

MERRIMACK VALLEY REGIONAL WATER DISTRICT
MEETING MINUTES
Bedford Meeting Room
September 16, 2004

Present were: Ray Peeples (Litchfield), Marilyn Peterman (Amherst), Jeremy Lamson (Pittsfield), Karen White (Bedford Research Staff, Treasurer), Kevin Keyes (Bedford alternate), Chairman Michael Scanlon, Brian McCarthy (Nashua), Jean-Guy Bergeron (Pelham) @ 6:40 p.m. and Tom Dolan (Londonderry) @ 6:45 p.m.

Chairman Scanlon opened the meeting at 6:35 p.m. and asked if there was anyone from the public who wished to speak, seeing none. The first item on the agenda tonight is our outreach efforts to surrounding communities. He stated that he will be meeting with the selectmen in Hooksett on Wednesday, Sept 22nd if anyone else is interested in coming along it will be at 6:30 p.m. Ms. Peterman asked if Hooksett was ever involved in the Charter committee? Chairman Scanlon stated that Moni Sharma is the Town Manager now and I think he talked to the selectmen about joining and they have some questions. Ms. White stated they are a Town Council form of government. Ms. Peterman stated she had a question as to what kind of customer base do they have or do they have a special arrangement? Ms. White stated their customer base was 91 customers. Ms. Peterman asked if they have special arrangement with Pennichuck as opposed to just the 91 customer base, is it for example like in Merrimack where they have the Budweiser Plant, a large user. Ms. White stated there is no large user, but they have a complexity of lines and she thinks there is some unique arrangement. Ms. Peterman asked if they are served by Pennichuck East? Ms. White responded with the information that she has, she thinks Pennichuck stepped in to serve a particular neighborhood that was distressed.

Chairman Scanlon stated that he did hear back from Merrimack and that he is scheduled to meet with the selectmen on Thursday, Sept 30th. Ms. Peterman responded that she would check her schedule to see if she was available that night. Chairman Scanlon commented that he had a good conversation with Dick Hensch and we talked about different things, so he would like to have us come in. Ms. Peterman asked if they hired a Town Manager yet? Chairman Scanlon stated he didn't think so and that the Police Chief is the Town Manager right now. Chairman Scanlon further commented that when the lead people left Merrimack, like Jay Minkarah, he feels that joining the District just was not being pushed.

Chairman Scanlon stated that he heard from Raymond, as they called us to say that the letter we sent them we accidentally put Hooksett in the title, so they asked us to send a new letter that says Raymond instead of Hooksett and we did that. If I don't hear from them in the next week or so, I will call them. Ms. White stated she sent out a new letter with a copy to Dennis McCarthy. Chairman Scanlon commented that about a month ago he had a conversation with their Town Manager and he said they are very interested in joining it is one of those things that has been pushed off. Mr. Lamson commented if he is at the Town Manager meeting tomorrow I would ask him. Chairman Scanlon stated that

he didn't know why they wouldn't want to join, as I see it would be in their best interest, just like Merrimack. Chairman Scanlon further responded that he tried to explain how much Merrimack was a strong force in our deliberations and we recognized their concerns and their issues and we incorporated them in the Charter, so I would hope they would stand behind it and join. Ms. Peterman commented that she had sent an e-mail stating we had incorporated many of Jay's suggestions in the Charter to benefit them. Chairman Scanlon stated that Jay was a positive influence.

Ms. White added that she sent letters to Windham, and all of the other 16 Towns who had not previously joined, but were part of the MOU. Chairman Scanlon responded that hopefully we will put a push on some of the other towns. It would be nice to see Derry and Salem maybe takes some interest. Ms. White stated she was hoping to hear from Salem. She also stated that she had not sent anything to Derry because Brian McCarthy read the letter at the last meeting from Derry saying they did not intent to join right now and they wanted to see what happened. She further stated that she did not send one to Hollis, because at this point, they have been repeatedly contacted and I also did not send one to Milford, but I did send one to Hudson.

Chairman Scanlon responded that we gave the municipalities until August of next year to join so they certainly have time to talk about it if they choose to do that. As much help as we can get some board members at those two meetings it would be nice.

Chairman Scanlon stated the second item on the agenda is follow-up on the presentation on grant and funding. Ms. White commented that she got a follow-up letter from CDM thanking us for allowing them the opportunity to make their presentation and I did call Ben Mosher from CDM and said that we are not at the stage to apply for a grant to fund the expansion of a water treatment plant, but I explained that we are at the organizational stage and therefore what kind of organizational funding might be out there. He did send me back an e-mail and said that there is one first step, which we would recommend the District pursue with regards to funding. The source, which we would recommend is the Environmental Program and Management (EPM), grant program. This is an EPA program, which is administered through the US House of Representatives, it is meant to apply to studies and/or pre-construction types of projects. He stated that some of the key deadlines for applying for this program are as follows: November 2004 to file an application for Fiscal year 2006 EPM with Representative Bass. January 2005 confirm EPM grant distribution schedule with EPA. March of 2005 submit detailed application documents. May of 2005 confirm EPM status with Representative Bass staff. May of 2005 send a letter to the Chairman of the VA and HUD subcommittee. July 2005 send the Governor's support letter to Congress for the grant. September 2005 will hear about the Fiscal year 2006 grant award notification. They said as discussed we would be happy to assist the District in beginning the application process. I told him we have no money. So, unless you can figure out a way to get paid on the other end. Right now we have funds to pay our transcriptionist and that is it. He implied that wouldn't be a problem. Although I see that they did submit on our next agenda item their credentials, request for qualifications for something that the City of Nashua is doing. I just want to make sure that there is no conflict of interest.

Mr. McCarthy stated he is a little concerned taking presentations from individual companies at this point and particularly taking any action on that until we have particular RFPs we can let out and get a response from groups of companies. I understand where they are coming from and there may be some advantage, but there are probably other companies out there that can do the same sort of things and I would hate to make a decision based on having seen one presentation without understanding what the scope of option are that are available to the District. Ms. White responded that is a good point, and is there something else that we should be doing. Ms. Peterman commented that she agreed with him, however, since they offered the information about this Environmental Program Management grant, is there anyone in any of our organizations that would be able to, it sounds like the first one is just making an application as opposed to putting in for the grant itself. There are people with political connections in all of our towns and cities relative to Congressman Bass, is there a process that we can start for this funding if we thought it was appropriate or something we can use. It says for studies and pre-construction. I don't know about the pre-construction, but is there any studies that we need to do. Mr. Lamson commented that he was thinking too because Pittsfield is not in Bass District, that you would have the option, I think of going for both. Chairman Scanlon stated that is one of the advantages that we have because we have both Congressman and both Senators. Ms. White asked the board if they wanted here to find the application and download it. Ms. Peterman said it says studies. Ms. White commented if it is a federal grant there is bound to be a web site. Chairman Scanlon stated we should look at and I don't know if there is federal money out there that could possibly assist in purchasing or maybe we can use some of that money for some of the research work in order to buy this company. Ms. White stated she did ask them about that, but they were not aware of anything that could help with the outright purchase of it. Mr. McCarthy commented that the actual doing of stuff, no one will fund, but with studies. Chairman Scanlon responded if we could secure some money to help fund some of these studies and to help us, then this is money we will not have to come up with at the end of the day.

Ms. White stated they did mention some of the organizational studies that this grant would fund, which would be something like a cost for consumer study of the acquisition. Mr. McCarthy asked if it is applicable to the resource plan. Ms. White stated we don't know. Mr. McCarthy stated that would be the one, which would be the best source to find money for. Ms. White commented if the board would like, I will find a web site and an application and then this board can figure out whom best to approach Bass staff. At least we have a place saver while we decide whether we want to put out an RFP for presentations by other groups or not.

Ms. Peterman asked if the EPA would tell us what kind of program, if we inquired, whether it is our State offices or the federal government, but what grants are available through the EPA. Ms. White stated they have tons. Chairman Scanlon commented we probably need someone like these guys who can go through this stuff. Mr. Dolan asked if either them or someone like them, would consider taking on an assignment like that on a contingency basis. If the grant is given and approved they get paid. If we don't get the

grant, then they don't get paid. Ms. Peterman responded that was what Karen was alluding to. I agree with Brian we cannot depend on one company without going out for some kind of bid. Mr. McCarthy stated we need to be concerned with them helping to get the money for something I can do the work on. I think we should be looking for funding for the resource plan. Studies to look at expansion of a water works are not ripe until we have the Water Works, but the resource plan is something that we can start and has applicability in the future, no matter what.

Mr. Bergeron stated Mr. Bass needs directions from us. He knows specifically what we want and if this comes from the District, I am sure he will go to bat for us, but until we give him directions.

Mr. Dolan asked isn't it the same way as when an Attorney takes on personal injury case, that they don't get paid until they get the settlement. I have a question about the feedback about the CDM. It wasn't clear to me whether we would be hiring them or someone like them to just do fund raising or does it span the spectrum that they may be someone who might actually run the water works. Chairman Scanlon answered that they did apply to Nashua to run it, so they can do both. Ms. White stated they could do as much or as little as we would want. Chairman Scanlon stated that personally he feels that if a company can provide that entire range of services it might be a good way to look at it because this way you get comfortable with the company they are going to do a good job.

Mr. McCarthy stated he has a different opinion and his opinion has to do particularly with CDM and the City of Nashua having spent a lot of money in the past and they list us as one of their references. For the City of Nashua they did our CSO Plan, but what they don't tell you is we have since signed a new consent order with the EPA for a plan that McCaff & Eddy did for us that is a 100 million dollars cheaper. They neglected that tiny detail when they presented to us.

Mr. McCarthy also stated that he actually prefers, although I know it is a little less efficient and it is a little more chaotic, but actually splitting these things up in small pieces and giving them out to different companies. This way you keep them sharp and no one assumes they will get the next piece of the puzzle.

Ms. White commented that Brian is right on one point, that we should run a request for proposals for grants rather than simply going with the first company that comes to see us. Chairman Scanlon asked if there are any volunteers on the board here to work on that? Mr. Peeples responded if we do run this request for a proposal, we should outline the payment method. Chairman Scanlon responded it should be based on whatever grants they are able to get the District. I don't know if it would be a percentage fee or if it would be a flat fee. I don't know what they would usually charge. Ms. White asked are we ready for that. Chairman Scanlon responded that in Ben's e-mail he tells us that in November we need to file an applications for 2006 money. We have to start looking for something sooner rather than later in 2007, which may be too late. If we do a resource plan then that will take a while, I think the sooner we could get that started the sooner the better.

Mr. Bergeron asked if anyone here has done any work on grants? Mr. McCarthy stated Kathy Hersh. Mr. Lamson responded that he too has been successful. Mr. Bergeron asked the question as to how hard are they. Ms. White commented that the applications are not tough it is the payment and administrations. Ms. Peterman stated right now we want an RFP. Ms. White stated writing an RFP is easy. Mr. Dolan recommended that we get the professionals to write the grant. Ms. Hersh commented that your looking for two things, the first thing is some of the proposal takes 80 to 100 hours. A resource plan is going to cost you a couple hundred thousands if you are successful and get the money then it is how long it takes to administer that. Given that the federal grants have different requirements of when you put out to bid and how far you have to put it out to bid and all the requirements for that.

Chairman Scanlon asked how much time do we need to get an RFP done and to get companies to bid on doing this for us? Ms. White stated that doing the RFP is easy. Chairman Scanlon suggested getting a basic RFP and in the RFP solicit that our payment method is based on a percentage. Mr. McCarthy stated it may not be allowable under the terms of the grants. Chairman Scanlon responded that they can tell us whether we need a flat fee or a percentage. Mr. Dolan suggested they would need to put in a fee structure in the RFP. Chairman Scanlon responded that their fees will be contingent on getting the grants. Ms. Peterman stated if this one is due for 2004, you have to go quick. Ms. White responded that is why she made the suggestion of going to web site and downloading the application and seeing how complex it is. She stated that sometimes the first part is a 2 or 3 pager. Chairman Scanlon responded to Ms. White if you want to start with that. How long do you think someone will need to put something together for an RFP, can we have it back by the next meeting? Mr. Keyes commented that you would have to have the deadline for the next meeting. Ms. White stated that this doesn't give anyone much time. Chairman Scanlon asked what if we gave them until Nov 10? Mr. Peeples suggested that we find out what a resource plan goes for. Chairman Scanlon responded that the company should be able to provide us with that information. Mr. Dolan commented that the company probably has a cut and go template.

Mr. Dolan asked the question about the District's obligation for competitive bidding? Mr. McCarthy stated that for professional services it is based on qualifications and not the price. Mr. Dolan responded that given the calendar we just don't have the runway to do a full competitive bid process and we should make this a goal to do this in the future. Ms. Peterman suggested that we move up our meeting to the 2nd week of November.

Ms. White commented she will do a RFP with Kathy and that she will find the website and download the application and find out what the basic application needs. If it is just a place saver like some of these grants are, nothing more than a 2-3 page place saver and a congressman to support you just to get it into the pipeline. Chairman Scanlon stated we should have that information before our next meeting. Chairman Scanlon we will know the deadline by Oct and if we need to move up the Nov meeting.

Mr. McCarthy suggested we may need to consider, if we want to interview any of the companies who respond we need to do it at the next meeting to give them time to do presentations. Chairman Scanlon asked Ms. White if she could get this in the papers next week and will 3 weeks be enough time to get something together. Ms. White commented that the resource plan is a big plan. Chairman Scanlon commented we are not talking about the resource plan we are talking about soliciting bids from companies to work on our behalf for grants. Ms. White stated that the RFP is just to write grants on behalf of the District and I feel we could have it by the next meeting.

Ms. Peterman suggested if we are in a time crunch, as far as interviewing we could appoint volunteers from this group 2 or 3 to interview as opposed to waiting for the next meeting. Chairman Scanlon suggested that Ms. White make deadline the date of the next meeting so that night we can look at them and maybe we only want to bring in 2 or 3. Ms. White commented so we don't want to schedule the interviews for the next meeting? Ms. Peterman asked how can we do that without seeing them, what if we don't get any responses. Mr. Dolan said what if we get 10 or 12 responses and I like Ms. Peterman's idea of a the sub team who narrows it down to the top 2-3 and then they present. Ms. Peterman commented or to have the committee narrow it down, interview them and then have them make the presentation. There are several ways to go about this. I think interviewing personally directly works better if we narrow it down.

Ms. White asked then does this board authorize me to run an ad in the Union Leader and the Boston Globe. Chairman Scanlon stated and make the deadline for submissions the date of our next meeting, unless you want to make it the day before to get things together. That night we will decide. Maybe we will only get 2 or 3 proposals total and then we will say lets interview them all. If we get 10 or 12 we all bear down and go through them quick and decide who is the best couple. You could tell them submissions are due and follow-up interviews will be held within 2 weeks of that date, so they should be prepared, if chosen interviews will be held within 2 weeks of submission. Ms. White responded so we will do that the 3rd week of October and then we expect them to whip out a grant in time for November submission? Chairman Scanlon commented that we may have to do the first step and then let them take over after we do the first step. Mr. McCarthy asked Ms. White in terms of advertising, make sure to check the Charter for requirements on advertising. Ms. White stated for notifications of meetings, it requires certain newspapers. Chairman Scanlon stated if you do the Union Leader and the Boston Globe you cover us.

MOTION made by Ms. Peterman to approve Ms. White to place and ad in the Union Leader and in the Boston Globe to request proposals for grant writing. Seconded by Mr. Peeples. Vote taken – all in favor. Motion passed.

Chairman Scanlon asked about an update on eminent Domain proceedings. Mr. McCarthy stated that we won 2 out of the 3 cases. The Federal Civil Rights suit was dismissed earlier this week, and I think the logic is that the decision was that the claims that were in the suit were not right and therefore dismissed without prejudice. I think we are waiting to hear what the PUC has to say. It has been pretty clear from those decisions

that the courts believe it is a PUC process and we hope to get moving with the evaluation proceeding pretty soon. Chairman Scanlon commented that the judgment I read court ruling I read made it clear that the Superior Court stated let the PUC handle this. How does that leave us as far as the eminent domain process? Mr. McCarthy stated that the PUC has a motion before them to dismiss that was filed by Pennichuck that they are waiting to act on. Chairman Scanlon asked they are waiting for the court. Mr. McCarthy stated correct. We anticipate at some point soon that we will probably have hearing dates. We will get a letter of notice on the hearings for the actual evaluation.

Mr. Dolan asked Mr. McCarthy, if we fast forward the tape, if Nashua takes the Pennichuck assets by eminent domain and then they turn it over to the Water District? Mr. McCarthy stated yes and there are some details that need to be sorted out as we go along. We had looked at doing one of two things, either making the bonds themselves transferable to the District, which will probably mean that while we own them they have, a higher interest rate than they need to have, but would save us 2 million dollars in bond issuance costs in the District. The other alternative is that the bonds would need to be refinanced when the District takes over. Chairman Scanlon asked if there is anyway to have the District issue the bonds on behalf of the City with the understanding that we are getting the assets? Mr. McCarthy answered it is probably cleaner not too. Chairman Scanlon responded just to make them transferable. Mr. McCarthy stated yes. Mr. Dolan asked can we issue them jointly? Mr. McCarthy responded that it will have to be Nashua who actually takes possession because of the eminent domain proceedings. So it is probably easier to keep that as a two party transaction than to have a separate two party transaction and then trying to structure that into three studies.

Mr. Dolan asked isn't Pennichuck's primary legal defense it says that Nashua cannot take eminent domain of property that is not in Nashua. Mr. McCarthy stated yes. Mr. Dolan asked if the District took it by eminent domain. Mr. McCarthy stated the District cannot. Ms. White stated because of the bill that was created to allow the District stripped us of eminent domain.

Mr. McCarthy commented that the court held that there is no inherent constitutionality of that, that due to the unique nature of utilities, that that is an issue that is left to the experts at the PUC. Basically the PUC will look at that, at least we hope, in the light that it is intended to go to the Regional District and therefore they should set the bounds on what Nashua can and cannot take on the ultimate future of the utility. I suspect that is the way they will look at it.

Ms. White commented that this is why it was critical to get the Charter written and get the Regional Water District formed and to get the tax ID and all those implements of institutionalization so that we can present our self to the PUC as an existing organization. Mr. McCarthy stated we now have what is arguably a demonstration of public interest by most of the core system by joining the District and public ownership of that system. We are well set-up to meet the standard proof for the PUC.

Ms. Peterman stated that she was hoping with the good news from the courts that it would encourage some of the communities who might have been suspect of the District because of it to come along and join, I thought it would help in the argument as we go forward. Chairman Scanlon commented that going and meeting with these towns that contacted me and asked me to see them all happened after the court case came out. As the courts are ruling and throwing these cases out, maybe they are realizing this is a good idea. Mr. Dolan asked if we have any financial incentive for the Towns to move up. Chairman Scanlon stated in the Charter there are financial incentives, you have fees paid in lieu of property taxes for any structures or land owned in your community. Mr. Dolan asked from a velocity standpoint. Ms. Peterman stated that they have an incentive to join before June of 2005. Chairman Scanlon commented before the deadline all you have to do is join. Mr. Dolan commented, so they don't get their money back if they paid money to join? Chairman Scanlon stated that we never made that a stipulation that you have to join the District to get that money back. Ms. White stated that the letter that you had me send out to the Towns initially stipulated if we were successful in the acquisition and in floating the bonds, they would be refunded their initial seed money. There was no stipulation that they have to join the District to get it back.

Ms. Peterman commented that the other incentive, which would come down the road, was the issue that Mike Scanlon brought up that we put in the charter about their revenue credits. Chairman Scanlon stated that once the June deadline passes next year, then it is up to the board to decide if a member can join, so not only do they have to join, we have to vote to let them join. At that point, we can probably put stipulations on. Mr. Dolan asked if we had a graduated fee structure. Chairman Scanlon responded it would be up to us after June. We could decide. We may look at a community and say we want \$50,000 dollars from you in order to join this District at this point, we are not just going to let you come in anymore. That would be the board's decision.

Mr. McCarthy stated that once it is taken the pilot payments are actually a strong incentive for anyone who has much infrastructure in their Town. Chairman Scanlon commented that one of the things that were important to me through the whole working of the Charter was that we have to give the people a reason to join. If you don't, your going to treat a customer the same as you treat a member and there is no incentive to join, why would you. Ms. White commented that all of Londonderry lines you will get payments in lieu of taxes. If you don't join then you are just a customer. Chairman Scanlon that could be a substantial amount of money. Especially for a Town like Merrimack who has large land holdings and things like that. Chairman Scanlon asked if there were any other questions on eminent domain.

Chairman Scanlon asked about letters of interest for operating system. Mr. McCarthy stated everyone should have gotten a packet and the meeting is scheduled for next Monday to discuss that with our committee and staff. Chairman Scanlon asked is there was anyone on the board who can make that meeting? Mr. Lamson stated he is changing a meeting to be able to attend. Ms. White stated she would be there. Mr. McCarthy asked the board, if you cannot come to the meeting could you possibly give me some written comments. Ms. White suggested that we spend a few minutes tonight to see if we

are close to a consensus. If we are, then it would be nice and Jeremy and I could bring a letter of consensus.

Mr. McCarthy stated what the committee's basic response was unless there are some that are not qualified we will get the RFP done and send it out to that list of companies and then bring them in to interview them in regards to the RFPs. There isn't much that the District can do right now in terms of reaching any consensus on the applicants, unless there are some you want to advise against.

Ms. White commented that she has two observations. First of all I see that Pennichuck Water Service Corp has applied and I know there are strong comments in the past of satisfaction with the employees and their knowledge of the system. This committee may want to reiterate that. I made a stack of applications from subsidiaries of large multi national corporations, which represents more than half of the statements of qualifications. I am not a board member and I don't have a say, but personally philosophically, it would be a mistake to enter into a private public partnership and allow a foot in the door to one of the multi-national corporations that we were so worried about Pennichuck being sold to in the first place. Ms. Peterman stated she agreed.

Mr. McCarthy stated he has a different view on that. His concern was always the ownership of the assets by one of those multi-national corporations. Allowing them to do the work under our eye if they are capable of doing it, while I think I would prefer to have someone who is a locally based company, it doesn't necessarily scare me to pick, for example say Philadelphia Suburban if they were a bidder who was ultimately competent to do it and we believe we would get the best value out of it. My concern has always been not over the decisions that were made on the operation of the system, but over the decisions that were made on the management of the assets themselves.

Mr. Peebles commented that he doesn't disagree with Brian, but one of the things that he sees is a lot of these companies have been known to demunicipalize water systems for their own gain. He stated that he strongly agrees with Karen, we do need to be cautious of that because today we are sitting here and we all agree that this is the way it should be, but 10 years from now, things may be different and they may mount a campaign to do otherwise. Mr. McCarthy stated that is a very good point.

Ms. Peterman commented that United Water was the company that Don Correll worked for before coming here to sell Pennichuck. While she agrees we want the best company we need to look at the criteria and maybe some of the criteria that puts them up at the top is companies who worked with municipal government, who are locally based and have worked in New England area. There has to be a set of criteria, which guides us into making the decision. If want to send out RFPs to all of them, I do not have a problem with that except that you have to read a lot of information from companies that you might not want to deal with. I think we should have some criteria as to where we are heading in hiring.

Chairman Scanlon commented that he too agrees with Brian. Our priority #1 is who can operate this water system the most effectively and the most efficiently and do the best job. If push comes to shove and you have a multi-national company over here and a local company here and you feel both can do the same job. I would say go with the local company. If the local company cannot provide the same service that a larger company can, then I think we would be doing a disservice. These are going to be contracts given for 3-5 years or whatever we want to do. We can transition out of a larger company if we don't feel they are providing services we need.

Mr. McCarthy stated that we don't have any guarantee that things stay static. In all likelihood, let's say we have a local water company who we are happy with and we engage with them to take on this contract. It is a lucrative contract that does good things for the bottom line of the company and makes it ultimately quite saleable and likely to be acquired by one of those companies over time anyways. There is basically not a whole lot that you can do about that. Chairman Scanlon responded that the only thing is to have your own staff, hire your own staff, which I guess ultimately would be a long term solution anyways. Ms. White commented like South Central Connecticut did and there are pitfalls from that too. I just have done so much reading on the website and documents and everything since I got involved with this two years ago.

Mr. McCarthy stated with regard to your point about our happiness with Pennichuck employees, I would point out that a likely future of the RFP is the ability of the company to take on the existing staff and use it to manage the resources. The number of companies that responded, did contact us first and asked if it was an option. They said that they would not respond with a letter of interest if it was unlikely that they could get the existing staff to be the staff that did the maintenance. Chairman Scanlon they will have to hire people to run it. Ms. White stated that there are a number of ways that that can be structured. Chairman Scanlon stated there are things to be discussed. I agree preference to a smaller local company, but I don't think you can say that everyone else is not good. Ms. Peterman stated once we get the RFPs back, then we list the criteria for how we choose whom we choose. Mr. Dolan suggested that we score the RFPs and then have some discriminators to rank them. Ms. White asked the board if there are any of these that you found unqualified. Ms. Peterman stated she didn't bring the materials, there were a few that I put aside as I was going through them. I have those notes in my office. I will e-mail them to you.

Mr. Lamson stated there were a few that I didn't particularly care for their responses that didn't give information that was helpful. To respond to that request without helpful information then they probably weren't work considering. Chairman Scanlon easily takes half of them and realizes that this is the bottom tier and we are not going to take them. Ms. White commented that on Monday night she is there to represent you guys. Mr. Keyes asked whose decision is it. Chairman Scanlon ultimately it is Nashua, but they gave us input. Mr. McCarthy stated there are not a lot to pull off the list. Chairman Scanlon suggested when you start to whittle down your list. You could say these are the bottom six. Mr. McCarthy stated that ultimately we decided that we wanted to see the RFP responses before we whittled the list.

Mr. Dolan asked administratively, after the eminent domain is done and everything is transferred to the Water District does this company who will be working for Nashua then becomes a worker for the District. Mr. McCarthy stated correct. He stated that Atty Sansoucy stated that it actually be a facet of the order of the PUC that we will have to have a contract operator who is competent onboard at the time that the transfer takes place. Chairman Scanlon stated to Mr. Dolan that is why we have these it is important that we have input into this process. I would hope if we were deadest against one company it would be weighed in that decision.

Ms. Peterman stated going back to the original suggestion that we send E-mails to Karen or Brian on comments if you cannot be there on your opinions on any particular ones, maybe just the negative opinions. I would hope that Nashua would take those comments into consideration. Mr. Dolan asked Brian where the meeting would be on Monday? Mr. McCarthy in the aldermanic chambers.

Mr. Peeples asked Mr. McCarthy do you want negative or positive comments, what structure. Mr. McCarthy either one, I haven't had time to go through in detail. Mr. Peeples stated the first one here, they didn't know if they wanted to do this water company, it is a subsidiary of a multi-national. Chairman Scanlon stated he has skimmed through a few. The meeting is 7 p.m. on Monday and send your comments to Brian or Karen.

Ms. White asked the board to approve the invoice from the transcriptionist for her fees for the June 24th and the August 19th meeting.

MOTION made by Mr. Bergeron. Seconded by Mr. Peeples. Vote taken-all in favor. Motion passed.

Mr. Dolan asked a question regarding the communities that have not joined, do we suspect them or is there any thought that a community might want to start their own eminent domain activity even in the time post Water District ownership? Chairman Scanlon stated that is an easy question because it is going to be expensive to do and we have said many times if there is a Town that doesn't want to be part of the District that once the District is formed and we own the assets, all they have to do is just get it appraised and they can have it. Personally I don't think it would be financially beneficial to go through that process. I think we all agreed that we don't want anyone in the District that doesn't want to be here as either a customer or a member.

Mr. Dolan asked is there a thought that a Town could become a reseller to its community? Chairman Scanlon commented that Hudson is, as they have a bulk water contract. Mr. Dolan asked is that of interest to the District, does the District care if it is making agreements with households or businesses. Mr. McCarthy stated that we would have to negotiate a bulk water contract with Hudson if they did that. In one sense it is easier for the District to deal with that than individual billings. Chairman Scanlon stated that in Hudson it is a bulk water contract, but it is Pennichuck that services their system.

Ms. White stated that Milford has a bulk water contract that they use to supplement their municipal wells. Chairman Scanlon stated his hope would be that eventually a Town like Hudson would look at the water system and say why are we a bulk water customer, why aren't we a full member of the District. Mr. Dolan asked can you be both a member of the District and a bulk water customer. Chairman Scanlon stated that they can join to be a member, but under the terms of voting, they get one vote they are one customer. Mr. Dolan asked, when does this kick in and when do we take votes that are based on customer? Chairman Scanlon responded that there are items in the Charter that are voted on by customer and they are budget, resource plan, bonding and rates. Ms. White commented until we have the assets, there will not be many votes by customer.

Chairman Scanlon asked for approval of minutes from August 19, 2004.

Mr. Lamson stated there was a name that was misspelled for the representative from Londonderry.

MOTION made by Mr. Lamson to approve minutes as amended. Seconded by Ms. Peterman. Vote taken-all in favor. Motion passed. One abstain Mr. Peeples.

Chairman Scanlon asked about Committee reports.

Mr. McCarthy stated that he sent out an e-mail for examples of bylaws and he will continue working on that. I will take the Charter and find the areas where we need bylaws for this and get that in outline form. Chairman Scanlon suggested the committee write these in sections and attack them one section at a time. Mr. McCarthy stated that he will do it in an outline form and then the committee can break that down into issues.

MOTION to adjourn made and seconded. Meeting adjourned @ 7:40 p.m.

Submitted by Jane O'Brien
#18174