye. He further commented that the water company adds value, through the distribution system. He suspected Aquarion would not be cooperative and would consider this action as a hostile takeover.

Again, Mr. Landman and Mr. Harned stated the purpose of the first vote was to begin the process of getting the answers to these and other questions.

Ms. Hart stated, “Water is finite. Once it travels out, leaving your watershed, it is gone.” She recommended that we involve local legislators to all become educated, involved, responsive, and supportive—to provide assistance as needed in the state government. She went on to say that it is a health issue, a town issue, and an environmental issue. She also informed those present that the Company (Aquarion/Macquarie) would use a divide and conquer strategy, stressing the need for community unity throughout the acquisition process.

Laurel Pohl of North Hampton posed the question, “If we don’t (complete the) purchase of the water company, who pays for legal fees?”

Mr. Landman responded, “The taxpayers do.”

David Peck of North Hampton asked how many meetings have the Water Commissioners had with Aquarion.

Mr. Landman stated that other than meeting with the PUC, Aquarion had not attended any of the publicly posted Water Commission meetings.

Mr. Peck continued asking why the rate increase had been approved so high.

Mr. Landman replied that it was based on expenses as recorded in Aquarion's books and that the records had been reviewed by the PUC.

Chris Ganotis of North Hampton asked if well owners had to pay for this.

Mr. Harned replied that the rate payers would pay for the services, maintenance, and debt through normal operations.

Bob Hamilton of North Hampton stated that if after Steps 1 and 2 (see presentation), if the people of North Hampton would be to have input on whether or not Step 3 was prudent, giving the voters a chance to decide the merit of proceeding further with the purchase, rather than the Water Commissioners and Board of Selectmen determining not to go forward.

Mr. Landman stated that there would be public meetings, like this one, throughout the process.

Another question was posed by Dr Joe Arena, regarding private vs. public wells—the ethical question. The aquifer is a common resource. The resident summarized that the discussion had been about private wells going dry.

Mr. Landman stated that all of these questions were complex and would be addressed if the town voters approved to initiate the study.

Dr. Arena mentioned that North Hampton rate payers were paying for new pipes in Hampton placed by Aquarion.

Arnie Alpert stated that surveys were available regarding the controversy of publicly vs. privately-owned water systems. The results were that private systems were more expensive than publicly owned water systems. He said that this was happening all over the country. The debate to purchase water companies was going on around the world. This was one of the results of the United States negotiation of the free trade agreement with Australia. There is to be a "Forum on Democracy and Trade" in Barrington soon. He further recommended that the Town of North Hampton consider managing the water company itself (after the purchase was completed), rather than outsourcing the management, by hiring capable and experienced people.

Walter Nordstrom of North Hampton stated that the water company placed a water line near his property. He asked for a connection. None was constructed. In addition, they raised the drain, which caused his property to flood now. Three years ago a couple of roads were paved, covering up valves. However they continued to be billed as if the company were servicing those valves.

V. Adjournment

Mr. Fuller reminded the group of the Deliberative Session to be held November 14th. The draft of the minutes from the prior Water Commission meeting were distributed to the Commissioners for review. Approval of these minutes was scheduled for the next meeting. The meeting was adjourned at 8:30 p.m.

Attachments:

Meeting Notice and Agenda

Save our Groundwater Calendar

“Who owns your water?” presented by Public Citizen

“Groundwater Times” by Save our Groundwater

“North Hampton Investigates Possible Acquisition of Water Utility” The slide presentation by the North Hampton Water Commission

Minutes prepared and submitted by:

Penny Kidd, November 9, 2006

Approved by: