

BOARD OF SELECTMEN
Minutes of August 30, 2005
Pennichuck Water Works

MEMBERS PRESENT: Chairman Roger Hohenberger called the meeting to order at 7:35 PM. Selectmen Galen Stearns, Alan Carpenter, Margaret Crisler and Bruce Breton were present. Town Administrator David Sullivan was also present.

Mr. Hohenberger clarified for those present that the purpose of this meeting was to discuss the ongoing water situation being faced by Pennichuck Water Works relative to their West Shore Road well, and its effects on the 188 Windham customers. In addition, Pennichuck's filtration system at that same location would be reviewed.

Mr. Hohenberger introduced the members of the Windham Board to the audience, as well as the following:

Dick Gregory, Salem Board of Selectmen Chair
Ron Belanger, Salem Selectman
Don Ware, Pennichuck Water Works
Harry Stewart, Department of Environmental Services

Mr. Hohenberger advised the attendees that this was not intended to be a round-table discussion, and that all questions should be posed through the Chairman. He stressed this was an informational meeting only.

Salem Selectmen Stephanie Micklin and Everett McBride then joined the meeting.

Mr. Hohenberger pointed out that the Salem Board had been invited to attend as much discussion had been held regarding drawing water from Canobie Lake, and that Windham had felt it was important that all parties meet as a group to clarify matters. Mr. Hohenberger then invited Mr. Ware to present an update on Pennichuck's current status on West Shore Road.

Mr. Ware explained that the West Shore Road facility services 188 Windham customers, 173 of which are residential. Issues had existed with the facility when acquired from Consumers NH Water, and Mr. Ware stated that Pennichuck felt, at that time, that the solution would be to purchase water from Salem. Mr. Ware explained that those negotiations had, however, fallen through in 1999. Subsequently, Pennichuck had constructed the pump house, drilled a new well, hydrofractured the existing wells, and put a treatment system in place.

Mr. Ware then noted that late in 2004, as part of testing for the I-93 project, the EPA had found that the brine backwash from Pennichuck's treatment system was raising chloride levels within Canobie Lake and the surrounding area. At that time, negotiations were re-opened with Salem in efforts to stop the need to utilize the wells on West Shore Road. In addition, Pennichuck had purchased a lot on Canobie for potential use to draw from the lake in the event water could not be purchased from Salem.

Mr. Ware then explained that Pennichuck had recently addressed the brine backwash issue, via installation of a holding tank and establishment of an agreement with Nashua to haul the solution to their treatment plant. Mr. Ware pointed out that, as the chloride contamination had been resolved, time was now available to consider Pennichuck's water options. Mr. Ware noted that the wells on West Shore Road are good, producing approximately 91,000 gallons per day to an average need of 46,000 gallons per day with a maximum of 72,000.

Mrs. Crisler inquired whether the capacity for expansion existed at the West Shore Road site. Mr. Ware replied Pennichuck could not expand without drilling further wells, however, he noted the existing system was fine for the current customer base.

Mr. Stearns inquired how often the brine solution was being hauled to Nashua. Mr. Ware replied that approximately 45,000 gallons were being hauled every two days or so.

Mr. Stewart of the DES approached to confirm that the agreement with the Nashua Waste Water Treatment Plant resolves the short-term issue of the backwash, and stated that all signs are that Nashua will be able to take deliveries from Pennichuck over the long-term. Mr. Stewart noted that this solution removes the problem of discharge to the groundwater, which affects area wells, and to the surface water. Mr. Stewart felt that Pennichuck had done a good job of evaluating alternatives and finding a solution to this matter.

Mr. Hohenberger inquired whether there existed any hazard to Canobie from the previous discharge. Mr. Stewart explained that the discharge consisted of calcium chloride, which was essentially the same as road salt. Although the discharge was initially a violation, as it has now been resolved no danger existed to the drinking water supplies or public health.

Mr. Belanger pointed out that Canobie Lake was Salem's drinking water supply, and Mr. Stewart replied that even in high concentrations calcium chloride was not a health hazard but would effect the taste of the water.

Mrs. Crisler noted that, several years ago, Salem had been forced to bring in water from Arlington Pond due to the low level of Canobie Lake. She expressed concerns regarding the current level of the Lake and anything that may affect it adversely. Mr. Stewart noted that Salem had undertaken a long-term effort to maintain the level of Canobie Lake, via the previous connection to Arlington Pond and the newly established emergency agreement with Methuen.

Mr. Stearns sought clarification from Mr. Stewart that the DES was satisfied with Pennichuck's solution regarding the brine backwash. Mr. Stewart indicated that the DES was completely comfortable with the resolution.

Mr. Belanger inquired whether Pennichuck's request to draw water from Canobie Lake was necessary any longer. Mr. Stewart replied that for the next year or two, a solution was in place. Mr. Ware indicated Pennichuck would still like to investigate obtaining water from Salem, but if Salem were not interested in selling water to Pennichuck a solution was in place.

Mr. Belanger pointed out that the people of Salem have invested a lot into their drinking water, and held a large financial stake in Canobie Lake. Mr. Ware replied that while it was difficult to assess long-term plans, Nashua was okay with accepting the brine right now. If Nashua is willing to allow Pennichuck to keep hauling there, then a long-term solution exists. He clarified that Pennichuck felt it made sense for Salem to keep discussions open as a possible source of revenue, but that it was ultimately the Town's decision.

Mr. Belanger then pointed out that Pennichuck and the City of Nashua have been in conflict for some time now. Mr. Ware disagreed, noting that although the eminent domain matter was in full swing, Nashua and Pennichuck continue to cooperate on an operational level.

Mr. Hohenberger inquired what effect future subdivisions in the area may have on Pennichuck's situation. Mr. Ware replied that the majority of new subdivisions involve individual wells or community wells, and that Pennichuck was not accepting any new customers who could not provide

their own water supply. Mr. Stewart also pointed out that if a subdivision consisted of fifteen (15) or more dwellings on one well, then according to State standards that was a community well and subject to State requirements.

Mrs. Crisler pointed out that Windham has a history of protecting its groundwater via private wells and septic systems, with only a few exceptions, and expressed concerns about depletion of the Town's aquifer.

Mr. Hohenberger inquired how Pennichuck would regulate the Lakeview Farm subdivision. Mr. Ware replied that no other customers were intended beyond Lakeview.

Mr. Carpenter sought clarification that, if Pennichuck were able to find an alternate source in Windham to obtain what was unavailable at West Shore, then the company would be satisfied. Mr. Ware responded that Pennichuck has explored other parcels, and no viable ones remain based on requirements that must be met.

Mr. Carpenter noted that the Common Man well was not intended as a solution. Mr. Ware concurred, noting that water will be brought down to the 24 planned homes at the Lakeview subdivision.

Mr. Belanger noted that, several years ago when Salem was in need of water, Pennichuck had offered to sell some to Salem provided Salem constructed a line over from Hudson. He inquired whether this was an option for Pennichuck at this time. Mr. Ware replied in the negative, citing economic issues.

Ms. Micklin inquired whether Mr. Ware was saying they'd like to proceed to obtain water from Salem as it was cheaper for the company. Mr. Ware replied in the negative, noting it was cheaper to maintain their onsite methodology by approximately \$60,000/year. Mr. Ware reiterated that the only problem was there was no guarantee of disposal in the long term but, at this stage, the backwash problem was solved. Mr. Belanger then pointed out that it would not be the company that absorbed the related costs anyway, but ultimately it would be the ratepayers.

Ms. Micklin suggested that Pennichuck endeavor to get a longer contract with Nashua.

Mr. Gregory noted that it appeared Pennichuck had resolved their problem and it did not seem that Windham was interested in receiving Salem water. He noted the issue appeared to have been solved.

As the floor was opened to the public, Mr. Hohenberger reminded those in attendance that this was not a discussion relative to moving water from Arlington Pond to Canobie Lake.

Mr. Howie Glynn, Salem resident and President of the Arlington Pond Protective Association, approached to concur that the issue appears to have been resolved. He inquired of Mr. Stewart why, if Salem had not found a permanent solution to their water issues as directed by the DES in 2003, the option of providing water to another Town had been considered. Mr. Stewart noted that additional wells and/or drawing from Canobie Lake had both been viable solutions for Pennichuck, as their wells were in the same watershed as Canobie Lake.

Mr. Glynn then pointed out that Salem had been fortunate to make the emergency agreement with Methuen, but that to be made permanent it would require passage through the MA and NH legislatures. He extended his thanks to all, and reiterated that it appears the current Pennichuck issue has been resolved.

Mr. Dick Hannon, President of the Canobie Lake Protective Association approached to inquire whether Pennichuck's proposal to Salem remained in play at this point. Mr. Gregory replied in the affirmative, however Mr. Ware stated Pennichuck would officially withdraw their request to negotiate at this point, if Salem wished.

Mr. Belanger pointed out that it appeared to be the consensus of the Salem Board that they did not wish to proceed with negotiations, and Mr. Ware thus officially withdrew Pennichuck's request.

Mr. Hannon then inquired of Mr. Stewart how the DES intended to aide them with their water issues, however, the question was not addressed as Mr. Hohenberger reminded Mr. Hannon that it was not the purpose of this meeting to discuss Salem's water supply.

Mr. Hannon then inquired whether Pennichuck intended to drill more bore holes at the Common Man site, to which Mr. Ware replied they did not. Mr. Hannon inquired whether it was Pennichuck intent to drum up more Windham customers via the Common Man well, to which Mr. Ware replied it was not.

Mr. Hohenberger again clarified that one purpose of this meeting had been to discuss brine backwash into Canobie and its effects on the residents, which had been resolved. He noted the other issue was Pennichuck's need for additional capacity, if any, to which Mr. Ware had responded that no new customers would be accepted who could not provide their own water supply.

Mr. Paul Maffe, Salem resident and member of the Arlington Pond Protective Association, voiced his concerns regarding the possibility of Salem allowing 72,000 gallons/day of saleable water now and what it could lead to in the future.

Mrs. Lisa Linowes, approached to state she had hoped to hear that Salem and Windham would be working cooperatively to allow Pennichuck to draw water from Canobie as a permanent solution to the brine issue. She noted that 72,000 gallons per day would pose a zero net impact to the Lake.

Ms. Dawn Garafino, Salem resident, approached to state that she felt it was important to note that the Boards were discussing the conveniences of a private corporation and only 188 of its customers at the possible expense of two natural resources. She urged the Boards not to consider this matter again until a much larger impact was at issue.

Ms. Ginny Campiola approached to inquire about the small strip of land purchased by Pennichuck on Canobie Lake. Mr. Ware reiterated his previous explanation that the land had been purchased as an alternative option to obtain water, however it was too expensive an option at this point. The strip in question could give Pennichuck drawing rights to Canobie Lake. Mr. Belanger questioned whether the area was zoned properly for Pennichuck to use the land in such a manner. Mr. Hohenberger noted that riparian rights would probably apply.

Representative Charles McMahon approached to inquire what would happen if Nashua were not to extend their contract with Pennichuck. Mr. Ware reiterated that they were endeavoring to establish a long-term contract with someone. Either way, Pennichuck will continue to provide service to the 188 Windham customers.

Mr. Ware further noted that the 9 month contract with Nashua had been received that day, and long-term negotiations had not yet begun, however Merrimack had expressed an interest and Pennichuck would be contacting Greater Lawrence, as well. Mr. McMahon requested that Mr. Ware notify Windham of any changes that may arise, and Mr. Ware agreed.

Mr. Carpenter then clarified the following, to which Mr. Ware agreed: the West Shore well issue does not revolve around quantity, but quality; Pennichuck is trucking out the brine backwash; and that with what Pennichuck has completed to date, water quality and quantity are fine, there are no environmental issues, and Pennichuck is working to make their solution long-term.

There being no further public input or queries from the Boards, Mr. Hohenberger extended his thanks to all for their participation and input.

The meeting was adjourned at 8:50 PM.

Respectfully submitted,

Wendi Devlin, Administrative Assistant

Note: These minutes are in draft form and have not been submitted to the Board for approval.