

Annual Report of the North Hampton Water Commission

Commissioners

Henry Fuller, Chairman
Richard Bettcher, Vice Chairman
Bob Landman, Secretary
Tim Harned, Commissioner

The Town of North Hampton Water Commission (NHWC) was formed in 1957 by town vote. The Commission was charged with certain watchdog duties and responsibilities, including:

- ◆ Supervision of extensions/improvements to the corporately-owned water system;
- ◆ Planning for improvements/extensions/alterations to said water system;
- ◆ Studying the water system and preparing long-range and comprehensive programs and methods of financing improvements/alterations/extensions in order to “insure that, in due time, all major and worthy areas of the aforesaid Town will receive adequate fire protection by virtue of an organized and properly conducted municipal water system”; and
- ◆ To conduct any other business, investigations or work related to the aforesaid system whether mentioned herein or not upon authorization by the vote of the legal voters of said Town in annual or especially-convened Town Meetings.

Commissioners strive to fulfill these duties and will continue to follow these directives as best we can, considering the fact that the water company is a private corporation not directly under our control. The company is regulated by the NH Public Utilities Commission (NHPUC). Over the past several years, your NHWC has become increasingly concerned about several issues that are negatively affecting North Hampton taxpayers and water customers. The primary complaints are: the cost of water service for which the company (Aquarion) is charging our citizens; what appear to us to be unreasonably high annual water hydrant fees charged to the town; and inadequate fire hydrant maintenance (which compromises fire-fighting effectiveness). Some townspeople have begun to have problems with their private wells; it appears that excessive drawdowns from Aquarion’s commercial wells located within North Hampton have been negatively affecting private well owners. Attempts by NHWC, to resolve these issues with Aquarion, have thus far been unsuccessful.

Last spring, when Aquarion went before the NHPUC to ask for a 21% increase in the local water rates, NHWC, Board of Selectmen and Town Counsel intervened on behalf of the residents asking that the rate increase be denied until Aquarion would agree to resolve our issues, matters considered extremely important and urgently needing redress. Despite our complaints, the NHPUC granted an 18% rate increase with the caveat that Aquarion must improve its record keeping in regard to hydrant maintenance logs. (Transcript on NHWC page at <http://www.northhampton-nh.gov>) The NHWC is dissatisfied with Aquarion's proposed solution to the record keeping issue (which the NHPUC approved), which automates the process of record keeping in a laptop computer, but does not rectify the problem of providing an auditable paper trail of maintenance.

Because of ongoing and unresolved problems with the water company, the Water Commissioners explained the issues to the public in a condensed, comprehensive presentation at a special Deliberative Session on November 14th, 2006 and placed a petitioned warrant article on the Dec 19th, 2006 Special Town Meeting that read as follows:

Shall the Town of North Hampton authorize the Board of Selectmen pursuant to RSA Chapter 38 to acquire that portion of Aquarion Water Company's (or its successors or assigns) plant and property, both within the municipal boundaries of North Hampton and outside of its boundaries, which the Selectmen (as advised by the North Hampton Water Commissioners) judge to be expedient and suitable for establishing a municipal water utility.

Any purchase agreement or determination of purchase price for water utility property shall not be effective unless a future North Hampton Town Meeting votes to approve the purchase and appropriate the funds for the purchase (bond vote, 60% plurality required for passage). The vote on this warrant article is only the first step in that process and it does not irrevocably commit the Town to acquiring water utility property.

The townspeople showed their support; however, the required 2/3 majority vote was not obtained.

Water is a precious commodity. Ever increasing demands for it will escalate future delivery and infrastructure costs, leading to subsequent rate increases. There are costs associated with stewardship of this natural resource. Municipal ownership of our water assets is one way of ensuring that these costs are contained to the greatest extent possible; however, so long as the voters of North Hampton continue to avoid that possibility, the town must rely upon the NHPUC to only approve requests for water rate increases which can be substantiated, to rely upon Aquarion to minimize expenses and subsequent profits (since the company gets a fixed rate of return over expenses).

As volunteers serving the residents of North Hampton, we thank you for your support and suggestions.

Henry Fuller, Chairman