

STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Graham J. Morrison
Michael D. Harrington

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION

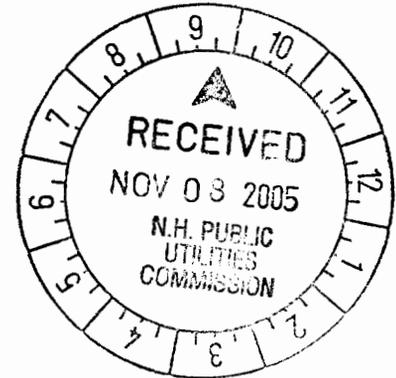
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429
November 8, 2005

Tel. (603) 271-2431
FAX (603) 271-3878
TDD Access: Relay NH
1-800-735-2964
Website:
www.puc.nh.gov

Debra A. Howland
Executive Director & Secretary
New Hampshire Public Utilities Commission
21 S. Fruit St., Suite 10
Concord, NH 03301

Re: DW 05-135, Tilton and Northfield Aqueduct Company, Inc.

Dear Ms. Howland:



On August 19, 2005, Tilton and Northfield Aqueduct Company, Inc. (TNAC), a regulated public utility, and Tilton and Northfield Water District (TNWD), a municipal corporation, filed with the Commission a joint petition to approve the sale of the stock of TNAC to TNWD. TNAC and TNWD executed a Stock Purchase Agreement (the Agreement) on February 11, 2005. TNAC and TNWD also provided pre-filed testimony of Kenneth F. Money, current President and General Manager of TNAC. Staff has reviewed the joint petition and the discovery responses of both TNAC and TNWD, and recommends the Commission approve the sale through the issuance of an order *nisi*, for the following reasons.

TNAC is a regulated water utility serving more than 900 customers in the Towns of Tilton and Northfield. It has a single class of stock, with 874 shares outstanding. The shareholders of TNAC have agreed to sell all of these outstanding shares to TNWD. TNWD was formed pursuant to RSA 52 for the sole purpose of acquiring the TNAC water system and operating it as a municipal entity. Physically, the District boundaries encompass all of the properties owned by water system customers in both towns. All of the customers are eligible voters of the TNWD, and those voters overwhelmingly agreed at the first Annual Meeting of the TNWD on April 19, 2005 to acquire TNAC and to raise and appropriate \$9,124,000 for that purpose.

With the petition, TNAC and TNWD have provided evidence that funds from USDA Rural Development are available to finance the proposed transaction. In addition, discovery response 1-1-d provides an August 1, 2005 letter from Rural Development which outlines the conditions TNWD must meet for the financing. It is Staff's understanding from a telephone conversation with TNWD's attorney that the interest rate of the Rural Development loan will be 4.125%. TNWD will borrow \$7,975,000 from Rural Development as well as assume an existing TNAC SRF loan with the New

Hampshire Department of Environmental Services (DES) in the amount of \$1,047,011. The purchase price of the existing stock is to be \$4,100,000. This amount is subject to adjustment pursuant to Paragraph 1.3 of the Agreement. That paragraph stipulates that at the closing of the transaction, the corporation's net book value shall not be less than \$890,000. Staff inquired about this provision and data response 2-12 provides additional detail. It is anticipated that the current shareholders will receive a dividend prior to closing as a way of maintaining the equity value of the company as it was when the Agreement was first executed in February. The reason for fluctuation in the company value is primarily that liabilities are being reduced as time passes. The parties to the Agreement sought to maintain the value at the February level since that value and the related financing is what was approved by voters. In the event that the dividend to current stockholders would reduce the net book value below that level, the purchase price would be adjusted accordingly pursuant to Paragraph 1.3 of the Agreement.

In addition to the \$4,100,000 purchase price of the stock of TNAC, the appropriation of \$9,124,000 by the District voters also provides for payoff of the existing company debt with Bank of New Hampshire in the amount of approximately \$3,800,000. The balance of the appropriation is to be dedicated to assumption of an existing SRF loan with DES as referenced earlier, and to administrative, legal, engineering and closing costs associated with the transaction.

Following sale of TNAC to TNWD, the current President of TNAC, Mr. Kenneth F. Money, and current Vice President, Mrs. Barbara J. Money have agreed to continue working for TNAC for a period of time to assist in an orderly transition in obtaining replacement personnel. TNWD will be governed by three water commissioners who will be periodically elected by registered voters of the District. TNWD intends to eventually replace Mr. Money with a Water Superintendent. TNWD has indicated in a discovery response that, following acquisition of TNAC, the District commissioners may further explore stock transfer or liquidation of the existing corporate structure.

The joint petition in this docket did not specifically request exemption from PUC regulation for the water utility post-transfer. In discovery, Staff inquired as to whether TNWD would make such a request in the future. The District responded that it wished to incorporate such an exemption request per RSA 362:4 into the instant proceeding. Staff believes that an exemption from regulation in this instance is appropriate, since TNWD is indeed a municipal entity as defined in RSA 362:4. Voters of the District will elect commissioners, and thus will have direct input into the operations of the water utility. Staff recommends that TNWD be granted exemption from further PUC regulation once the transaction has been completed.

TNAC's current franchise area encompasses both Tilton and Northfield in their entirety. The proposed sale of TNAC to TNWD has no impact on the existing franchise boundaries of the water utility. However, since the physical boundary of the District encompasses only those areas where the water system currently serves, expansion of the service area to additional areas within the franchise will require a vote of the District's voters. In any event, the District would not need to come before the PUC for franchise

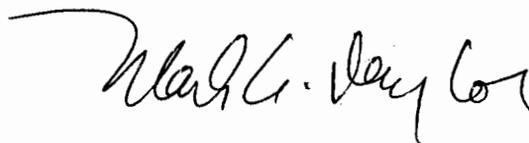
approval unless it intended to serve customers outside the Towns of Tilton and Northfield, since TNAC already holds the franchise in those municipalities.

TNWD indicates in discovery responses that at this time it does not anticipate major expansion of the water system. It will, however, welcome new customer connections, whether of an in-fill nature along existing mains, or minor expansion of its service area with main extensions, in order to increase revenues. TNWD indicates that it does not have immediate plans for significant capital improvements other than a continuation of TNAC's current efforts to replace older mains, services and hydrants. Staff notes that a July 22, 2005 letter from DES has been received by the Commission, indicating that the TNAC system is in general compliance with water quality standards under the Safe Drinking Water Act, and that the system has no outstanding current deficiencies.

Staff believes that TNAC and TNWD have demonstrated that the proposed sale of TNAC to TNWD is in the public interest, and recommends approval. Voters within the proposed district boundaries in both towns voted overwhelmingly to create a village district pursuant to RSA 52, with the purpose of acquiring the water utility. TNAC is a willing seller and TNWD is a willing buyer of the stock of TNAC, and thus the water system. Staff believes that TNWD is a municipal corporation pursuant to RSA 362:4 and thus exemption from further regulation of this Commission is appropriate. Staff recommends approval of the sale of TNAC to TNWD and recommends exemption from further regulation for this water utility.

Attached you will find all discovery materials Staff obtained in the course of our review of this docket. If you have any questions regarding this matter, please let me know.

Sincerely,



Mark A. Naylor
Director, Gas & Water Division

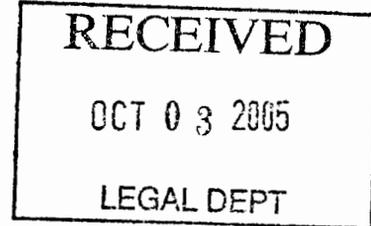
Enclosures
cc: service list w/out enclosures

.....

Russell Municipal & Private Consulting LLC

September 29, 2005

NHPUC
Marcia A.B. Thunberg, Staff Attorney
Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429



Re: DW05-135 Tilton Northfield Aqueduct Company, Inc. and
Tilton Northfield Water District

Dear Attorney Thunberg:

I received your letter of Staff Requests, Set No. 1 dated September 13, 2005 to Attorney Jay C. Boynton via Attorney Boynton on September 22 and had to retrieve some documents requested prior to my submittal to supplement Attorney Boynton's submission to you dated September 20, 2005.

I wish to point out firstly, as asked in item 1-15, that the Water District, as a municipal entity, is requesting exemption from PUC Regulation as per RSA 352:4 upon purchase of the Tilton Northfield Aqueduct Company, Inc.

Attorney Boynton's submission addressed items 1-1a, 1b, 1e, 1f, 1-7 and 1-14 as well as other documents. I will address the remaining requests on behalf of the Water District Commissioners.

Item Nos.

- 1-c Please find a copy of Chairman Feener's prepared statement, which was read into the record, enclosed.
- 1-d Please find the August 1, 2005 letter from USDA Rural Development enclosed. Please excuse my marked up copy which provided mental notes to me.
- 1-h Pleases find the enclosed documents relative to setting up the District.
- 1-i Please find the enclosed documentation establishing the franchise area and a two town map depicting same.
- 1-2 The District anticipates minor expansion and additional water sales within the franchise area to accommodate building growth, especially fire suppression.
- 1-3 The District has no immediate plans for significant capital improvements other than the current company program to continue replacing older water mains, services or hydrants or to allow additional connections as mentioned above in item 1-2.

- 1-4 No significant operational changes are planned or expected other than to be governed by three elected water commissioners and the eventual replacement of President Money by an appropriate Water Superintendent.
- 1-5 The system meets all current federal and state standards. US EPA has been discussing additional well treatment requirements over the last fifteen years, but no firm directives or time frames have evolved. Any future mandates will be provided for by District voters with applicable grant/loan programs.
- 1-6 The District's current leadership is comprised of long term municipal officials from both Northfield and Tilton. The present company President has run the water company for 30 years utilizing professional engineers, organizations and accountants. The Commissioners will continue these professional relationships as well as employing me on a consulting basis. I have been in Town management for nearly 30 years, overseeing and employing water department personnel in two NH communities with municipal water systems of equal or larger size. The purchase of the Aqueduct Company will provide assets and a viable, operating company. In addition, as a Village District, the voters can approve municipal taxation, if necessary.

1-8 The \$9,124,000 proposed in the bond issue article and voted was estimated as follows:

Outstanding stock purchase	\$4,100,000
Assumption of existing and new debt	5,000,000
Admin., legal and engineering reports	24,000
TOTAL	\$9,124,000

1-9 100% financing USDA RD loan \$7,975,000

assumption of existing NHSRF loan 1,047,011.17 (approved by NH G&C August, 2005)

We expect the final RD loan to be adjusted to meet the actual cost expenses of the purchase of stock and Bank of NH mortgage payoff at the time of closing, plus the admin., legal(to include title research and title insurance) and engineering fees.

A closer expenditure projection currently is:

Stock purchase	\$4,100,000
Mortgage payoff	3,851,321
Admin., legal and engineering	24,000
Title search and title insurance	15,000
NHSRD loan assumed	1,047,011.17
TOTAL	\$9,037,332.17

- 1-10 Please see answer to Item 1-6
- 1-11 (a) current PUC approved rates, (b) unknown; dependent on water sales growth, expense inflation or taxation, if any, rates could be lowered or increased as necessary. Budgets will be discussed and voted at annual District Meetings by the registered voters of the District. (c) unknown; see (b) above.
- 1-12 The Commissioners will own the water company with its 18887 legislative rights. The Commissioners have explored stock transfer or liquidation after the purchase to dissolve the for profit corporation.
- 1-13 The customers, if registered voters of the District, will have input and voting authority of District affairs at District Meetings. Public hearings are required prior to District Meetings where anyone can speak or ask questions; public hearings will be held on any rate change issues for public participation and input.
- 1-15 Addressed in paragraph two of our response. The Water District assumes that by approval of this PUC Petition that per appropriate RSA's, including 352:4, that the Water District, as a municipal entity, will be exempt from further PUC Regulation and water utility oversight, unless the District, in the future, proposes to sell water outside their franchise boundaries. This is not envisioned or anticipated at this time. If we need to make this specific request, please consider that request herein. Based upon the above, the District does not anticipate the need for any additional future filing.

I believe I have provided the necessary information requested by the District in addition to Attorney Boynton's submission on behalf of the Tilton Northfield Aqueduct Company, Inc.

If you find additional information is needed or if there are any questions or clarification needed, please don't hesitate to contact me. In addition to my letterhead address, my e-mail address is prussell@metrocast.net

On behalf of the Water District Commissioners, we appreciate your and staff assistance in this proceeding!

Sincerely,

Peter G. Russell

Partner

Heber's statement

Staff 1-C

To: Customers of the Tilton Northfield Aqueduct Company
From: Tilton Northfield Water District
Re: Proposed purchases of the Aqueduct Company

In June of 2004 a Water District was formed to investigate, evaluate and review the proposed purchase and recommend the purchase of the Aqueduct Company by the Water District. The water commissioners are in agreement and ask that you will vote to acquire this water utility.

This evening a Water District Annual and Special Meeting is being held for the election of District Officers, a Bond issue to purchase the Aqueduct Company, a district budget for the acquisition and to establish a special revenue fund to allow the Commissioners to operate the District through user fees as you currently pay now for water and set aside a reserve fund for future improvements.

We need a 2/3 vote of those users and registered voters present at this meeting to acquire the company.

If acceptable, we would hope to close with the company in the summer/fall of 2005. We plan to run the operation as the business has in the past, utilizing only user fees. We expect to operate for approx. 1/4 year prior to our 2006 Annual budget request to you. We, as Commissioners, are pleased to bring these recommendations to you for consideration.

We wish to thank the Towns of Northfield and Tilton for their assistance during our work. Also we thank you for your patience and support during this period.

Tilton Northfield Water District Commissioners

Cathy Russell
Staff 1-d



**United States Department of Agriculture
Rural Development
Vermont/New Hampshire**

August 1, 2005

Mr. Roland C. Seymour, Commissioner
Tilton Northfield Water District
259 Main Street
Tilton, NH 03276

RE: Letter of Conditions
Tilton Northfield Water District
Purchase of Northfield Aqueduct Company
\$7,975,000.00

Dear Roland :

This letter establishes conditions, which must be understood and agreed to before further consideration may be given to your application. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by the Rural Development by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of your application.

This letter is not to be considered as loan approval but a representation of the availability of funds. The project may be completed on the basis of a Rural Development loan not to exceed \$7,975,000.00.

If Rural Development makes the loan, the interest rate charged will be the rate in effect at the time of loan approval or closing whichever is lower. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

You should be aware that you may be requested to refinance your loan with a commercial lender should other credit become available at rates and terms.

Project Funding

The Rural Development loan is based on the following funding breakdown. Any significant changes in the funding must be approved by Rural Development.

Rural Development Loan	\$7,975,000.00
State	\$1,073,520.00
Total	\$9,048,520.00

<http://www.rurdev.usda.gov/vt>
Committed to the future of rural communities

Rural Development is an Equal Opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to USDA, Director, Office of Civil Rights, Washington, D. C. 20250-9410

Upon project completion, any remaining project funds may be used for eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the loan remains the same.

Any remaining loan funds will be applied as an extra payment on the Rural Development indebtedness unless other disposition is required.

Applicant Organization

Rural Development assistance is being made available on the basis that you are a legally organized public body and have provided Rural Development evidence in the form of a Certificate of Organization.

Repayment Schedule

Loan repayment will be scheduled over a period not to exceed thirty (30) years from the date of the first draw against interim or construction financing.

The estimated annual Rural Development debt service requirement will be \$468,292.00 based on amortized payments

Payments will be required annually for both principal and interest.

Proposed Operating Budget and User Rate Schedule

You are required to submit your proposed annual operating budget and rate analysis prior to loan closing. The operating budget should be based on a typical year cash flow and show payment of all operating and maintenance, debt service, and funding of any asset replacement reserves. The operating budget should be supported by the user rate analysis. Please show number of users, average consumption based on a twelve month average and proposed rate structure in your analysis.

Preauthorized Debit Payment Process (PAD)

Payments will be made through the "Preauthorized Debit" (PAD) payment process. This process allows your payment to be electronically debited from your account on the day it is due.

Security Requirements

This loan will be secured by a general obligation bond.

Loan Resolution

The governing board is required to adopt RUS Bulletin 1780-27, Loan Resolution.

Certification of Compliance with Federal Requirements/Laws

The "Certification of Compliance with Federal Requirements/Laws" must be signed by the appropriate official.

Loan Closing Instructions/Disbursement of Funds

Prior to disbursement of funds and loan closing, Rural Development loan closing instructions must be issued by our Office of General Counsel and reviewed by you and your attorney.

Electronically Disbursed Funds

To make funds available in a timelier manner, electronic funds transfer (EFT) will be utilized for loan disbursements.

Bond Counsel

You are required to obtain the services of a Rural Development recognized Bond Counsel for the legal proceedings related to the issuance of the bond. Prior to Rural Development authorization for interim financing borrowing and advertisement for construction bids, Bond Counsel will provide Rural Development with a preliminary bond transcript consisting of preliminary opinion, copy of warning or notice of meeting, proof of posting, result of bond vote, specimen bond, and draft approving opinion. At loan closing, Bond Counsel will provide Rural Development with a final bond transcript and the executed bonds.

If you have not held your bond vote, we suggest you vote the entire project amount so as to avoid delays and possible project cancellation due to insufficient funds. Please contact your Bond Counsel for information on wording your warnings and article.

Title to Facility

Title to all real property owned, or to be acquired, for the facility will be fee simple in the name of the Tilton-Northfield Water District. Any other form of title must be approved by the Rural Development. Title acceptable to Rural Development or an option to purchase must be received prior to advertisement for construction bids.

Easements

If it is necessary to secure easements or rights-of-way for the operation of the facility, they will be obtained in the name of the Tilton-Northfield Water District under the supervision of the local attorney. Forms RD 442-21, "Right-of-Way Certificate," and Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way," will be used. A color-coded rights-of-way map is required. This map should indicate that the applicant has continuous and adequate rights-of-way. It should be prepared under the supervision of the local attorney. All easements and rights-of-way must be obtained prior to advertisement for construction bids.

Accessibility Standards

All facilities financed in whole or in part with Rural Development funds and which are accessible to the public or in which physically handicapped persons may be employed or reside, must be developed in compliance with the Union Federal Accessibility Standards.

As an applicant and future recipient, you are required to comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (29U.S.C. Sec. 794). It provides in relevant part as follows: "No otherwise qualified handicapped individual in the United States...shall, solely be reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Emergency Response Plan and Vulnerability Assessments

An Emergency Response Plan (ERP) must be completed and certification provided to Rural Development prior to the loan closing.

A Vulnerability Assessment (VA) must be completed and certification provided to Rural Development within one year from the date of project completion.

Compliance with Civil Rights Act of 1964

As a recipient of Federal financial assistance, you agreed to comply with Title VI of the Civil Rights Act of 1964 when you signed the "Certification of Compliance with Federal Requirements/Laws". The Act requires that you keep records regarding the race and ethnicity of your water customers. You may need to revise your current application and/or do a separate mailing to your existing customers to obtain this information. Rural Development is required to meet with you periodically, every three to six years, to review your compliance with this Act.

No-Litigation Certificate

At the Rural Development loan closing, your local attorney must issue a certificate that there is no litigation pending that will adversely affect the loan.

Insurance and Bonding

Public liability insurance will be obtained on the entire Rural Development financed facility.

Property damage insurance will be required on all above ground buildings and equipment in the amount of their replacement value.

Worker's Compensation will be carried in accordance with applicable state laws.

Fidelity Bond or Employee Dishonesty coverage will be required for all person(s) entrusted with the receipt and disbursement of funds and custody of valuable property. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of the bond will approximate the annual payment to Rural Development of \$468,292.00. The amount must be reviewed and approved by Rural Development prior to loan closing. RD Form 440-24 may be used.

The above insurances must be obtained and evidence of coverage must be provided to Rural Development prior to loan closing. The insurance must remain in effect for the entire term of the loan.

Financial Reports

Rural Development must review and approve your method of accounting, prior to start of construction or loan closing, whichever occurs first.

In the year in which Federal financial assistance of \$500,000.00 or more is expended an audit shall be performed in accordance with the requirements of OMB Circular A-133. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended.

During the life of the loan, if Federal financial assistance of less than \$500,000.00 is expended per fiscal year and the outstanding Rural Development loan balance is \$1,000,000.00 or more, an audit, in accordance with generally accepted government auditing standards (GAGAS) is be required.

The requirements for submitting an audit report are based upon the total amount of Federal financial assistance expended during your fiscal year from all Federal sources. You are considered to have "expended" Federal financial assistance when: (a) Federal funds have been disbursed, either directly or as a sub recipient from a pass-thru entity; or, (b) when you have incurred expenditures that will be reimbursed with Federal funds.

Quarterly financial reports will also be required until notified otherwise. Form RD 442-2, Statement of Budget, Income and Equity, may be used.

Press Release and Public Events

It is the general practice of Rural Development to issue a press release and hold a media event to announce the award of loan funds. Our Public Information Coordinator, Carolyn Leary (1-802-828-6002), will contact you for local feedback, quotes or assistance with scheduling and planning an event. If you are planning a groundbreaking or open house event on your own, please contact Carolyn immediately to avoid duplication of effort.

Please complete and return the enclosed Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," if you desire that further consideration be given to your application. In signing Form RD 1942-46, you are agreeing to comply with the conditions outlined in this letter as soon as possible.

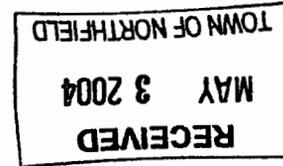
After you have determined that you can comply with all of the above conditions, the necessary documents will be submitted to our Regional Attorney for review. The loan will be closed in accordance with closing instructions issued by them.

If the conditions set forth in this letter are not met or substantial progress achieved by September 15, 2005, the Rural Development reserves the right to discontinue the processing of your application.

Sincerely,

GREGG L. MAC PHERSON
Community Programs Specialist

April 27, 2004

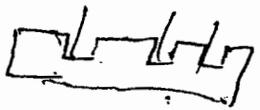


To the Selectmen of the Town of Northfield:

We, the undersigned, being registered voters of the Town of Northfield, hereby petition the Northfield Board of Selectmen to establish a water district in the Town of Northfield and Tilton consisting of the present customers of the Tilton Northfield Aqueduct Company as of the date of this petition, containing within the physical boundaries all of the customer units associated therewith.

- | | | | |
|----|-----|--|---|
| ✓ | 1. | <u>George Flinders</u>
Signature | <u>George FLINDERS</u>
Print your Name and Street Address |
| ✓ | 2. | <u>Robert Landry</u>
Signature | <u>Robert Landry / 23 PARK</u>
Print your Name and Street Address |
| ✓ | 3. | <u>Scott Cavney</u>
Signature | <u>SCOTT CAVENEY</u>
Print your Name and Street Address |
| NO | — | 4. <u>William Osborne</u>
Signature | <u>WILLIAM OSBORNE / 101 PARK</u>
Print your Name and Street Address |
| ✓ | 5. | <u>Harry Laughy</u>
Signature | <u>HARRY J. LAUGHY</u>
Print your Name and Street Address |
| ✓ | 6. | <u>Priscilla Beaulieu</u>
Signature | <u>PRISCILLA BEAULIEU</u>
Print your Name and Street Address |
| NO | — | 7. <u>Ernest Gamblin</u>
Signature | <u>ERNEST GAMBLIN</u>
Print your Name and Street Address |
| NO | — | 8. <u>Chris Blanchard</u>
Signature | <u>Chris Blanchard</u>
Print your Name and Street Address |
| ✓ | 9. | <u>Roberta J. Bacon</u>
Signature | <u>Roberta J. Bacon</u>
Print your Name and Street Address |
| ✓ | 10. | <u>Louis A. Bacon</u>
Signature | <u>Louis A. Bacon</u>
Print your Name and Street Address |

(Note: A similar petition is being circulated in the Town of Tilton. At least 25 signatures of individuals who are both registered voters and water customers from each Town are required so that the Boards of Selectmen of Northfield and Tilton can schedule a joint public hearing on the petition. For further information, contact Joyce Fulweiler, Town Administrator at the Northfield Town Hall (286-7039) or Alice MacKinnon, Town Administrator at the Tilton Town Hall (286-4521)



April 27, 2004

To the Selectmen of the Town of Northfield:

We, the undersigned, being registered voters of the Town of Northfield, hereby petition the Northfield Board of Selectmen to establish a water district in the Town of Northfield and Tilton consisting of the present customers of the Tilton Northfield Aqueduct Company as of the date of this petition, containing within the physical boundaries all of the customer units associated therewith.

- 1. ✓ Ed's Trucking Inc. ED'S TRUCKING INC
Edw Bezaunson Jr EDW BEZAUNSON JR 133 PARKS, NORTHFIELD
Signature Print your Name and Street Address
Roland C. Seymour
- 2. ✓ Roland C. Seymour 123 Park St Northfield, NH 03276
Signature Print your Name and Street Address
- 3. ✓ Derek LaCunage Derek LaCunage
Signature Print your Name and Street Address
183 Crossmill Rd Northfield NH
- 4. ✓ Carol Cross CAROL CROSS
Signature Print your Name and Street Address
Bean Hill Rd Northfield, NH 03276
- 5. ✓ Joyce M. Fulweiler 20 Elliott Corner, Jm (Toll Hall)
Signature Joyce M. Fulweiler 21 Sumner St. Northfield
Print your Name and Street Address
- 6. _____
Signature Print your Name and Street Address
- 7. _____
Signature Print your Name and Street Address
- 8. _____
Signature Print your Name and Street Address
- 9. _____
Signature Print your Name and Street Address
- 10. _____
Signature Print your Name and Street Address

(Note: A similar petition is being circulated in the Town of Tilton. At least 25 signatures of individuals who are both registered voters and water customers from each Town are required so that the Boards of Selectmen of Northfield and Tilton can schedule a joint public hearing on the petition. For further information, contact Joyce Fulweiler, Town Administrator at the Northfield Town Hall (286-7039) or Alice MacKinnon, Town Administrator at the Tilton Town Hall (286-4521)



Town Club's office

April 27, 2004

To the Selectmen of the Town of Northfield:

We, the undersigned, being registered voters of the Town of Northfield, hereby petition the Northfield Board of Selectmen to establish a water district in the Town of Northfield and Tilton consisting of the present customers of the Tilton Northfield Aqueduct Company as of the date of this petition, containing within the physical boundaries all of the customer units associated therewith.

Applic ✓
In-Box

- ✓ 1. William R. Dawson Signature William R. Dawson 39 Bay Street, Northfield Print your Name and Street Address
- ✓ 2. Harold P. Harbor Signature Harold P. Harbor 19 Hidden Lane Northfield Print your Name and Street Address
- ✓ 3. Alberta Cross Signature 121 Park St Northfield Print your Name and Street Address
- ✓ 4. Brandi Drinkwine Signature Brandi Drinkwine 32 Sargent St Northfield Print your Name and Street Address
5. Hanni M. Hager Signature DENNIS W. DYER 50 SANDOGARDY Pk Print your Name and Street Address
6. Robert M. Cunningham Signature Robert M. Cunningham 5 Coffey Ave Northfield Print your Name and Street Address
- ✓ 7. Debra Shepard Signature Debra Shepard 34 Oak Hill Rd Print your Name and Street Address
- ✓ 8. Michael Summers Signature Michael Summers Print your Name and Street Address
- ✓ 9. D B K Signature DAVID KRAJCE 18 Summer St Northfield Print your Name and Street Address
10. _____ Signature _____ Print your Name and Street Address

(Note: A similar petition is being circulated in the Town of Tilton. At least 25 signatures of individuals who are both registered voters and water customers from each Town are required so that the Boards of Selectmen of Northfield and Tilton can schedule a joint public hearing on the petition. For further information, contact Joyce Fulweiler, Town Administrator at the Northfield Town Hall (286-7039) or Alice MacKinnon, Town Administrator at the Tilton Town Hall (286-4521)

Town Club office

April 27, 2004

To the Selectmen of the Town of Northfield:

We, the undersigned, being registered voters of the Town of Northfield, hereby petition the Northfield Board of Selectmen to establish a water district in the Town of Northfield and Tilton consisting of the present customers of the Tilton Northfield Aqueduct Company as of the date of this petition, containing within the physical boundaries all of the customer units associated therewith.

- | | | | |
|--------------------|-----|--|---|
| ✓ | 1. | <u>William R. Dawson</u>
Signature | <u>William R. Dawson 39 Bay Street Northf.</u>
Print your Name and Street Address |
| ✓ | 2. | <u>Harold P. Harbor</u>
Signature | <u>Harold P. Harbor 19 Nidden Lane Northfield</u>
Print your Name and Street Address |
| ✓ | 3. | <u>Alberta Cross</u>
Signature | <u>121 Park St Northfield</u>
Print your Name and Street Address |
| ✓ | 4. | <u>Brandi Drinkwine</u>
Signature | <u>Brandi Drinkwine 32 Sargent St Northfield</u>
Print your Name and Street Address |
| Applic ✓
In-Box | 5. | <u>Hanni M. Yger</u>
Signature | <u>DENNIS W. DYER 50 SANDOGARDY Pd. 1</u>
Print your Name and Street Address |
| - | 6. | <u>Robert M. Cunningham</u>
Signature | <u>Robert M. Cunningham 5 Coffin Ave Northfield</u>
Print your Name and Street Address |
| ✓ | 7. | <u>Debra Shepard</u>
Signature | <u>Debra Shepard 34 Oak Hill Rd</u>
Print your Name and Street Address |
| ✓ | 8. | <u>Michael Summers</u>
Signature | <u>Michael Summers</u>
Print your Name and Street Address |
| ✓ | 9. | <u>D B K</u>
Signature | <u>DAVID KRAJCE 18 Summer St Northfield</u>
Print your Name and Street Address |
| | 10. | _____
Signature | _____
Print your Name and Street Address |

(Note: A similar petition is being circulated in the Town of Tilton. At least 25 signatures of individuals who are both registered voters and water customers from each Town are required so that the Boards of Selectmen of Northfield and Tilton can schedule a joint public hearing on the petition. For further information, contact Joyce Fulweiler, Town Administrator at the Northfield Town Hall (286-7039) or Alice MacKinnon, Town Administrator at the Tilton Town Hall (286-4521)

**TOWN OF NORTHFIELD, NEW HAMPSHIRE
BOARD OF SELECTMEN'S MEETING
Northfield Town Hall
21 Summer Street
Northfield, NH 03276
June 1, 2004**



Minutes

Present: Sel. Brown, Sel. Dearborn and Sel. Knowlton. The Chairman called the meeting to order at 7:05 p.m.

I. PUBLIC APPOINTMENTS:

A resident was present to file a complaint about a junk yard and unregistered vehicles on property on Hodgdon Road. Dana Dickson was present for the discussion. The Board will follow up on the complaint.

II. GENERAL BUSINESS:

- A. The Board reviewed and approved accounts payable and payroll manifests.
- B. The Board reviewed general correspondence.
- C. Approval of Minutes of the Board of Selectmen's Meeting:

Motion: Motion by Sel. Knowlton, second by Sel. Brown to accept and place on file the minutes of the May 18th Board of Selectmen's meeting.

Vote: 3-0, motion adopted.

III. OTHER BUSINESS:

The Board discussed the format for the June 10, 2004 meeting and agreed to send a letter to Northfield registered voters and water customers urging them to attend the Public Meeting on June 10, 2004 at 7:00 p.m. at the Winnisquam Regional High School to vote to create a water district to purchase the water company. The Tilton Northfield Aqueduct Company is being offered for sale and the current owners of the company want to offer it to the Towns of Tilton and Northfield first before they put it on the open market. This is a one time opportunity and is in the best interest of Northfield residents to have control over our water source and control over future water rate increases. The current boundaries of the proposed water district will be the current water customers within Tilton and Northfield. Only individuals who are currently a water customer and a registered voter are allowed to vote at this upcoming meeting. This district will be its own municipal corporation, separate from the Town governments of Tilton and Northfield because it is comprised of just the

water customers (similar to the sewer district which is comprised of those properties which are connected to sewer). Once those in attendance vote to create the district, the next item of business will be to elect officers.

Following a review of the minutes of when the Highland's village District was created, the Board was in agreement to suggest that there be three Commissioners, a Moderator, a Clerk and a Treasurer. These duly elected officers will then begin the task of negotiating a purchase/sale agreement, securing funding sources (i.e. grants and loans) to pay for the purchase, and will be responsible for the operation and maintenance of the system once purchased. The Board also agreed that the new commissioners will need technical assistance during this organizational phase. There was discussion of hiring a consultant to work with them and suggested that the NTEDC Board of Directors be contacted to see if they would be willing to hire the consultant to the water district in the interim.

J. Fulweiler will contact Peter Russell, Richard Mayer, President of NTEDC and Robert Brown, Chairman of the Tilton Board of Selectmen.

IV. **ADJOURNMENT:**

There being no further business, the meeting adjourned at 9:15 p.m.

**TOWN OF NORTHFIELD, NEW HAMPSHIRE
BOARD OF SELECTMEN'S MEETING
Northfield Town Hall
21 Summer Street
Northfield, NH 03276
May 18, 2004**

Minutes

Present: Sel. Brown. Sel. Dearborn and Sel. Knowlton were excused. The Chairman declared that there would be no meeting due to the lack of a quorum.

I. PUBLIC APPOINTMENTS:

- A. Robert Brown, Chairman of the Tilton Board of Selectmen and Katherine Dawson, Tilton Selectman present to discuss the creation of a water district for the purposes of purchasing the Tilton Northfield Aqueduct Company. The Towns of Tilton and Northfield Board of Selectmen each received a petition duly signed by at least 10 registered voters residing in the proposed water district. The Selectmen prepared a warrant to the inhabitants of the Towns of Tilton and Northfield residing within the bounds of the proposed water district and qualified to vote in District affairs to meet at the Winnisquam Regional High School at 7:00 p.m. Thursday, June 10, 2004 at 7:00 p.m. to act upon the following subjects: Article 1. To see if the voters will vote to create a water district in the Towns of Tilton and Northfield consisting of the present customers of the Tilton and Northfield Aqueduct Company, containing within the physical boundaries all of the customer units associated therewith and Article 2. To choose all necessary officers for the district. Robert Brown and Glen Brown, Chairman of the Boards of Selectmen signed a letter to be sent to each registered voter in the district informing them of the meeting.
- B. There were three members of the public in attendance, Randy Barclay, Jeff Dutton and Stephen Rufo who wished to address the Board with their individual concerns. Chairman Brown said that he would schedule a Selectmen's meeting next Tuesday, May 25, 2004 and asked that they return then.

**TOWN OF NORTHFIELD, NEW HAMPSHIRE
BOARD OF SELECTMEN'S MEETING
Northfield Town Hall
21 Summer Street
Northfield, NH 03276
May 25, 2004**

Minutes

Present: Sel. Brown, Sel. Dearborn and Sel. Knowlton. The Chairman called the meeting to order at 7:05 p.m.

I. PUBLIC APPOINTMENTS:

- A. Randy Barclay, resident on Forrest Road, present to discuss the Zoning Board of Adjustment and their recent decision to grant a variance to SJ Equipment Company.
- B. Christopher Hunt, Chairman of the Planning Board, present to discuss Planning Board's intention to taking proactive steps, i.e. creation of a Village District; looking at the land uses in the area of Scribner Road and Cross Mill Road; etc. in preparation of 2005 Zoning Ordinance amendments, suggested forming a subcommittee and requested expanding the circuit rider planner contract to obtain professional expertise in these matters.
- C. Cathy Thibeault, Chairman of the Conservation Commission, was unable to attend this evening's meeting and asked J. Fulweiler to present the Conservation Commission's recommendations regarding a land purchase. Following discussion,

Motion: Motion by Sel. Dearborn, second by Sel. Knowlton to proceed with the Conservation Commission's recommendation to accept the Spaulding Youth Center Foundations' counter offer to purchase a 30 +/- acre parcel (bordered by Interstate 93 and the Winnepesaukee River) for the amount of \$22,500. The deed will specify that this property is to be used, in perpetuity, for public recreation and conservation purposes; and that the parcel will be named the "Richard P. Smart Conservation Area" in recognition of his life-long service to the both the Town of Northfield and the Spaulding Youth Center.

Vote: 3-0, motion adopted.

The Board approved contacting Attorney Mayer to prepare the purchase and sale agreement in accordance with the alternatives outlined in his

correspondence of February 20, 2004 and also to conduct a title search.

Regarding the status of purchasing the Doubleday Easement, Attorney Chandler has prepared the easement deed and conducted the title search, and closing is scheduled for Friday, June 4, 2004 at 11:00 a.m.

- D. Jeffrey Dutton, resident of Shaw Road was present to discuss his concerns about residential development and the impact on the condition of Shaw Road, the need for a noise ordinance to restrict the use of construction equipment during certain hours, and the need for the Town to adopt building codes. Albert Cross, Road Agent, Scott Hilliard, Chief of Police participated in the discussion.

II. **GENERAL BUSINESS:**

- A. The Board reviewed and approved accounts payable and payroll manifests.
B. The Board reviewed general correspondence.
C. Approval of Minutes of the Board of Selectmen's Meeting:

Motion: Motion by Sel. Knowlton, second by Sel. Brown to accept and place on file the minutes of the April 20th Board of Selectmen's meeting.

Vote: 3-0, motion adopted.

Motion: Motion by Sel. Dearborn, second by Sel. Brown to accept and place on file the minutes of the May 4th Board of Selectmen's meeting.

Vote: 3-0, motion adopted.

- D. Chairman Brown informed the Board that Robert Brown, Chairman of the Tilton Board of Selectmen and Katherine Dawson, Tilton Selectman were present at the May 18, 2004 Selectmen's meeting to discuss the creation of a water district for the purposes of purchasing the Tilton Northfield Aqueduct Company. The Towns of Tilton and Northfield Board of Selectmen each received a petition duly signed by at least 10 registered voters residing in the proposed water district. The Selectmen prepared a warrant to the inhabitants of the Towns of Tilton and Northfield residing within the bounds of the proposed water district and qualified to vote in District affairs to meet at the Winnisquam Regional High School at 7:00 p.m. Thursday, June 10, 2004 at 7:00 p.m. to act upon the following subjects: Article 1. To see if the voters will vote to create a water district

in the Towns of Tilton and Northfield consisting of the present customers of the Tilton and Northfield Aqueduct Company, containing within the physical boundaries all of the customer units associated therewith and Article 2. To choose all necessary officers for the district. Robert Brown and Glen Brown, Chairman of the Boards of Selectmen signed a letter to be sent to each registered voter in the district informing them of the meeting.

The Northfield Board of Selectmen are in agreement that forming a water district and purchasing the water company would be in the best interest of the Town of Northfield and will encourage the formation of said water district. Chairman Brown stated that the June 1, 2004 Selectmen's meeting will be a work session to prepare for the upcoming Water District Meeting.

III. **POLICE DEPARTMENT:**

Chief Hilliard was present. The Board approved his recommendation to make a conditional offer of employment for an animal control officer and a police officer to fill a full time officer vacancy. There was discussion of the proposed noise ordinance and the need to have one prepared for 2005 Town meeting. The Chief informed the Board that he has revised the Police Department Employment Contract in accordance with Attorney Mayer's suggestions.

There was discussion of the Town of Northfield Compensation and Pay Plan Wage Schedule which was updated following Town Meeting and reflects a 6% increase to the minimum, mid point and maximum pay ranges for each labor grade. The Board approved Chief Hilliard's pay recommendations and the hiring of uncertified police officers at \$14.88 per hour.

IV. **HIGHWAY DEPARTMENT:**

Albert Cross, Road Agent present to discuss general departmental matters. The Board approved the hiring of a temporary, part time secretary for the highway department to work 14 hours per week. The Board signed Pike paving contracts for the following paving projects: Cottage Street - 1" overlay; Union Road - shim, 1" overlay; Shaw Road - 1" overlay; Hidden Lane - reclaim, hot mix 2" base; Greenwood Drive - hot mix 2" base; Knowles Pond Road - reclaim, hot mix 2" base.

The Board was informed that the Town is ready to submit invoices and close out

State SAR Dearborn Road/Sargent Street/Park Street project. The Board asked J. Fulweiler to notify Division III that there are still drainage problems at Park Place, Four Places, Northfield Police Station, the Northfield Highway Garage and request they be corrected before year end.

The Board was informed that a resident has complained about beaver dams below Sandogardy Pond. Mr. Cross contacted Fish & Game and they recommended the name of a trapper.

V. **TOWN ADMINISTRATION:**

The Board was reminded that on Wednesday, June 16, 2004 at noon at the Northfield Town Hall there will be a safety training seminar conducted by Primex3, the Town's workers compensation insurance carrier. This is a requirement of the Town's Joint Loss Safety Management Program therefore attendance is mandatory.

The HealthTrust, the Town's medical insurance carrier, has scheduled a "Wellness Seminars" for the Highway Department employees on June 8th at 2:30 p.m. Amy Gilbert will contact Chief Hilliard directly to schedule a time in July for the Police Department employees. Town Hall employees can attend either seminar.

Following a review of the Zoning Board of Adjustment's May 5, 2004 decision granting a variance to the S.J. Equipment LLC, the Board signed a Motion for Rehearing.

The Board reviewed correspondence from Attorney Barton Mayer regarding the status of the sewer system existing with the Town of Northfield. The sewer district was established pursuant to a vote at a Special Town Meeting held on November 3, 1981. This district is an independent governmental entity, separate and distinct from the Town of Northfield. The Town is not responsible for the sewer lines within Riverside Business Park. This is a matter to be resolved by the Sewer District and the owners of lots within the park and the developer. Following discussion, the Board agreed to send a copy of the letter to the Northfield Sewer Commissioners, Eptam Plastics and Ody Cormier.

The Board agreed to follow up on Lisa Martin's recommendation to apply for a permit to replace the existing culvert at the Knowles Pond dam.

The Board discussed water problems caused by the Donahue pond on Bean Hill Road. The Board agreed to review the file and send a letter to Donahue's

requesting they fix the outlet pipe to their dam as the run off is causing damage to the Town's road way.

Motion: **Motion by Sel. Dearborn, second by Sel. Brown to appoint James Knowlton as an alternate member of the Zoning Board of Adjustment.**

Vote: **3-0, motion adopted.**

The Board reviewed the Salchli Holding's variance application to the Zoning Board of Adjustment. Following a review of the driveway encroachment, the Board agreed to send the Zoning Board of Adjustment a letter bringing this to their attention and request that the driveway be moved off town property.

Sel. Knowlton will follow up with Paul Darbyshire regarding the boundary line adjustment with Beyor and the Town's Recycling Area parcel off Sargent Street.

There was discussion of the school funding just passed by the State legislature and how it impacts Northfield and the Cooperative School District as a whole.

VI. **ADJOURNMENT:**

There being no further business, the meeting adjourned at 10:05 p.m.

April 23, 2004

RECEIVED

MAY 1 2004

SELECTMENS OFFICE - TILTON

To the Selectmen of the Town of Tilton:

We, the undersigned, being registered voters of the Town of Tilton, hereby petition the Board of Selectmen to establish a water district in the towns of Northfield and Tilton consisting of the present customers of the Tilton and Northfield Aqueduct Company as of the date of this petition, containing within the physical boundaries all of the customer units associated therewith."

1. Sarah J Havlock
signature

2. Linda Moorhead
signature

3. Gerald Caldwell
signature

4. Bernard W Chapman
signature

5. Arthur Greenwood
signature

Kleaver Magon
signature

7. Jack J Magon
signature

1. Sarah J Havlock
print or type name
14 Peabody St Tilton
street address

2. Linda Moorhead
print or type name

2. 12 Peabody Tilton NH
street address

3. 8 Peabody St.
print or type name

3. GERALD CALDWELL
street address

4. BERNARD W CHAPMAN
print or type name

4. 22 WINTER STREET
street address

5. 20 winter street
print or type name

5. Arthur Greenwood
street address

6. Kleaver Magon
print or type name

6. 10 Peabody St.
street address

7. Jack Magon
print or type name

7. 10 Peabody St
street address

April 23, 2004

RECEIVED

MAY 1 2004

SELECTMENS OFFICE - TILTON

To the Selectmen of the Town of Tilton:

We, the undersigned, being registered voters of the Town of Tilton, hereby petition the Board of Selectmen to establish a water district in the towns of Northfield and Tilton consisting of the present customers of the Tilton and Northfield Aqueduct Company as of the date of this petition, containing within the physical boundaries all of the customer units associated therewith."

1. Cynthia D Reinartz
signature

1. Cynthia D Reinartz
print or type name
28 Prospect St, Tilton
street address

2. Heber J. Feener
signature

2. HEBER J. FEENER
print or type name

2. 29 WINTER ST, TILTON
street address

3. Elizabeth A. Feener
signature

3. Elizabeth H. Feener
print or type name

3. 329 Winter St. Tilton NH.
street address

4. Nathan Morrison
signature

4. NATHAN MORRISON
print or type name

4. 22 Peabody St. Tilton NH
street address

5. Sherry Morrison
signature

5. SHERRY MORRISON
print or type name

5. 22 Peabody St. Tilton NH
street address

6. Stuart LeValley
signature

6. 17 Peabody St Tilton NH
print or type name

6. Stuart LeValley
street address

7. Robin LeValley
signature

7. Robin LeValley
print or type name

7. 17 Peabody St. Tilton
street address



TOWN OF TILTON

257 MAIN STREET, TILTON, NEW HAMPSHIRE 03276

(603) 286-4521 (603) 286-4425 FAX (603) 286-3519

FAX

To: Gery Morin
Metrocast

From: Alice MacKinnon,
Town Administrator

Fax: 527-2041

Pages (including cover sheet)

3

For: Public access

Date: 5/24/04

Comments:

5/24/04

posted:

Tiltny Northfield
Town Hall
public access

also copy to Ken Money.

Petition, Village Water District:

Chairman Brown informed the Board that a petition has also been circulated in the town of Northfield and has been signed by more than ten of the district voters in Northfield. Chairman Brown stated they need to establish the boundaries for this district under RSA: 52. Chairman Brown asked the Board if they would agree to a joining meeting with the Northfield Board of Selectmen at their May 18th meeting. Alice said she discussed this with Northfield Town Administrator Joyce Fulweiler and this date would be fine. Alice said the meeting would be to agree on the boundaries and to agree on the date of the District meeting. All of the Selectmen with the exception of Selectman O'Leary who has a prior commitment will attend the meeting. Alice will finalize this with Joyce to place the Tilton Selectmen on the agenda.

Chairman Brown discussed an e-mail that was received from the town of Plaistow asking if Tilton would like to participate in the possible law suite against the State regarding Education Funding issues, especially SB30, 302. Selectman O'Leary suggested putting this on hold as the Attorney General told the legislature that what they are doing right now is illegal and will not meet the constitutionality test. The Board agreed to table this until they see what the legislature does. Alice will give this information to Northfield Town Administrator Joyce Fulweiler as the town of Northfield also received the e-mail from the town of Plaistow.

Old Business:

Awnings over School Street door and second set of doors on Main Street.

Chairman Brown explained the revised estimate is for the School Street entrance awning. It will be a heavy metal sheet that will be put under the canvas to protect from falling ice going through the awning. The Board discussed this and agree it would be the same problem of falling ice over the second set of doors on Main Street. The total estimate for both of the awnings is \$3,930.00, plus the \$426.00 for the metal sheet. The Board further discussed this and feel the best thing to do is to maintain the second set of doors with a coat of varnish every couple of years. The Board is in agreement that the estimate is too costly.

Main Street, Trash removal:

Chairman Brown suggested they add this to their project list. Chairman Brown and Selectman Foye will serve on this committee. They will address issues such as Spring Clean-up and trash on Main Street. The committee will have their information for the Board by September 2004.

Post

**TOWN OF TILTON
BELKNAP COUNTY**

**TOWN OF NORTHFIELD
MERRIMACK COUNTY**

STATE OF NEW HAMPSHIRE

To the inhabitants of the Towns of Tilton and Northfield residing within the bounds of the proposed water district and qualified to vote in District Affairs:

YOU ARE HEREBY NOTIFIED TO MEET IN THE CAFETERIA AT THE WINNISQUAM HIGH SCHOOL AT 7:00 P.M. THURSDAY, JUNE 10, 2004 AT 7 PM TO ACT UPON THE FOLLOWING SUBJECTS:

Article 1. To see if the voters will vote to create a water district in the towns of Tilton and Northfield consisting of the present customers of the Tilton and Northfield Aqueduct Company, containing within the physical boundaries all of the customer units associated therewith.

Article 2. To choose all necessary officers for the district.

Given under our hands and seal this 18th day of May in the year of our Lord, two thousand and four.

TOWN OF TILTON

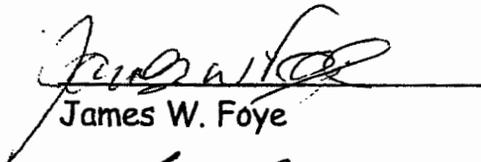
TOWN OF NORTHFIELD



Robert G. Brown, Chairman



Glen F. Brown, Chairman



James W. Foye



Lana Dearborn



Steven J. O'Leary



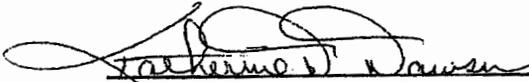
James Knowlton



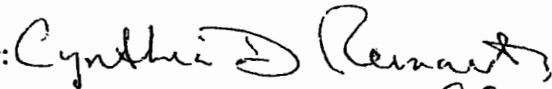
TOWN OF TILTON
TOWN OF NORTHFIELD
2004 WATER DISTRICT WARRANT



Richard A. Manseau



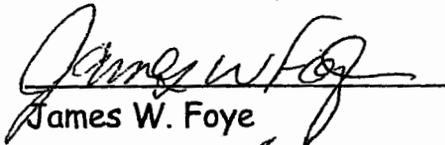
Katherine D. Dawson

A true copy of warrant, attest: 
Town Clerk 5/20/04

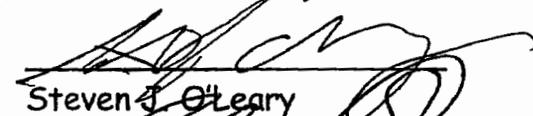
TOWN OF TILTON



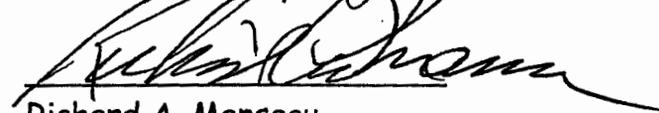
Robert G. Brown, Chairman



James W. Foye

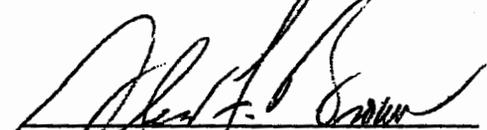


Steven J. O'Leary



Richard A. Manseau

TOWN OF NORTHFIELD



Glen F. Brown, Chairman



Lana Dearborn

James Knowlton



Katherine D. Dawson



TOWN OF NORTHFIELD

21 Summer Street • Northfield, NH 03276



May 20, 2004

Dear registered voter:

The Boards of Selectmen of Tilton and Northfield have each received a petition from registered voters requesting that a water district in the town of Northfield and Tilton be established and the district be defined as "the present customers of the Tilton and Northfield Aqueduct Company containing within the physical boundaries all of the customer units associated therewith".

Upon receipt of such a petition, the Selectmen are required to call an organizational meeting of the registered voters who live in the proposed district so that the voters residing within the bounds of the proposed district can decide if such a district should be established.

Accordingly, please be advised that you are hereby notified to meet at the Winnisquam High School in the cafeteria at 7:00 p.m. on the 10th day of June to act upon the following subjects:

1. To see if the voters will vote to create a water district in the towns of Tilton and Northfield consisting of the present customers of the Tilton and Northfield Aqueduct Company, containing within the physical boundaries all of the customer units associated therewith.
2. To choose necessary officers for the district.

Very truly yours,


Robert G. Brown, Chairman
Board of Selectmen
Town of Tilton


Glen Brown, Chairman
Board of Selectmen
Town of Northfield

**Water District Meeting
Winnisquam Regional High School Auditorium
Tilton, New Hampshire
June 10, 2004**

James Shepherd, called the meeting to order at 7:09 p.m. He stated that the Selectmen asked him to serve as acting Moderator until a Moderator is elected. There being no objection from the voters present, J. Shepherd read the posted Warrant:

Town of Tilton, Belknap County
Town of Northfield, Merrimack County,
State of New Hampshire

To the inhabitants of the Towns of Tilton and Northfield residing within the bounds of the proposed water district and qualified to vote in District Affairs: You are hereby notified to meet in the cafeteria at the Winnisquam High School at 7:00 p.m. on Thursday, June 10, 2004 to act upon the following subjects:

Article 1. To see if the voters will vote to create a water district in the Towns of Tilton and Northfield consisting of the present customers of the Tilton and Northfield Aqueduct Company, containing within the physical boundaries all of the customer units associated therewith.

Article 2. To choose all necessary officers for the district.

Given under our hands and seal this 18th day of May in the year of our Lord, Two thousand and four. Signed - Town of Tilton Board of Selectmen: Robert G. Brown, Chairman, James W. Foye, Steven J. O'Leary, Richard A. Manseau, Katherine D. Dawson. Town of Northfield Board of Selectmen - Glen F. Brown, Chairman and Lana Dearborn. A true copy of warrant, attest: Cynthia D. Reinartz, Tilton Town Clerk. Signed - Town of Tilton Board of Selectmen: Robert G. Brown, Chairman, James W. Foye, Steven J. O'Leary, Richard A. Manseau, Katherine D. Dawson. Town of Northfield Board of Selectmen - Glen F. Brown, Chairman and Lana Dearborn.

Article 1 as read was moved by William Joscelyn and seconded by Christian Tolme. Mr. Joscelyn asked for clarification of the district boundaries. Mr. Dwinnell asked about the condition of the TNAC and Mr. Ken Money explained all of the improvements that have been made to the system over the years. Heber Feener spoke in favor of forming a water district to purchase the water company. Florence Dawson stated that Mr. Joscelyn's question had not been answered. Richard Skarinka, an engineer with the NH Department of Environmental Services, Water Supply and Pollution Control Division made a

brief presentation describing the current water system, the improvements that have been made, the State's regulatory oversight, statutes governing water districts (RSA 52), procedures to follow to expand the water district boundaries and technical assistance that the State can provide municipalities and districts in the management/operation of public water supplies. He introduced Robert Morency, RCAP consultant who can also provide technical assistance.

Mr. Medford Sattler expressed his concern that the current district boundaries may be excluding parcels that are not currently connected to water service.

Mr. Robert Petrin asked how the district is to be governed. Alice MacKinnon explained that once the district is created, officers will be elected. The commissioners will develop bylaws. The Commissioners will have to hold a district meeting to obtain approval for the purchase of the system.

Mr. James Lamanuzzi asked if the district would have the ability to assess taxes. Ms. McKinnon responded that the statutes allow for this, however, it is the intention of the water district to be remain user fee based.

Mr. Barry Conway, New Hampshire Veteran's Home asked if the Veteran's Home, the Tilton School and private companies would be charged user fees and Ms. MacKinnon responded in the affirmative.

A motion was made to move the question. There was a second. On a voice vote, the Moderator declared the motion passed and debate was terminated. The Moderator read Article 1 and asked all those in favor to please stand. At the request of the Moderator, Mr. William Joscelyn and Christian Tolme counted the votes – 71 in favor. Those opposed – 0. Mr. Shepherd declared Article 1 adopted unanimously on a vote of 71-0.

The Moderator read Article 2. It was moved and seconded. The Moderator stated that the officers are as follows: three commissioners, a treasurer, a clerk and a moderator. Joyce Fulweiler, Northfield Town Administrator stated the Boards of Selectmen would offer technical assistance to the commissioners while they organize. Mr. Richard Montambeault, Lochmere Water District Commissioner offered his assistance to the newly created district.

The Moderator declared a brief recess at 7:40 p.m.
At 7:50 p.m. the Moderator reconvened the meeting.

The following names were placed in nomination:

Water District Meeting
June 10, 2004
Page 3.

Water District Commissioners:

Heber Feener, Roland Seymour and Frances LaBranche.

Clerk: Josephine Nichols.

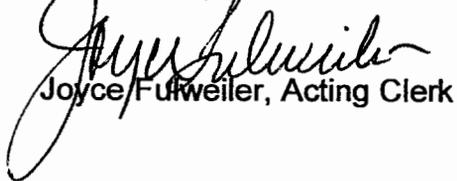
Treasurer: Ann Glidden

Moderator: James Shepherd as Moderator.

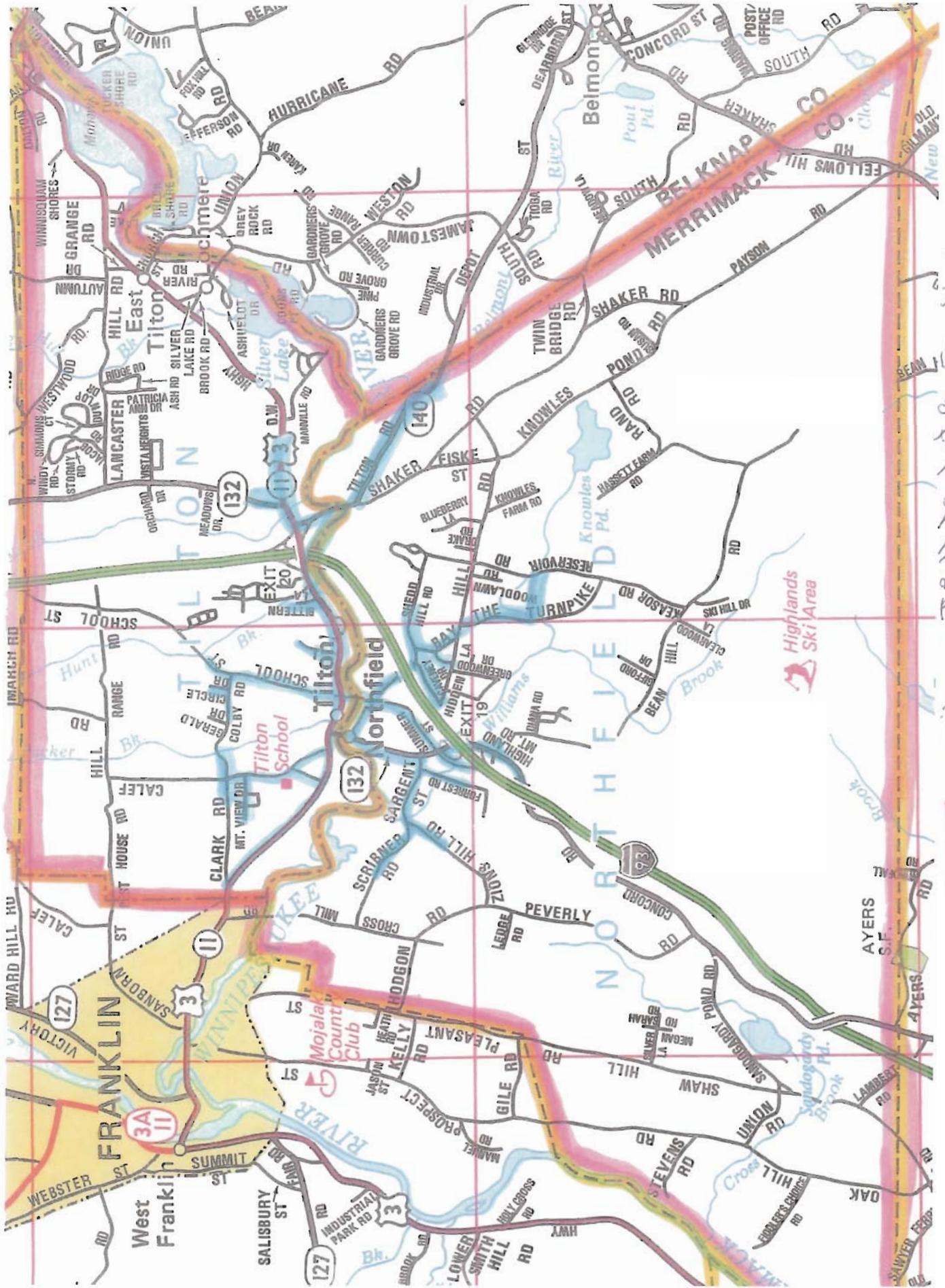
It was moved and seconded. On a voice vote the motion passed unanimously.

There being no further business before the district, it was moved and seconded to adjourn the meeting. On a voice vote the motion passed unanimously and the meeting adjourned at 8:15 p.m.

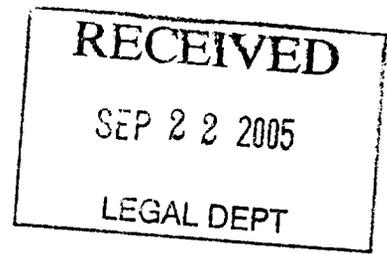
Respectfully submitted,



Joyce Fulweiler, Acting Clerk



— Tilton Northfield Regional Co. water lines
— Limits of Tilton Northfield water lines



JAY C. BOYNTON

Attorney at Law

Andover Arms, 266 Main Street, PO Box 395

Andover, New Hampshire 03216-0395

E-mail jboynton@mail.tds.net

Telephone
603) 735-5554

Fax
(603) 735-5564

September 20, 2005

Marcia A. B. Thunberg, Staff Attorney
Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

Re: DW 05-135 Tilton & Northfield Aqueduct Company, Inc.
Staff Data Requests – Set No. 1

Dear Attorney Thunberg:

Thank you for your letter of September 13th, 2005.

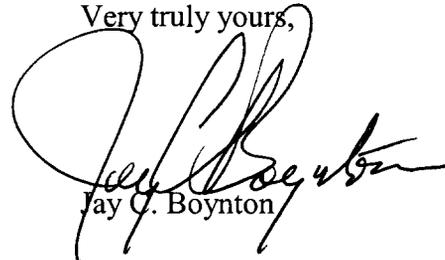
As you may recall, this is a joint petition involving both the Tilton and Northfield Aqueduct Company, Inc. and the Tilton and Northfield Water District. Many of the staff data requests call for responses from the Water District.

It did not appear, from the materials that you sent to me, that a copy was sent to the Water District Commissioners. I will forward a copy with the request that the Commissioners respond directly to you with respect to the data requests applicable to them.

I have enclosed responses by the Tilton and Northfield Aqueduct Company, Inc.

Please call me if you have any questions.

Very truly yours,



Jay C. Boynton

JCB/rab

Enclosure

Cc: Service List
Kenneth F. Money
Peter Russell
Water District Commissioners

PURSUANT TO N.H. ADMIN RULE 204.04 (C), FILE DISCOVERY

DIRECTLY WITH THE FOLLOWING STAFF

RATHER THAN WITH THE EXECUTIVE DIRECTOR

COPY

LIBRARIAN
NHPUC
21 SOUTH FRUIT ST, SUITE 10
CONCORD NH 03301-2429

BULK MATERIALS:

Upon request, Staff may waive receipt of some of its multiple copies of bulk materials filed as data responses. Staff cannot waive other parties' right to receive bulk materials.

LEGAL DEPARTMENT
NHPUC
21 SOUTH FRUIT ST, SUITE 10
CONCORD NH 03301-2429

JAYSON LAFLAMME
NHPUC
21 SOUTH FRUIT ST, SUITE 10
CONCORD NH 03301-2429

AMANDA NOONAN
CONSUMER AFFAIRS DIRECTOR
NHPUC
21 SOUTH FRUIT ST, SUITE 10
CONCORD NH 03301-2429

JAY C BOYNTON
ANDOVER ARMS 266 MAIN STREET
PO BOX 395
ANDOVER NH 03216-0395

Docket #: 05-135-1 Printed: August 24, 2005

FILING INSTRUCTIONS:

WITH THE EXCEPTION OF DISCOVERY (SEE NEXT PAGE) FILE 1 ORIGINAL & COVER LETTER, PLUS 8 COPIES (INCLUDING COVER LETTER) TO:

DEBRA A HOWLAND
EXEC DIRECTOR & SECRETARY
NHPUC
21 SOUTH FRUIT STREET, SUITE 10
CONCORD NH 03301-2429

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSISON
RESPONSE OF THE TILTON & NORTHFIELD AQUEDUCT COMPANY, INC.
TO STAFF DATA REQUESTS
DW 05-135

Now comes the TILTON AND NORTHFIELD AQUEDUCT COMPANY, INC. by and through its President, Kenneth F. Money and respectfully responds to the requests for information directed to the Company in writing and under oath.

Other data requests were directed toward the TILTON AND NORTHFIELD WATER DISTRICT, Co-Petitioner, and a copy of both this response and the original data request has been forwarded to them.

Staff Data Request 1-1a

Response of Kenneth F. Money

Please provide the following: Any documentation supporting the statement in para. 8 of the Petition that the "Department of Environmental Services has approved the suitability and availability of water".

Copies of the approval for pumping from New Hampshire Department of Environmental Services (NH-DES) dated March 14, 1997 and the most recent water quality analysis from NH-DES are attached as Exhibits 1 and 2.

Staff Data Request 1-1b

Response of Kenneth F. Money

Please provide the following: The Stock Purchase Agreement originally dated February 11, 2005, referenced in second title line of Petition Exhibit 1.

Copy of the signed Stock Purchase Agreement originally dated February 11, 2005 is attached as Exhibit 3.

Staff Data Request 1-1e

Response of Kenneth F. Money

Please provide the following:
Documentation indicating the type and amount of funding approved by the State of New Hampshire (Money testimony, response 7).

Copy of the NH Secretary of State's QUICK RESULTS August 31, 2005 Governor and Council Meeting - Approved Late Items is attached as Exhibit 4.

Staff Data Request 1-1f

Response of Kenneth F. Money

Please provide the following: The “public announcement ... made by Rural Development on August 24, 2005” (Money testimony, response 10).

Copy of an article from the August 25th, 2005 Laconia Citizen reporting the announcement is attached as Exhibit 5.

Staff Data Request 1-7

Response of Kenneth F. Money

Please explain the relationship of the various owners and trusts listed at the top of Petition Exhibit 1, to the sale.

Kenneth F. Money Revocable Trust, Kenneth F. Money, Trustee, owns stock.
Barbara J. Money Revocable Trust, Barbara J. Money, Trustee, owns stock
Robert W. Marshall Revocable Trust, Barbara J. and Kenneth F. Money, Trustees, owns stock
Jon W. Emerson owns stock
Kenneth F. Money and Barbara J. Money are husband and wife.

Staff Data Request 1-14

Response of Kenneth F. Money

Please provide detail on the agreement between the present shareholders of the company and the District as to continuity of operational supervision. If there is a written agreement, please provide.

There is no written agreement. However, Kenneth F. Money, President and Barbara J. Money, Vice President have agreed to continue working for the Water District for a reasonable amount of time to allow for an orderly transition in obtaining replacement personnel. Since we plan on living in Tilton, we expect to be available for consultation for a as long a time as needed.

Respectfully submitted:

Tilton and Northfield Aqueduct Company, Inc.

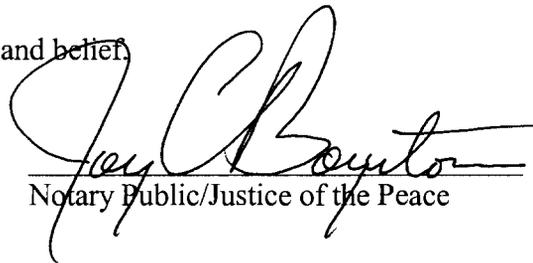
For the Company and Shareholders:


Kenneth F. Money, President, Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

Kenneth F. Money appeared and signed this before me and took oath that the facts stated above are true, to the best of his knowledge and belief.

September 20, 2005


Notary Public/Justice of the Peace

JAY C. BOYNTON, Notary Public
My Commission Expires December 19, 2006



State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES
6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-3644 FAX (603) 271-2181

Staff 1-1a

EXHIBIT 1



March 14, 1997

Kenneth Money, President
Tilton-Northfield Aqueduct Company
c/o Jay C. Boynton, Esquire
Post Office Box 395
Andover New Hampshire 03216

Subject: CWS Tilton: Tilton-Northfield Aqueduct Company EPA ID 2351010-002, 003
Two New Large Overburden Wells, Burd Site

Dear Mr Money:

This letter is to inform you that the subject wells have been approved under New Hampshire Administrative Rule Env-Ws 378 - *Site Selection of Wells for Community Water Supply Systems*.

The Caswell, Eichler & Hill (CEH) March 13, 1997 letter received today by facsimile addresses the concerns the Department had regarding sustainable yield. The conceptual model and analyses contained in CEH's letter support 1,152,000 gallons as a reasonable permitted production volume for this well site.

The permitted production volume is the maximum volume that may be withdrawn from a well over any twenty-four-hour period. The permitted production volumes for wells 1 and 2 are shown in the table below. Additionally, the total amount of water withdrawn from both wells combined shall not exceed 1,152,000 gallons per day. Requests to increase the permitted production volume shall require submission of the same information necessary for approval of a new well.

The sanitary radii shown in the table below define the circular area around each well that must remain in a natural state and under the water system's control.

New Well	Source ID	Permitted Production Volume	Sanitary Radius
Well 1	2351010-002	1,152,000 gallons	400 feet
Well 2	2351010-003	720,000 gallons	400 feet

The results of the Safe Drinking Water Act analyses presented in the report will be forwarded to the Department's chemical monitoring program for assignment to this well. The analyses were conducted at the Department's Laboratory as sample numbers L22577 and L22738.

Kenneth Money/TiltonNorthfield Aqueduct
Burd Site
March 14, 1997
Page 2 of 2

The Potential Contamination Source Management Program approved for this well site requires that, at a minimum, Tilton Northfield Aqueduct Company must update their inventories and complete compliance visits and education activities before April 2000, and at least once every three years after that.

This office has previously commented on contract documents for pumping facilities and connecting water mains. These documents are hereby approved for public advertising. It is understood that the remaining portion of the water supply improvements, the storage reservoir, will proceed on a separate schedule.

Please contact Judy Maloney at 271-3303 if you have any questions regarding this approval.

Sincerely,



Judith A. Maloney, Hydrogeologist
Water Supply Engineering Bureau



Sarah Pillsbury, Section Supervisor
Water Supply Engineering Bureau



L:\GWLIB\PD\S\SITINGS\TILTON7.JAM

cc: Rick Chormann, NH Department of Environmental Services
W. Bradford Caswell, Caswell Eichler & Hill
Richard Hertrich, Dufresne Henry
Jeanne Lawson, NH Department of Environmental Services
Bob Mann, NH Department of Environmental Services
Jennifer Patterson, NH Attorney Generals Office
Rene Pelletier, NH Department of Environmental Services
Gary Smith, DL Maher Co.

MAR 18 1997



State of New Hampshire
 Department of Environmental Services
 6 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
 (603) 271-3445/3446

EXHIBIT 2
 Staff 1-1a

well # 1

Results of Laboratory Analysis

Client ID : CHEM MON
 Sample # : A53339-3
 Collectby : JOHN CHASE
 Collection Date: 02/12/2003 14:12
 Log in Date : 02/13/2003 09:50
 Completion Date: 03/13/2003

Site : NORTHFIELD
 Locator : GPW 1, 69' DEEP, EASTERLY
 Descript : TILTON NORTHFIELD AQUEDUC'
 Account #: 02-01-02
 Project #: 2351010
 Sample Month: FEB

KENNETH MONEY
 TILTON-NORTHFIELD AQUEDUCT CO
 315 MAIN ST
 TILTON NH 03276

SDWA INORGANICS

Analyte	Results	Units	MCL	EPA Method
ALKALINITY	26.2	mg/L		310.1
ANTIMONY	<.003	mg/L	.006	200
ARSENIC	<.001	mg/L	.01	200
BARIUM	<.005	mg/L	2	200
BERYLLIUM	<.002	mg/L	.004	200
CADMIUM	<.001	mg/L	.005	200
CHLORIDE	19	mg/L	250	325.2
CHROMIUM	<.005	mg/L	.1	200
CYANIDE	< .05	mg/L		335.2
FLUORIDE	<.20	mg/L	4	340.2
HARDNESS	35.8	mg/L		200
IRON	.126	mg/L	.3	200
MANGANESE	.1119	mg/L	.05	200
MERCURY	<.001	mg/L	.002	245.1
NICKEL	<.005	mg/L	.1	200
NITRATE-N	.07	mg/L	10	353.2
NITRITE-N	<0.05	mg/L	1	353.2
SELENIUM	<.005	mg/L	.05	200
SILVER	<.005	mg/L	.1	200
SODIUM	10.5	mg/L	250	200
SPECIFIC CONDUCTANCE	140	umhos/cm2		120.1
SULFATE	7	mg/L	250	300.0
THALLIUM	<.001	mg/L	.002	200
ZINC	.0153	mg/L	5	200
pH	6.4	units	6.5	150.1

Authorized Signature: Patricia Bueford

mg/L = milligrams per Liter ug/kg = Micrograms per Kilogram < = Less Than mg/kg = milligrams per Kilogram
 BDL = Below Detection Limit ug/L = micrograms per Liter > = Greater Than MCL = Maximum Contaminant Level
 pCi/L = Pico Curies per Liter P-A = Present - Absent RDL = Reporting Detection Limit

For monitoring information please call (603)271-3139.



State of New Hampshire
 Department of Environmental Services
 6 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
 (603) 271-3445/3446

Results of Laboratory Analysis

Sample #: A53339-1
 Category: CHEM MON
 Matrix : Aqueous
 Collection Date: 02/12/2003 14:12
 Log in Date : 02/13/2003
 Completion Date: 03/13/03

Site : NORTHFIELD
 Collectby : JOHN CHASE
 Locator : GPW 1, 69' DEEP, EASTERLY
 Descript : TILTON NORTHFIELD AQUEDUCT CO
 Account #: 02-01-02
 Project #: 2351010

KENNETH MONEY
 TILTON-NORTHFIELD AQUEDUCT CO
 315 MAIN ST
 TILTON NH 03276

SDWA-VOA

Analyte	Results	RDL	MCL	Analyte	Results	RDL	MCL
1,1,1,2-Tetrachloroethane	BDL	.5		1,1,1-Trichloroethane	BDL	.5	200
1,1,2,2-Tetrachloroethane	BDL	.5		1,1,2-Trichloroethane	BDL	.5	5
1,1-Dichloroethane	BDL	.5		1,1-Dichloroethene	BDL	.5	7
1,1-Dichloropropene	BDL	.5		1,2,3-Trichlorobenzene	BDL	.5	
1,2,3-Trichloropropane	BDL	.5		1,2,4-Trichlorobenzene	BDL	.5	70
1,2,4-Trimethylbenzene	BDL	.5		1,2-Dibromo-3-chloropropane	BDL	.5	.2
1,2-Dibromoethane	BDL	.5		1,2-Dichlorobenzene	BDL	.5	600
1,2-Dichloroethane	BDL	.5	5	1,2-Dichloropropane	BDL	.5	5
1,3,5-Trimethylbenzene	BDL	.5		1,3-Dichlorobenzene	BDL	.5	
1,3-Dichloropropane	BDL	.5		1,4-Dichlorobenzene	BDL	.5	75
2,2-Dichloropropane	BDL	.5		2-Butanone (MEK)	BDL	10	
2-Hexanone	BDL	10		2-Methoxy-2-methylbutane (TAME)	BDL	.5	
4-Methyl-2-pentanone (MIBK)	BDL	10		Acetone	BDL	10	
Benzene	BDL	.5	5	Bromobenzene	BDL	.5	
Bromochloromethane	BDL	.5		Bromodichloromethane	BDL	.5	
Bromoform	BDL	.5		Bromomethane	BDL	.5	
Carbon disulfide	BDL	.5		Chlorobenzene	BDL	.5	100
Chlorodibromomethane	BDL	.5		Chloroethane	BDL	.5	
Chloroform	BDL	.5		Chloromethane	BDL	1	
Dibromomethane	BDL	.5		Dichlorodifluoromethane	BDL	.5	
Diethyl ether	BDL	.5		Diisopropyl ether (DIPE)	BDL	.5	
Ethyl-t-butyl ether (ETBE)	BDL	.5		Ethylbenzene	BDL	.5	700
Hexachlorobutadiene	BDL	.5		Isopropylbenzene	BDL	.5	
Methyl-t-butyl ether (MTBE)	BDL	.5		Methylene chloride	BDL	.5	5
Naphthalene	BDL	.5		Styrene	BDL	.5	100
Tetrachloroethene	BDL	.5	5	Tetrachloromethane	BDL	.5	
Tetrahydrofuran (THF)	BDL	10		Toluene	BDL	.5	1000
Trichloroethene	BDL	.5	5	Trichlorofluoromethane	BDL	.5	
Vinyl chloride	BDL	.5	2	cis-1,2-Dichloroethene	BDL	.5	70
cis-1,3-Dichloropropene	BDL	.5		m/p-Xylenes	BDL	.5	
n-Butylbenzene	BDL	.5		n-Propylbenzene	BDL	.5	
o-Chlorotoluene	BDL	.5		o-Xylene	BDL	.5	
p-Chlorotoluene	BDL	.5		p-Isopropyltoluene	BDL	.5	
sec-Butylbenzene	BDL	.5		tert-Butanol (TBA)	BDL	10	
tert-Butylbenzene	BDL	.5		trans-1,2-Dichloroethene	BDL	.5	100
trans-1,3-Dichloropropene	BDL	.5					

Analytes run in units of : ug/L
 Analytes run by EPA Method: 524.2
 Measure date: 18-FEB-03

Authorized Signature: *Patricia Buford*

mg/L = milligrams per Liter ug/L = micrograms per Liter > = Greater Than
 < = Less Than BDL = Below Detection Limit ug/kg = micrograms per Kilogram
 pCi/L = pico Curies per Liter mg/kg = milligrams per Kilogram P-A = Present/Absent



State of New Hampshire
 Department of Environmental Services
 6 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
 (603) 271-3445/3446

Results of Laboratory Analysis

Sample #: A53339-2
 Category: CHEM MON
 Matrix : Aqueous
 Collection Date: 02/12/2003 14:12
 Log in Date : 02/13/2003
 Completion Date: 03/13/03

Site : NORTHFIELD
 Collectby : JOHN CHASE
 Locator : GPW 1, 69' DEEP, EASTERLY
 Descript : TILTON NORTHFIELD AQUEDUCT CO
 Account #: 02-01-02
 Project #: 2351010

KENNETH MONEY
 TILTON-NORTHFIELD AQUEDUCT CO
 315 MAIN ST
 TILTON NH 03276

SDWA-PEST

Analyte	Results	RDL	MCL	Analyte	Results	RDL	MCL
2,3-Dichlorobiphenyl	BDL	.1		2,4,5-Trichlorobiphenyl	BDL	.1	
2,4-D	BDL	1	70	2-Chlorobiphenyl	BDL	.1	
2-Methylnaphthalene	BDL	.1		22'3'46'-Pentachlorobiphenyl	BDL	.1	
22'33'44'6-Heptachlorobiphenyl	BDL	.1		22'33'45'66'-Octachlorobiphenyl	BDL	.1	
22'44'-Tetrachlorobiphenyl	BDL	.1		22'44'56'-Hexachlorobiphenyl	BDL	.1	
3-Hydroxycarbofuran	BDL	1		4,4'-DDD	BDL	.1	
4,4'-DDE	BDL	.1		4,4'-DDT	BDL	.1	
Acenaphthene	BDL	.1		Acenaphthylene	BDL	.1	
Alachlor	BDL	.2	2	Aldicarb	BDL	1	
Aldicarb Sulfone	BDL	1		Aldicarb Sulfoxide	BDL	1	
Aldrin	BDL	.1		Anthracene	BDL	.1	
Atrazine	BDL	.2	3	Benzo (A) anthracene	BDL	.1	
Benzo (A) pyrene	BDL	.1	.2	Benzo (B) fluoranthene	BDL	.1	
Benzo (G,H,I) perylene	BDL	.1		Benzo (K) fluoranthene	BDL	.1	
Butachlor	BDL	.1		Butylbenzylphthalate	BDL	1	
Carbaryl	BDL	1		Carbofuran	BDL	1	40
Chrysene	BDL	.1		Di-n-butylphthalate	BDL	1	
Dibenz (A,H) anthracene	BDL	.1		Dibromochloropropane	BDL	.02	.2
Dicamba	BDL	1		Dieldrin	BDL	.1	
Diethylphthalate	BDL	1		Dimethylphthalate	BDL	1	
Dinoseb	BDL	.5	7	Endrin	BDL	.1	2
Endrin aldehyde	BDL	.1		Ethylene dibromide	BDL	.02	.05
Fluoranthene	BDL	.1		Fluorene	BDL	.1	
Glyphosate	BDL	25	700	Heptachlor	BDL	.1	.4
Heptachlor Epoxide	BDL	.1	.2	Hexachlorobenzene	BDL	.1	1
Hexachlorocyclopentadiene	BDL	.1	50	Indeno(1,2,3-CD)pyrene	BDL	.1	
Isophorone	BDL	.1		Lindane	BDL	.1	.2
Methomyl	BDL	1		Methoxychlor	BDL	.1	40
Metolachlor	BDL	.1		Metribuzin	BDL	.1	
Naphthalene	BDL	.1		Oxamyl	BDL	1	200
Pentachlorophenol	BDL	.4	1	Phenanthrene	BDL	.1	
Picloram	BDL	1	500	Propachlor	BDL	.1	
Pyrene	BDL	.1		Silvex	BDL	1	50
Simazine	BDL	.1	4	Toxaphene	BDL	3	3
Trifluralin	BDL	.1		alpha-Chlordane	BDL	.1	
bis(2-Ethylhexyl) adipate	BDL	1		bis(2-Ethylhexyl) phthalate	BDL	1	6
gamma-Chlordane	BDL	.1		trans-Nonachlor	BDL	.1	

Analytes run in units of : ug/L

Analytes run by EPA Method: EPA 504.1,505,525.2,531.1,547,555

Measure date: 27-FEB-03

Authorized Signature: Patricia Bickford

mg/L = milligrams per Liter

ug/L = micrograms per Liter

> = Greater Than



State of New Hampshire
 Department of Environmental Services
 6 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
 (603) 271-3445/3446

well # 2

Results of Laboratory Analysis

Client ID : CHEM MON
 Sample # : A53339-6
 Collectby : JOHN CHASE
 Collection Date: 02/12/2003 14:35
 Log in Date : 02/13/2003 09:50
 Completion Date: 03/13/2003

Site : NORTHFIELD
 Locator : GPW 2, 69' DEEP, WESTERLY
 Descript : TILTON NORTHFIELD AQUEDUC'
 Account #: 02-01-02
 Project #: 2351010
 Sample Month: FEB

KENNETH MONEY
 TILTON-NORTHFIELD AQUEDUCT CO
 315 MAIN ST
 TILTON NH 03276

SDWA INORGANICS

Analyte	Results	Units	MCL	EPA Method
ALKALINITY	30.4	mg/L		310.1
ANTIMONY	<.003	mg/L	.006	200
ARSENIC	<.001	mg/L	.01	200
BARIUM	.0108	mg/L	2	200
BERYLLIUM	<.002	mg/L	.004	200
CADMIUM	<.001	mg/L	.005	200
CHLORIDE	33	mg/L	250	325.2
CHROMIUM	<.005	mg/L	.1	200
CYANIDE	<.05	mg/L		335.2
FLUORIDE	<.20	mg/L	4	340.2
HARDNESS	38.6	mg/L		200
IRON	.349	mg/L	.3	200
MANGANESE	.1546	mg/L	.05	200
MERCURY	<.001	mg/L	.002	245.1
NICKEL	<.005	mg/L	.1	200
NITRATE-N	<0.05	mg/L	10	353.2
NITRITE-N	<0.05	mg/L	1	353.2
SELENIUM	<.005	mg/L	.05	200
SILVER	<.005	mg/L	.1	200
SODIUM	18.9	mg/L	250	200
SPECIFIC CONDUCTANCE	191	umhos/cm2		120.1
SULFATE	6	mg/L	250	300.0
THALLIUM	<.001	mg/L	.002	200
ZINC	.0056	mg/L	5	200
pH	6.3	units	6.5	150.1

Authorized Signature: Patricia Beckford

mg/L = milligrams per Liter ug/kg = Micrograms per Kilogram < = Less Than mg/kg = milligrams per Kilogram
 BDL = Below Detection Limit ug/L = micrograms per Liter > = Greater Than MCL = Maximum Contaminant Level
 pCi/L = Pico Curies per Liter P-A = Present - Absent RDL = Reporting Detection Limit

For monitoring information please call (603)271-3139.



State of New Hampshire
 Department of Environmental Services
 6 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
 (603) 271-3445/3446

Results of Laboratory Analysis

Sample #: A53339-5
 Category: CHEM MON
 Matrix : Aqueous
 Collection Date: 02/12/2003 14:35
 Log in Date : 02/13/2003
 Completion Date: 03/13/03

Site : NORTHFIELD
 Collectby : JOHN CHASE
 Locator : GPW 2, 69' DEEP, WESTERLY
 Descript : TILTON NORTHFIELD AQUEDUCT CO
 Account #: 02-01-02
 Project #: 2351010

KENNETH MONEY
 TILTON-NORTHFIELD AQUEDUCT CO
 315 MAIN ST
 TILTON NH 03276

SDWA-PEST

Analyte	Results	RDL	MCL	Analyte	Results	RDL	MCL
2,3-Dichlorobiphenyl	BDL	.1		2,4,5-Trichlorobiphenyl	BDL	.1	
2,4-D	BDL	1	70	2-Chlorobiphenyl	BDL	.1	
2-Methylnaphthalene	BDL	.1		22'3'46'-Pentachlorobiphenyl	BDL	.1	
22'33'44'6'-Heptachlorobiphenyl	BDL	.1		22'33'45'66'-Octachlorobiphenyl	BDL	.1	
22'44'-Tetrachlorobiphenyl	BDL	.1		22'44'56'-Hexachlorobiphenyl	BDL	.1	
3-Hydroxycarbofuran	BDL	1		4,4'-DDD	BDL	.1	
4,4'-DDE	BDL	.1		4,4'-DDT	BDL	.1	
Acenaphthene	BDL	.1		Acenaphthylene	BDL	.1	
Alachlor	BDL	.2	2	Aldicarb	BDL	1	
Aldicarb Sulfone	BDL	1		Aldicarb Sulfoxide	BDL	1	
Aldrin	BDL	.1		Anthracene	BDL	.1	
Atrazine	BDL	.2	3	Benzo(A)anthracene	BDL	.1	
Benzo(A)pyrene	BDL	.1	.2	Benzo(B)fluoranthene	BDL	.1	
Benzo(G,H,I)perylene	BDL	.1		Benzo(K)fluoranthene	BDL	.1	
Butachlor	BDL	.1		Butylbenzylphthalate	BDL	1	
Carbaryl	BDL	1		Carbofuran	BDL	1	40
Chrysene	BDL	.1		Di-n-butylphthalate	BDL	1	
Dibenz(A,H)anthracene	BDL	.1		Dibromochloropropane	BDL	.02	.2
Dicamba	BDL	1		Dieldrin	BDL	.1	
Diethylphthalate	BDL	1		Dimethylphthalate	BDL	1	
Dinoseb	BDL	.5	7	Endrin	BDL	.1	2
Endrin aldehyde	BDL	.1		Ethylene dibromide	BDL	.02	.05
Fluoranthene	BDL	.1		Fluorene	BDL	.1	
Glyphosate	BDL	25	700	Heptachlor	BDL	.1	.4
Heptachlor Epoxide	BDL	.1	.2	Hexachlorobenzene	BDL	.1	1
Hexachlorocyclopentadiene	BDL	.1	50	Indeno(1,2,3-CD)pyrene	BDL	.1	
Isophorone	BDL	.1		Lindane	BDL	.1	.2
Methomyl	BDL	1		Methoxychlor	BDL	.1	40
Metolachlor	BDL	.1		Metribuzin	BDL	.1	
Naphthalene	BDL	.1		Oxamyl	BDL	1	200
Pentachlorophenol	BDL	.4	1	Phenanthrene	BDL	.1	
Picloram	BDL	1	500	Propachlor	BDL	.1	
Pyrene	BDL	.1		Silvex	BDL	1	50
Simazine	BDL	.1	4	Toxaphene	BDL	3	3
Trifluralin	BDL	.1		alpha-Chlordane	BDL	.1	
bis(2-Ethylhexyl) adipate	BDL	1		bis(2-Ethylhexyl) phthalate	BDL	1	6
gamma-Chlordane	BDL	.1		trans-Nonachlor	BDL	.1	

Analytes run in units of : ug/L

Analytes run by EPA Method: EPA 504.1,505,525.2,531.1,547,555

Measure date: 04-MAR-03

Authorized Signature: _____

Patricia Buckley

mg/L = milligrams per Liter

ug/L = micrograms per Liter

> = Greater Than



State of New Hampshire
 Department of Environmental Services
 6 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
 (603) 271-3445/3446

Results of Laboratory Analysis

Sample #: A53339-4
 Category: CHEM MON
 Matrix : Aqueous
 Collection Date: 02/12/2003 14:35
 Log in Date : 02/13/2003
 Completion Date: 03/13/03

Site : NORTHFIELD
 Collectby : JOHN CHASE
 Locator : GPW 2, 69' DEEP, WESTERLY
 Descript : TILTON NORTHFIELD AQUEDUCT CO
 Account #: 02-01-02
 Project #: 2351010

KENNETH MONEY
 TILTON-NORTHFIELD AQUEDUCT CO
 315 MAIN ST
 TILTON NH 03276

SDWA-VOA

Analyte	Results	RDL	MCL	Analyte	Results	RDL	MCL
1,1,1,2-Tetrachloroethane	BDL	.5		1,1,1-Trichloroethane	BDL	.5	200
1,1,2,2-Tetrachloroethane	BDL	.5		1,1,2-Trichloroethane	BDL	.5	5
1,1-Dichloroethane	BDL	.5		1,1-Dichloroethene	BDL	.5	7
1,1-Dichloropropene	BDL	.5		1,2,3-Trichlorobenzene	BDL	.5	
1,2,3-Trichloropropane	BDL	.5		1,2,4-Trichlorobenzene	BDL	.5	70
1,2,4-Trimethylbenzene	BDL	.5		1,2-Dibromo-3-chloropropane	BDL	.5	.2
1,2-Dibromoethane	BDL	.5		1,2-Dichlorobenzene	BDL	.5	600
1,2-Dichloroethane	BDL	.5	5	1,2-Dichloropropane	BDL	.5	5
1,3,5-Trimethylbenzene	BDL	.5		1,3-Dichlorobenzene	BDL	.5	
1,3-Dichloropropane	BDL	.5		1,4-Dichlorobenzene	BDL	.5	75
2,2-Dichloropropane	BDL	.5		2-Butanone (MEK)	BDL	10	
2-Hexanone	BDL	10		2-Methoxy-2-methylbutane (TAME)	BDL	.5	
4-Methyl-2-pentanone (MIBK)	BDL	10		Acetone	BDL	10	
Benzene	BDL	.5	5	Bromobenzene	BDL	.5	
Bromochloromethane	BDL	.5		Bromodichloromethane	BDL	.5	
Bromoform	BDL	.5		Bromomethane	BDL	.5	
Carbon disulfide	BDL	.5		Chlorobenzene	BDL	.5	100
Chlorodibromomethane	BDL	.5		Chloroethane	BDL	.5	
Chloroform	BDL	.5		Chloromethane	BDL	1	
Dibromomethane	BDL	.5		Dichlorodifluoromethane	BDL	.5	
Diethyl ether	BDL	.5		Diisopropyl ether (DIPE)	BDL	.5	
Ethyl-t-butyl ether (ETBE)	BDL	.5		Ethylbenzene	BDL	.5	700
Hexachlorobutadiene	BDL	.5		Isopropylbenzene	BDL	.5	
Methyl-t-butyl ether (MTBE)	BDL	.5		Methylene chloride	BDL	.5	5
Naphthalene	BDL	.5		Styrene	BDL	.5	100
Tetrachloroethene	BDL	.5	5	Tetrachloromethane	BDL	.5	
Tetrahydrofuran (THF)	BDL	10		Toluene	BDL	.5	1000
Trichloroethene	BDL	.5	5	Trichlorofluoromethane	BDL	.5	
Vinyl chloride	BDL	.5	2	cis-1,2-Dichloroethene	BDL	.5	70
cis-1,3-Dichloropropene	BDL	.5		m/p-Xylenes	BDL	.5	
n-Butylbenzene	BDL	.5		n-Propylbenzene	BDL	.5	
o-Chlorotoluene	BDL	.5		o-Xylene	BDL	.5	
p-Chlorotoluene	BDL	.5		p-Isopropyltoluene	BDL	.5	
sec-Butylbenzene	BDL	.5		tert-Butanol (TBA)	BDL	10	
tert-Butylbenzene	BDL	.5		trans-1,2-Dichloroethene	BDL	.5	100
trans-1,3-Dichloropropene	BDL	.5					

Analytes run in units of : ug/L
 Analytes run by EPA Method: 524.2
 Measure date: 18-FEB-03

Authorized Signature: *Patricia Bickford*

mg/L = milligrams per Liter
 < = Less Than
 pCi/L = pico Curies per Liter

ug/L = micrograms per Liter
 BDL = Below Detection Limit
 mg/kg = milligrams per Kilogram

> = Greater Than
 ug/kg = micrograms per Kilogram
 P-A = Present/Absent

COPY

STOCK PURCHASE AGREEMENT 02/11/05

This Agreement is entered into this date, is by and among TILTON AND NORTHFIELD WATER DISTRICT, a NEW HAMPSHIRE municipal subdivision, ("Purchaser"), and TILTON AND NORTHFIELD AQUEDUCT COMPANY, INC., a NEW HAMPSHIRE corporation ("Corporation"), and KENNETH F. MONEY Trustee of the Kenneth F. Money Revocable Trust, (SELLER #1), BARBARA J. MONEY, Trustee of the Barbara J. Money Revocable Trust (SELLER #2), KENNETH F. MONEY and BARBARA J. MONEY, Trustees of the Robert W. Marshall Revocable Trust (SELLER #3), and JON EMERSON (SELLER #4) (collectively referred herein to as "Sellers").

WHEREAS, the Corporation presently has outstanding a single class of (874) shares of common stock, of which (387) Shares have been issued to (SELLER #1); and (262) Shares have been issued to (SELLER #2); and (100) Shares have been issued to (SELLER #3); and (125) Shares have been issued to (SELLER #4)

WHEREAS, said Shares are the only issued and outstanding capital stock of the Corporation; and

WHEREAS, the Purchaser desires to purchase from (SELLER #1) and (SELLER #1) desires to sell to the Purchaser all of the Shares owned by (SELLER #1) on the terms and subject to the conditions set forth herein; and

WHEREAS, the Purchaser desires to purchase from (SELLER #2) and (SELLER #2) desires to sell to the Purchaser all of the Shares owned by (SELLER #2) on the terms and subject to the conditions set forth herein; and

WHEREAS, the Purchaser desires to purchase from (SELLER #3) and (SELLER #3) desires to sell to the Purchaser all of the Shares owned by (SELLER #3) on the terms and subject to the conditions set forth herein; and

WHEREAS, the Purchaser desires to purchase from (SELLER #4) and (SELLER #4) desires to sell to the Purchaser all of the Shares owned by (SELLER #4) on the terms and subject to the conditions set forth herein; and

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

Section 1. Purchase of Shares.

1.1 Purchase of Shares. Subject to the terms and conditions set forth herein, at the Closing the total price shall be \$4,100,000.00 allocated as set forth below. (SELLER #1) will sell all of the Shares owned by (SELLER #1) to the Purchaser and the Purchaser will purchase all of the Shares owned by (SELLER #1) from (SELLER #1), said Shares constituting forty-four percent (44%) of all of the issued and outstanding capital stock of the Corporation as of the Closing. Subject to the terms and conditions set forth herein, at the Closing (as defined below) (SELLER

#2) will sell all of the Shares owned by (SELLER #2) and the Purchaser will purchase all of the Shares owned by (SELLER #2), said Shares constituting thirty percent (30%) of all of the issued and outstanding capital stock of the Corporation as of the Closing.

Subject to the terms and conditions set forth herein, at the Closing (as defined below) (SELLER #3) will sell all of the Shares owned by (SELLER #3) to the Purchaser and the Purchaser will purchase all of the Shares owned by (SELLER #3) from (SELLER #3), said Shares constituting eleven percent (11%) of all of the issued and outstanding capital stock of the Corporation as of the Closing.

Subject to the terms and conditions set forth herein, at the Closing (as defined below) (SELLER #4) will sell all of the Shares owned by (SELLER #4) to the Purchaser and the Purchaser will purchase all of the Shares owned by (SELLER #4) from (SELLER #4), said Shares constituting fifteen percent (15%) of all of the issued and outstanding capital stock of the Corporation as of the Closing.

1.2 Purchase Price. The Purchaser will pay to (SELLER #1) the sum of \$1,815,446.23 for the (387) Shares (referred herein to as the "(SELLER #1) Purchase Price"). The Purchaser will pay to (SELLER #2) the sum of \$1,229,061.78 for the (262) Shares (referred herein to as the "(SELLER #2) Purchase Price"). The Purchaser will pay to (SELLER #3) the sum of \$469,107.55 for the (100) Shares (referred herein to as the "(SELLER #3) Purchase Price"). The Purchaser will pay to (SELLER #4) the sum of \$586,384.44 for the (125) Shares (referred herein to as the "(SELLER #4) Purchase Price"). (The (SELLER #1) Purchase Price, the (SELLER #2) Purchase Price, the (SELLER #3) Purchase Price, and the (SELLER #4) Purchase Price will be collectively referred herein to as the "Purchase Price").

1.3 Adjustments to Purchase Price. At Closing, the following adjustment will be made to the Purchase Price: Total Assets less Total Liabilities as determined by Generally Accepted Accounting Principles (Net Book Value of the Company) shall not be less than \$890,000.00. This shall be the only adjustment.

1.4 Payment of Purchase Price. The (SELLER #1) Purchase Price will be paid to (SELLER #1) as follows: (i) the Purchaser will pay (SELLER #1) the sum of \$1,815,446.23 at Closing. The (SELLER #2) Purchase Price will be paid to (SELLER #2) as follows: (i) the Purchaser will pay (SELLER #2) the sum of \$1,229,061.78 at Closing; The (SELLER #3) Purchase Price will be paid to (SELLER #3) as follows: (i) the Purchaser will pay (SELLER #3) the sum of \$469,107.55 at Closing. The (SELLER #4) Purchase Price will be paid to (SELLER #4) as follows: (i) the Purchaser will pay (SELLER #4) the sum of \$586,384.44 at Closing.

1.5 Conditions. This agreement is expressly conditioned upon the Purchasers obtaining an affirmative vote by the required two thirds vote authorizing this transaction and the financing connected therewith which will fully release and discharge the Sellers from any financing obligations including, without limiting the generality of the foregoing, all SRF guarantees and release the Sellers' stock from any security interest. If said vote on financing has not been taken on, or before May 1, 2005, this agreement may be declared null and void by the Sellers or anyone of them, or extended by mutual written agreement. Time is of the essence.

Section 2. Representations and Warranties of Corporation and Sellers. As a material inducement to the Purchaser to enter into this Agreement and purchase the Shares, the Sellers and the Corporation, jointly and severally, represent and warrant that:

2.1 Organization and Corporate Power. The Corporation is a corporation duly incorporated and validly existing under the laws of the State of New Hampshire.

2.2 Capital Stock and Related Matters. The capital stock of the Corporation consists of 874 Shares issued and outstanding, owned, beneficially and of record, by the Sellers and no other shares, common or otherwise, of the Corporation are issued and outstanding. All of the said stock has been pledged to secure current financing which shall be discharged in accord with paragraph 1.5 above.

2.3 Subsidiaries. The Corporation has no, nor has had any, subsidiaries or affiliated companies and does not otherwise own or control, directly or indirectly, any equity interest in any corporation or entity.

2.4 Litigation. There are no material actions, suits, proceedings, orders, investigations or claims pending or, to the best of the Sellers' and the Corporation's knowledge, overtly threatened against the Corporation or any property of either, at law or in equity.

2.5 Tax Matters. The Corporation has prepared in a substantially correct manner and has filed all federal, state, local and foreign tax returns and reports heretofore required to be filed by them and have paid all taxes shown as due thereon.

2.6 Compliance with Laws. To the best of the Sellers' knowledge, the Corporation is, in the conduct of its business, in substantial compliance with all laws, statutes, ordinances, regulations, orders, judgments or decrees applicable to them.

2.7 No Brokers or Finders. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of the Sellers or the Corporation.

2.8 Employees and Labor Relations Matters. To the Sellers' and to the Corporation's knowledge, no employee of the Corporation is in violation of any material term of any employment contract, or any other contract or agreement relating to the relationship of such employee with the Corporation or any other party because of the nature of the business conducted or to be conducted by the Corporation.

2.9 Operating Rights. The Corporation has all operating authority, licenses, franchises, permits, certificates, consents, rights and privileges (collectively "Licenses") as are necessary or appropriate to the operation of its business as now conducted.

Section 3. Representations and Warranties of Purchaser.

3.1 Tax Liability. To the extent the Purchaser deems necessary, the Purchaser will review

with the Purchaser's own tax advisors the federal, state, local and foreign tax consequences of this purchase and the transactions contemplated by this Agreement. The Purchaser relies solely on such advisors and not on any statements or representations of the Corporation or any of its agents. The Purchaser understands that the Purchaser (and not the Corporation) shall be responsible for the Purchaser's own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement.

3.2 Release and Hold Harmless. Purchaser covenants, agrees to and does hereby indemnify, release and hold the Sellers, their executors and assigns, harmless from any and all loss, damage, liability, claims, responsibility, demands or obligations of any kind relating to the operation of the Corporation or the financing thereof, whether caused by negligence or otherwise. This provision shall survive the closing.

Section 4. Conduct of Corporation's Business Pending the Closing. From the date hereof until the Closing, and except as otherwise consented to or approved by the Purchaser, the Sellers and the Corporation covenant and agree with the Purchaser as follows:

4.1 Regular Course of Business. The Corporation will operate its business in accordance with the reasonable judgment of its management diligently and in good faith, consistent with past management practices, and the Corporation will continue to use its reasonable efforts to keep available the services of present officers and employees (other than planned retirements) and to preserve its present relationships with persons having business dealings with it.

4.2 Distributions. The Corporation may not declare, pay or set aside for payment any dividend or other distribution in respect of its capital stock, except to adjust as required by paragraph 1.3.

4.3 Capital Changes. The Corporation will not issue any shares of its stock, or issue or sell any securities convertible into, or exchangeable for, or options, warrants to purchase or rights to subscribe to, any shares of its stock or subdivide or in any way reclassify any shares of its capital stock, or repurchase reacquire, cancel or redeem any such shares.

4.4 Assets. The assets, property and rights now owned by the Corporation will be used, preserved and maintained, as far as practicable, in the ordinary course of business, to the same extent and in the same condition as said assets, property and rights are on the date of this Agreement, and no unusual or novel methods of manufacture, purchase, sale, management or operation of said properties or business or accumulation or valuation of inventory will be made or instituted. Without the prior consent of the Purchaser, the Corporation will not encumber any of its assets or make any commitments relating to such assets, property or business, except in the ordinary course of its business.

4.5 Insurance. The Corporation will keep or cause to be kept in effect and undiminished the insurance now in effect on its various properties and assets, and will purchase such additional insurance, at the Purchaser's cost, as the Purchaser may request.

4.6 Employees. The Corporation will not grant to any employee any promotion, any increase

in compensation or any bonus or other award other than promotions, increases or awards that are regularly scheduled in the ordinary course of business or contemplated on the date of this Agreement or that are, in the reasonable judgment of management of the Corporation, in the Corporation's best interest.

4.7 No Violations. The Corporation will comply in all material respects with all statutes, laws, ordinances, rules and regulations applicable to it in the ordinary course of business.

Section 5. Covenants of Corporation and Sellers. The Corporation and the Sellers covenant and agree with the Purchaser as follows:

5.1 Satisfaction of Conditions. The Corporation will use reasonable efforts to obtain as promptly as practicable the satisfaction of the conditions to Closing described in this Agreement and any necessary consents or waivers under or amendments to agreements by which the Corporation is bound.

5.2 Supplements to Information. From time to time prior to the Closing, the Sellers and the Corporation will promptly provide or supplement the information required for closing.

5.3 Action After the Closing. Upon the reasonable request of any party hereto after the Closing, any other party will take all action and will execute all documents and instruments necessary or desirable to consummate and give effect to this purchase. These include, by way of illustration and not by way of limitation, the following:

5.3.1 Various conditions relating to filing, payment and collecting of refunds relating to taxes;

5.3.2 Resignations of each of the officers and directors of the Corporation;

5.3.3 Provisions relating to delivery of Corporate books and records;

5.3.4 Provisions relating to treatment of confidential proprietary information obtained in the acquisition process.

Section 6. Closing.

6.1 Time, Place & Manner of Closing. Unless this Agreement has been terminated and this purchase has been abandoned pursuant to the provisions of Section 7, the closing ("Closing") will be held at the offices of TILTON AND NORTHFIELD AQUEDUCT COMPANY, INC., at Tilton, New Hampshire or such other place as the parties may agree, on or before June 30, 2005.

Section 7. Termination.

7.1 Termination for Cause. If, pursuant to the provisions of Section 1.5 of this Agreement,

the Sellers or the Purchaser is not obligated at the Closing to consummate this Agreement, then the party who is not so obligated may terminate this Agreement.

7.2 Termination Without Cause. Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be terminated and abandoned at any time without further obligation or liability on the part of any party in favor of any other by mutual consent of the Purchaser and the Sellers.

7.3 Termination Procedure. Any party having the right to terminate this Agreement due to a failure of a condition precedent contained in Section 7 hereto may terminate this Agreement by delivering to the other party written notice of termination, and thereupon, this Agreement will be terminated without obligation or liability of any party.

Section 8. Miscellaneous Provisions.

8.1 Amendment and Modification. Subject to applicable law, this Agreement may be amended, modified or supplemented only by a written agreement signed by the Purchaser and the Sellers.

8.2 Waiver of Compliance; Consents

8.2.1 Any failure of any party to comply with any obligation, covenant, agreement or condition herein may be waived by the party entitled to the performance of such obligation, covenant or agreement or who has the benefit of such condition, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

8.2.2 Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent will be given in a manner consistent with the requirements for a waiver of compliance as set forth above.

8.3 Payment of Fees and Expenses. Each party to this Agreement will be responsible for, and will pay, all of its own fees and expenses, including those for its own counsel and accountants, incurred in the negotiation, preparation and consumption of this Agreement and this purchase and sale.

Dated on this 14 day of February, 2005.

Tilton and Northfield Water District

By: Heber J. Freeman
Commissioner, Duly Authorized

Ronald J. Johnson
Commissioner, Duly Authorized

Commissioner, Duly Authorized

Dated on this 14th day of February, 2005.

Tilton and Northfield Aqueduct Company, Inc.

By: Kenneth F. Money
Kenneth F. Money, President, Duly Authorized

Kenneth F. Money, Trustee
Kenneth F. Money, Trustee of the Kenneth F.
Money Revocable Trust (SELLER #1)

Barbara J. Money, Trustee
Barbara J. Money, Trustee of the Barbara J.
Money Revocable Trust SELLER #2)

Kenneth F. Money, Trustee
Kenneth F. Money, Trustee of the Robert W.
Marshall Revocable Trust (SELLER #3)

Barbara J. Money, Trustee
Barbara J. Money, Trustee of the Robert W.
Marshall Revocable Trust (SELLER #3)

Jon W. Emerson
Jon W. Emerson (SELLER #4)

QUICK RESULTS
August 31, 2005
GOVERNOR AND COUNCIL MEETING

APPROVED ITEMS #'s 1-96, 98-223, and 225-229

ITEMS WITHDRAWN BY AGENCY #'s 97, and 224

Approved Late Items:

DEPARTMENT OF ENVIRONMENTAL SERVICES

- A. Authorized the Department to make retroactive, unencumbered payments of invoices in the amount of \$47,456.50 for emergency work undertaken on July 22 and 23, 2005 in repairing a leak on a 24-inch force main in Gilford on Route 11B, and in the cleanup work and pavement repair resulting from the leak. **100% other funds**

DEPARTMENT OF ENVIRONMENTAL SERVICES

- B. Authorized a Supplemental Loan Agreement between the Department and the Tilton Northfield Water District, in the amount of \$1,047,011.17 to finance water system improvements under the provisions of RSA 486:14 and NH Admin. Rules Env-C 500 effective upon Governor and Council approval.

DEPARTMENT OF RESOURCES AND ECONOMIC DEVELOPMENT

- C. Authorized Division of Travel and Tourism Development to cover hotel expenses at the 2005 Eastern States Exposition in West Springfield, MA. Request is to cover the hotel expenses payable to Best Western Sovereign Hotel in the amount of \$1,754.22. **100% General Funds**

Aqueduct history, sale celebrated

By Gordon D. King

TILTON — September 30 will mark the 30th anniversary of Kenneth and Barbara Money owning the Tilton & Northfield Aqueduct Company. It will also be the last day they own it for on that day the Moneys will sell the utility to the Tilton and Northfield Water District which consists of its more than 1,000 customers.

The district is paying \$9.1 million for the firm. Officials from the U. S. Department of Agricultural Rural Development agency presented district commissioners with a check for \$7,975,000 during a ceremony on Wednesday afternoon. The check represents the loan the district obtained from the agency for the buyout. The interest rate is 4.1 percent, which means the commissioners will be able to keep water rates stable.

District Commissioner Roland Seymour said the district will pay the balance by assuming the firm's debt with the Bank of New Hampshire of about \$1.2 million. This amount is being backed by the state Department of Environmental Services. Seymour accepted a ceremonial check from Curtis M. Anderson, acting administrator of the Rural Utilities Service of the federal agency. Anderson said he flew to the state because of the significance of the loan.

"This is the largest single loan bestowed upon Vermont or New Hampshire," said Jolinda Laclair, state director of the federal agency office for the states. Laclair said this is the kind of work the RDA does with private companies in rural communities. She praised the Moneys for making the decision almost 30 years ago to purchase the water company. Kenneth Money said the company became available in the 1970s and after the towns decided not to buy it, he and his wife did. "We owned it for about one month when I



Gordon D. King/Citizen Photo

RONALD SEYMOUR, acting chairman of the Tilton-Northfield Water District Commission, third from right, accepts a \$7,975,000 check from Curtis M. Anderson, acting commissioner of the U.S. Department of Agriculture Rural Development Agency. With them, from left, are Barbara and Kenneth Money, who are selling the utility to its customers; Glen Brown, district commissioner; and Richard Maher, president of the Northfield-Tilton Economic Development Corporation. Customers will own the utility as of Sept. 30.

was told there was a problem at the reservoir. I asked what reservoir. I didn't even know we owned one," he said.

Money said he and his wife learned to operate the company by trial and error and with a lot of heartaches. Several months ago they approached the town administrators of both communities and told them they wanted to retire and would the towns be interested in buying it. The Boards of Selectmen in both communities support-

ed the purchase as did the customers who voted to form a water district and authorized the commissioners to negotiate the purchase. Money said he is pleased with the pending sale. "It has always belonged to the towns," he said.

Seymour who is acting chairman in the absence of Heber Feener who is recovering from surgery, praised Rural Development for their strong support and hard work is making the purchase possible. "From the outset

when Rural Development was first contacted and they expressed an interest in our project, I and the other commissioners had a warm feeling about working with RD. Now as our new partners in our water company I am sure this friendly and good working relationship will continue," Seymour said.

Seymour said when the commissioners undertook the project, they

AQUEDUCT, PAGE B3

Aqueduct

From Page B1

made it clear to the users that they would do their best to maintain the rates as they now exist and offer the best water quality and service they are used to.

"With this commitment from RD I believe we will be able to do

this," he said.

Seymour also said if he were mayor of the two communities he would declare Wednesday Rural Development. "This is a great day for Tilton and Northfield and for the state because the BRAC Commission has voted to keep the Portsmouth Naval Shipyard open. He expressed regret that Feener could not attend the ceremony. "He would be as proud

as he was on the day when he shook the hand of General Eisenhower during World War II," Seymour said.

The commissioners hired Peter Russell, former Meredith town manager as a consultant to work with them on the purchase. His fee was paid for by the Northfield-Tilton Economic Development Corporation as the commissioners did not have any

and Richard Water represented the NHEDC at the ceremony. Also representing the water commissioners was Glen Brown, treasurer and acting commissioner, and Moderator attorney James Shepherd. Other federal officials attending were Scott D. Shuller, assistant to the acting chairman, Gregg MacPherson, Karen A. Demers, Carolyn A. Lawrence and Sue Farber.

JAY C. BOYNTON

Attorney at Law

Andover Arms, 266 Main Street, PO Box 395

Andover, New Hampshire 03216-0395

E-mail jboynton@mail.tds.net

Telephone

603) 735-5554

COPY

Fax

(603) 735-5564

September 20, 2005

Commissioners

Tilton and Northfield Water District

Tilton Town Offices, 257 Main Street

Tilton, NH 03276

Re: DW 05-135 Tilton & Northfield Aqueduct Company, Inc.
Staff Data Requests – Set No. 1

Dear Commissioners:

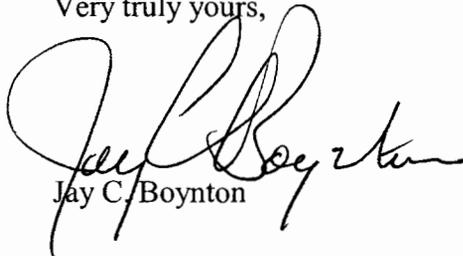
Please find enclosed a copy of the PUC Staff Data Requests, with a cover letter from Attorney Marcia A.B. Thunberg dated September 13th, 2005.

I have also enclosed the response from the Tilton and Northfield Aqueduct Company, Inc. The balance of the data requests are directed to the District, and you should respond directly to Attorney Thunberg. When doing do, please note the extensive service list and send a copy of your responses to me.

Issues remain relative to the title of real estate and easements. Because the Tilton and Northfield Aqueduct Company, Inc. has existing financing and a Title Insurance Policy in place, I have been able to locate an attorney who could update and issue a Title Opinion for the District. The cost for a Title Opinion and Title Insurance for the full amount of monies borrowed would be approximately \$15,000.00.

As has been repeatedly stated, I represent the Sellers in this transaction, and the District needs to retain its own counsel and complete the forms required by Rural Development for closing. If you want my assistance in contacting the attorney I have referred to above, please let me know.

Very truly yours,



Jay C. Boynton

JCB/rab

Enclosures

Cc: Kenneth F. Money
Peter Russell
Attorney Marcia A. B. Thunberg

STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Graham J. Morrison
Michael D. Harrington

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

COPY

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

September 13, 2005

Jay C. Boynton
Andover Arms
266 Main Street
P.O. Box 395
Andover, New Hampshire 03216-0395

Re: DW 05-135 Tilton & Northfield Aqueduct Company, Inc.
Staff Data Requests – Set No. 1

Dear Attorney Boynton:

Attached please find Staff's Data Requests, Set No. 1 for the above referenced docket.

If you have any questions, please feel free to contact us.

Sincerely,

A handwritten signature in cursive script that reads "Marcia A.B. Thunberg".

Marcia A.B. Thunberg
Staff Attorney

CC: Service List

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSISON
STAFF DATA REQUESTS
DW 05-135
TILTON & NORTHFIELD AQUEDUCT COMPANY, INC.

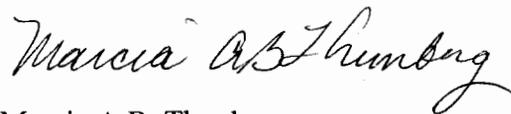
Now comes the Public Utilities Commission Staff and respectfully requests responses to the attached data requests in writing and under oath.

Pursuant to N.H. RSA 365:10, 365:14, 365:15 and 365:19, the Commission shall have the power to obtain data and documents necessary to the performance of its duties as they are prescribed by law.

You are hereby requested to supply the Commission with the data and/or documents delineated in the attached data requests. If you are unable or unwilling to produce a response to a particular request, you must nonetheless provide a written response and state the basis for the inability or unwillingness to furnish the requested information. RSA 365:12 provides that willful failure to comply with this request will subject you to contempt proceedings in Superior Court pursuant to N.H. RSA 491:19 and 491:20.

Please provide copies of all documents produced to all parties listed on the discovery portion of the service list. If you seek confidential treatment of any response, you should mark that material as confidential and submit a motion for confidential treatment for the Commission's consideration. Anything submitted pursuant to a motion for confidentiality will be kept confidential pending Commission action.

Respectfully,



Marcia A.B. Thunberg
Staff Attorney

Dated: September 13, 2005

DW 05-135
Tilton & Northfield Aqueduct Company, Inc.
Staff Data Requests, Set No. 1

Staff 1-1

Please provide a copy of the following:

- a) Any documentation supporting the statement in para. 8 of the Petition that the “Department of Environmental Services has approved the suitability and availability of water”.
- b) The Stock Purchase Agreement originally dated February 11, 2005, referenced in second title line of Petition Exhibit 1.
- c) The prepared statement of Mr. Heber Feener referenced near the bottom of page 1 of Petition Exhibit 2.
- d) The August 1, 2005 letter from Rural Development to the District referenced in Petition Exhibit 3.
- e) Documentation indicating the type and amount of funding approved by the State of New Hampshire (Money testimony, response 7).
- f) The “public announcement ... made by Rural Development on August 24, 2005” (Money testimony, response 10).
- g) Minutes of any District meetings held to date other than the April 19, 2005 Annual Meeting.
- h) Any and all votes authorizing establishment of the District, including by applicable boards of selectmen or other entities.
- i) Documentation indicating the extent of the District’s boundaries.

Staff 1-2

Does the District have any plans to expand the water system, or sales of water, either inside or outside its current boundaries? If so, where and in what time frame?

Staff 1-3

Does the District have any plans for significant capital improvements to the system? If so, please indicate the nature and anticipated timing of same.

Staff 1-4

Are any significant changes anticipated in system operation?

Staff 1-5

Please comment on any current or upcoming federal regulations that are expected to significantly impact the water system, and how the District envisions addressing those requirements.

Staff 1-6

Please comment on any aspects of the District’s current leadership, membership, structure or resources that support its managerial and technical capability to own and operate a water system of this size and nature.

Staff 1-7

Please explain the relationship of the various owners and trusts listed at the top of Petition Exhibit 1, to the sale.

Staff 1-8

Please explain the derivation or components of the \$9,124,000 referenced in Petition Exhibit 2, including its relationship to the actual purchase price.

Staff 1-9

Please indicate the relationship of the \$7,975,000 Rural Development loan offer indicated in Petition Exhibit 3, to the \$9,124,000 amount.

Staff 1-10

Please comment on any aspects of the District's current leadership, membership, structure or resources that support its financial capability to own and operate the water system.

Staff 1-11

Please comment on what the District anticipates charging for water rates:

- a) In the first year of operation;
- b) In 5 years;
- c) In 10 years.

Staff 1-12

The Tilton and Northfield Aqueduct Company was created by a special act of the legislature in 1887. Is any action considered necessary to transfer or dissolve that authority in order to accommodate the proposed sale?

Staff 1-13

Will customers of the District have input into the management of the water utility? Will customers of the District have input into rate setting? Please provide detail.

Staff 1-14

Please provide detail on the agreement between the present shareholders of the company and the District as to continuity of operational supervision. If there is a written agreement, please provide.

Staff 1-15

The petition filed in this proceeding does not request exemption from PUC regulation for the water utility once the District acquires it. Does the District anticipate making such a filing at any point?

.....
Russell Municipal & Private Consulting LLC

October 12, 2005

NHPUC
Marcia A.B. Thunberg, Esq.
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

Re: DW 05-135 Tilton Northfield Aqueduct Company,
Inc. Staff Data Requests—Set No. 2

Dear Attorney Thunberg:

I have received a copy of the above request and will provide answers or documents for items 2-1—2-11; Items 2-12 and 2-13 will be addressed by the Aqueduct Company.

- 2-1. The loan has not been closed yet. There are a few needed items; PUC Approval, RD forms 442-21, 442-22 and 1942-3(relative to title items, being pursued by title attorney and providing title insurance to the Water District), District insurance at closing, non litigation certificate at closing from Water District attorney Mark H. Puffer of Concord, final opinion of bond counsel (after RD presentation of specimen bonds, etc.) and other minor items. RD forms are enclosed for your information.
- 2-2 Water District committal from USDA RD for the loan is in the form of the August 1 letter submitted under set No. 1 Request. If further RD confirmation is needed, please contact Gregg L. MacPherson, Loan Specialist, at RD, 10 Ferry Street, Concord, NH 03301 phone 223-6045
- 2-3 Please see answer above at 2-1.
- 2-4 A copy of the proposed annual operating budget is enclosed. There is no rate analysis, as the existing PUC approved tariff rates will be adequate to fund the acquisition and run the Water District operations. After running the District for a period of time, the Commissioners will determine if rates can be lowered.
- 2-5 The District boundaries are the current customers, as voters, as shown on the map depicting “Limits of Tilton Northfield Water Lines”. As answered previously, the District seeks to acquire the entire service area as franchised in 1887. District voters will vote at future meetings, if or when they choose to extend water services to additional areas of the franchise. As expenses increase in the future, additional water sales within the franchise area may be a viable option to maintain or reduce rates. The franchise area is extremely important to the District, as referenced by questions raised at the meeting relative to bottling plants taking water from the aquifer, etc.
- 2-6 (a) NH law requires the 25 petitioners;(b) where the District is located within two towns, the petitions were required and verified signatures from both towns received before each Board of Selectmen acted to call a District meeting.
- 2-7 Yes. NH DRA has recognized the District.



October 12, 2005

Page 2

- 2-8 No other District Meetings have been held.
- 2-9 (a) bylaws have been created and approved by the Commissioners on November 10, 2004 (copy and minutes enclosed)
- 2-10 This will depend on actual closing date and comfort level of the Commissioners and Ken and Barbara Money as operation proceeds; the Money's have agreed to stay on for up to one year, but initial Commissioner discussion, months ago, was to consider filling the Supt. position within approximately 6-8 months after acquisition.
- 2-11 The Water District will pay \$4,100,000 for the outstanding stock as depicted in the P&S agreement and assume outstanding debt amounts. A copy of the P&S was provided by Attorney Boynton, I believe.

I believe I have addressed all questions on behalf of the Water District. If not, or if there are additional inquiries, please don't hesitate to contact me at the above address or via e-mail at pgrussell@metrocast.net Your continued assistance in this process is appreciated.

Sincerely,



Peter G. Russell
Partner

[Click here and type slogan]

Form FmHA 442-21, "Right-of-Way Certificate"; and,

Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way"

The 442-21 is completed by the Town and forwarded with the easements to your attorney so that the 442-22 can be completed. Both forms, along with the rights-of-way, are forwarded to us.

If you have any questions, give me a call.

RIGHT-OF-WAY CERTIFICATE

The undersigned, _____,
hereby certifies except as noted in item 4 below:

1. That the undersigned has acquired and presently holds continuous and adequate rights-of-way on private lands needed for the construction, operation, and maintenance of the facilities to be installed, repaired, or enlarged with the proceeds of a loan made or insured by, and/or a grant from, United States Department of Agriculture and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the facilities.
2. That the undersigned has acquired the necessary permits, franchises, and authorizations or other instruments by whatsoever name designated, from public utilities and public bodies, commissions, or agencies authorizing the construction, operation, and maintenance of the facilities upon, along or across streets, roads, highways, and public utilities.
3. That the attached "Right-of-way Map" shows the location and description of all land and rights-of-way acquired by right of use or adverse possession and by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.
4. Exceptions:

WITNESS WHEREOF, applicant hereunto affixes its name and corporate seal this _____ day of

_____, 19 _____.

By _____

Attest:

(Secretary)

Title _____

(Affix Corporate Seal Here)

Public reporting for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to U.S. Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington, D.C. 20250. Please DO NOT RETURN this form to either of this address. Forward to the local USDA office only. You are not required to respond to this collection of information unless it displays a currently valid OMB control number.

OPINION OF COUNSEL RELATIVE TO RIGHTS-OF-WAY

Date _____

Dear Sir:

I have reviewed the action taken by _____
(hereinafter called the "Corporation") in obtaining a right-of-way for the construction, operation, and maintenance of the facilities to be installed, repaired, or enlarged with the proceeds of a loan made or insured by, and/or a grant from Rural Development to the Corporation. I have examined the right-of-way instruments, permits, or licenses obtained from landowners, public bodies, and public utilities and made such searches of the public records necessary to determine the legal sufficiency of the instruments covered by the "Right-of-way Certificate," executed by the Corporation on _____, 19 _____. I also have examined the "Right-of-way Map" to determine whether continuous and adequate land and rights-of-way are owned or have been acquired by the instruments covered in the "Right-of-way Certificate."

Based on the foregoing examination, and to the best of my knowledge, information, and belief, I am of the opinion that:

- A. The legal instruments by which the Corporation has acquired said rights-of-way (a) are in appropriate and due legal form and adequately confer upon the Corporation the necessary rights-of-way for the construction, operation, and maintenance of its facilities in their present or proposed location, and such omissions or defects as may exist will in no substantial way or manner endanger the value or operation of the facilities, and (b) have each been properly recorded in the appropriate public land records of each County in which any of the land affected thereby is situated. Such consents, releases, or subordinations from lienholders recommended by me or required by Rural Development have been obtained.
- B. The legal instruments referred to above give unto the Corporation a continuous and adequate right-of-way to permit the construction, operation, and maintenance of the Corporation's facilities except as below noted.
- C. Exceptions:

Very truly yours,

Attorney for _____

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to U.S. Department of Agriculture, Clearance Officer, STOP 7602, 1400 Independence Avenue, S.W., Washington, D.C. 20250-7602. Please DO NOT RETURN this form to this address. Forward to the local USDA office only. You are not required to respond to this collection of information unless it displays a currently valid OMB control number.

CERTIFICATE AS TO TITLE TO PROJECT SITE

I, _____, Attorney at Law, representing
_____, herein called the Applicant,
as title counsel, do hereby certify:

1. That I have investigated and ascertained the location of and am familiar with the legal description of the site or sites being provided by the Applicant for all elements

_____ for which Federal participation has been offered.

2. That I have examined the land records of the Town in which this project is to be located, and in my opinion, the Applicant has a legal and valid fee simple title in the site of the project sufficient to assure the degree of undisturbed use and possession necessary for the purposes of construction and operation for the estimated life of the project.
3. That any deeds or documents required to be recorded in order to protect the title of the owner and the interest of the Applicant have been duly recorded or filed for record wherever necessary.

Dated this _____ day of _____, _____.

(Attorney at Law)

TILTON NORTHFIELD WATER DISTRICT(proposed O&M budget after purchase)

Projected Expenses

Cost of goods sold	
Pump electricity	27,523.18
Maintenance of pump equip.	5,917.43
Chemicals	27,382.42
Maintenance(all treatment equip)	5,980.37
Stores expense	109.50
Motor vehicle taxes	1,370.10
Non-utility(misc.)	2,823.74
Pump expenses	3,736.11
Structures maintenance	2,239.12
Meter readings	510.33
Billing & collection expenses	2,329.19
Office supplies	16,028.56
Outside services employed	20,506.70
Property & Liability insurance	22,594.17
Franchise requirements	1,622.89
PUC expenses	2,759.00
Misc. rents & general expenses	7,248.63
Total Wages	215,048.00
Employee pensions & benefits	55,051.48
Payroll taxes	15,788.38
NH BET Tax	3,303.00
Proposed debt repayments	
USDA RD	475,330.00
NH SRF	91,860.00
Total debt repayment(yearly)	567,190.00

TOTAL PROJECTED EXPENSE

\$1,007,062.30

INCOME

Metered residential (includes 1490 edu's)	279,731.89
Unmetered residential	200.68
Unmetered municipal	521.95
Metered commercial	337,601.06
Metered industrial	5,397.17
Metered municipal	43,784.54

Customer meter charge revenue	101,025.90
Fire sprinkler revenue	80,467.52
Public hydrant rentals	129,640.32
Private hydrant revenue	75,891.16
GRANTS	
NH filtration grant	72,000.00
NH SRF grant	16,236.00
Other misc. water related revenue	9,328.99
Investment income	7,708.58
Revenue adjustments	-16.99
Total Revenues	1,159,518.66

Reconciliation(fund balance)	
Projected Revenue	\$1,159,518.66
-Projected Expenses	\$1,007,062.30
Projected Balance	+ \$ 152,486.36

Note: This projection is based on nonprofit status; if run as a C Corp. business, depreciation of \$163,013.25 would be expensed as well as deferred federal income tax of \$17,451.00.

The Commissioners plan to fund future capital reserves for improvements with any funding balance. Ie. Short term improvements; 1-15 years, projects a set aside of \$50,000., with the remainder to be set aside for future long term improvements. The existing cash of the business with the business purchase will be used for monthly cash flow and to fund the previous business depreciation reserve.

Prepared by: Peter G. Russell, consultant for the Tilton Northfield Water District, based upon business financial statements, audits and interviews.

Tilton Northfield Water District Commission

November 10, 2004

Minutes

The meeting was convened at 9:08 a.m. at the Northfield Town Hall by Chairman Heber Feener with Commissioners Fran LaBranche and Roland Seymour, Clerk Josephine Nichols and Consultant Peter Russell present.

The By-Laws were reviewed after receiving the latest revision, and with final approval two copies were signed by the officers. The signed copies were given to the Chairman and Clerk for permanent files.

Mr. Feener has taken charge of the invoice in the amount of \$275. from Peter Russell which he will present to Richard Maher, President of the Northfield-Tilton Economic Development Corp. for payment out of the funds provided.

Mr. Russell reported that he had signed a certificate of confidentiality at the request of Mr. Money so that he will be admitted to the financial discussions with the commissioners and owners of the aqueduct company.

Mr. Feener reported that an asking price has not been declared. At this point a motion was made and passed to adjourn the public meeting to go into a non-public meeting to discuss financial data garnered in talks with the owners.

Returning to a public subject, the motion was made by Fran LaBranche to authorize Peter Russell to pursue with Rural Development a loan application and any requirements for same on behalf of the commission. Mr. Russell noted that their current fixed rate is 4.75%, available for 30 years. The rate is set by the federal government annually. The motion passed with full board approval.

Next meeting scheduled for 9:00 a.m. December 1, 2004 at the Northfield Town Hall The meeting adjourned at 10:40 a.m.

Respectfully submitted,

Josephine Nichols, Clerk

Tilton Northfield Water District

C/o Tilton Town Hall

257 Main St.

Tilton, NH 03276

11/10/04
Approved RJA

By-Laws

Table of Contents

BY-LAWS:

Article I	Name	1
Article II	Object	1
Article III	Administration of District	1
Article IV	Eligibility	1
Article V	Meetings	2
Article VI	Officers	2
Article VII	Duties of Officers	2
Article VIII	Financial Transactions	3
Article IX	Audits	4
Article X	Amendments	4

BY-LAWS FOR THE TILTON NORTHFIELD WATER DISTRICT

Article I – Name

Section 1: The name of the District shall be, “The Tilton Northfield Water District”.
NOTE: Name may be changed by amendment if or when the District acquires the Aquaduct Company.

Article II-Object

Section 1: The District was duly laid out and the boundaries set by the Selectmen of the Towns of Tilton and Northfield according to the law for the following purposes: to investigate and hopefully furnish water service to the inhabitants of the District (Precinct) to include only customers of the Tilton Northfield Aquaduct Company.

Section 2: As used in these By-Laws, the word “Precinct” which has been in common use to indicate the area designated in Article II, Section 1, shall have the same meaning as the word “District”.

Article III – Administration of the District

Section 1: The Administration of the District shall be the responsibility of the Commissioners and others Officers elected at the District Meeting and at the Annual Meeting thereafter.

Section 2: This District shall be governed by the provisions of Chapter 52, New Hampshire Revised Statutes Annotated and an amendments thereto pertaining to Village District or other pertinent RSA’s dependant upon District activities.

Section 3: The Terms and Conditions of the District will govern the management of the affairs of the District. If or when the District acquires the Tilton Northfield Aquaduct Company, Section 3 needs to expanded by Amendment to allow adoption for future pertinent Rules and Regulations.

Article IV- Eligibility

Section 1: The services of the District shall be available only to the residents within the bounds of the Precinct according to any future Terms and Conditions of the District.

Section 2: Residents outside the boundaries of the District , (Precinct) may be provided services because of special conditions but only under contracts approved by the Commissioners. Services so provided must also conform to the future Terms and Conditions of the District.

Section 3: Only those legal voters residing in the District shall be permitted to vote in District affairs.

Article V – Meetings

Section 1: The Annual Meeting of the Tilton Northfield Water District shall be held on the First Tuesday in April . Annual meetings are to be held between January 1 and May1 annually.

Section 2: Special meetings may be called as provided for in Chapter 52, New Hampshire Revised Statute Annotated.

Section 3: Regular meetings of the District Commissioners shall be held the First Wednesday of the month @10:00 in Tilton or Northfield Town Offices and the time and place of such meetings shall be posted by the Commissioners. These meetings will be open to the public.

Article VI – Officers

Section 1: The officers of this District shall be: one Moderator, one Clerk, one Treasurer, & the Commissioners.

Section 2: The terms of office shall be for three years for the Moderator, and one year for the Clerk, and Treasurer. The Commissioners shall be elected for three years, with one Commissioner's term expiring each year.

Section 3: The Commissioners shall fill vacancies in offices when they occur for the remainder of the term to the next Annual Meeting.

Article VII – Duties of Officers

Section 1: The Moderator, Clerk, Treasurer, and Commissioners shall serve, qualify, and possess the same powers and perform the same duties in respect to the Districts meetings and business affairs that the comparable officers of towns possess and perform in respect to like matters in towns.

Section 2: The principal duties and responsibilities of District Officers are herein ~~listed as general information and a guide for the management of the affairs of the District~~ as governed b NHRSA 52:3-a

A. Commissioners: Normally each Commissioner shall serve as Chairman during the third year of their term; however, if declined, for any reason, one of the remaining members of the Board must be designated as Chairman for that year.

2

The Commissioners are responsible for the planning, operation and maintenance of the future water system. They may appoint agents, other representatives and committees to assist them.

Some of the principal duties of Commissioners include the preparation of annual budgets to be submitted to the Annual Meeting for approval; the preparation and posting of Warrants for the Annual or Special Meetings (the subject matter of all business to be acted upon at the District meeting shall be distinctly stated in the Warrant); making a report of the District activities and of plans and estimates of the needs of the District systems at the Annual meeting; publishing the budget, Commissioners Annual Report and a tentative copy of the Warrant, if available, shall be provided, adopting and revising, if the Aquaduct Company, is acquired of Water Rates and Regulations for the District for the Towns of Northfield and Tilton to include in their respective annual reports, conducting or supervising studies for improvements to the systems; approving applications for service; disconnecting delinquent customers for nonpayment; holding regular meetings at least every two months; approving of payment vouchers and purchase orders by the agreement and signature of at least two Commissioners; ascertaining that proper invoices or payroll sheets are attached to payment vouchers before signing; supervising workers or contractors performing work for the District.

B. Treasurer: Principal duties include checking the records of expenditures of the District as maintained by the Commission; providing to each Commissioner a monthly statement of District receipts, funds remaining unexpected and capital and other reserve account balances; arranging for temporary notes and other financing as authorized by vote of the District; assisting the Commissioners in the preparation of annual budgets, the preparation of annual reports to the department of Revenue Administration and to the Selectmen of the Towns when required to raise money by taxation; and providing an annual financial statement to be published in the Annual Report.

C. Clerk: Principal duties include recording the proceedings of all Annual and Special Meetings of the District; assisting the Commissioners in the preparation of Warrants for the Annual and Special Meetings and the posting in two public places within the District at least fifteen days before these meetings; keeping official minutes of the bi-month meetings of the District Commissioners; assisting the Commissioners with District correspondence and keeping files therefore; officially recording the proceedings and minutes of District and Commissioners' meetings within seven days of such meetings; responsibility for all records of the District and their proper safekeeping in fireproof files provided for this purpose; making a report to the NH Department of Revenue Administration after the Annual meeting of the names and addresses of all District Officers.

Article VIII – Financial Transactions

Section 1: Prior authorization by at least one of the Commissioners must be received for the purchase of equipment, supplies and services over \$200.00. Emergency spending and chemical purchases do not fall under the limitations of this section.

4

Section 2: A payment system will be established for all disbursements. The request for payment will include original invoices or payroll sheets when presented to the Commissioners for approval and will require the signature of at least two Commissioners to be valid. Upon approval of the request, the Treasurer and one Commissioner must sign all checks for payment.

Article IX – Audits

Section 1: An audit of the Treasurer’s accounts and finances of the District shall be conducted annually.

Section 2: The Auditor shall carefully examine the accounts of the Treasurer and of any other Officer or agent handling funds of the District at the close of the fiscal year and at other times whenever necessary, and report to the District whether the same are correctly cast and well vouched. The Auditor’s report shall also be published in the next Commissioner’s Annual Report and include a statement of the verification of the Treasurer’s bond

Article X – Amendments

Section 1: Thee By-Laws may be amended at any Annual Meeting or Special Meeting called for this purpose by a majority vote of the legal voters of the District present and voting at such meeting, provided an Article in the Warrant states that certain changes are to be considered at such meeting.

Section 2: The future Terms and Conditions, Regulations, Rates and Fees of the District may be amended after initially established by the Commission in the same manner as for amending the By-Laws.

	Commissioners
adopted _____	_____
Date	Heber Feener, Chairman
Attest by:	_____
Josephine Nichols	Roland Seymour
Tilton Northfield Water District Clerk	_____
	Francis LaBranche

JAY C. BOYNTON

Attorney at Law

Andover Arms, 266 Main Street, PO Box 395
Andover, New Hampshire 03216-0395
E-mail jboynton@mail.tds.net

Telephone
603) 735-5554

Fax
(603) 735-5564

October 13, 2005

Marcia A. B. Thunberg, Staff Attorney
Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

Re: DW 05-135 Tilton & Northfield Aqueduct Company, Inc.
Staff Data Requests – Set No. 2

Dear Attorney Thunberg:

Thank you for your letter of October 11th, 2005.

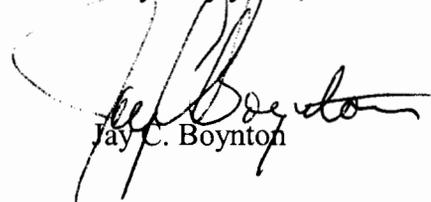
As you may recall, this is a joint petition involving both the Tilton and Northfield Aqueduct Company, Inc. and the Tilton and Northfield Water District. Most of the staff data requests call for responses from the Water District. We have responded to 2-12 and 2-13.

It did not appear, from the materials that you sent to me, that a copy was sent to the Water District Commissioners. Ken Money has delivered a copy with the request that the Commissioners respond directly to you with respect to the other data requests.

I have enclosed responses by the Tilton and Northfield Aqueduct Company, Inc.

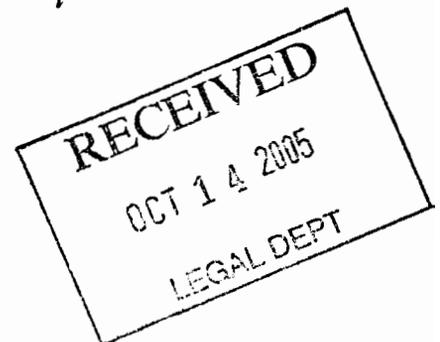
Please call me if you have any questions.

Very truly yours,



Jay C. Boynton

JCB/rab
Enclosures
Cc: Service List
Kenneth F. Money
Peter Russell
Mark Puffer, Esquire
Water District Commissioners



STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISISON
RESPONSE OF THE TILTON & NORTHFIELD AQUEDUCT COMPANY, INC.
TO STAFF DATA REQUESTS
DW 05-135 SET NO. 2

Now comes the TILTON AND NORTHFIELD AQUEDUCT COMPANY, INC. by and through its President, Kenneth F. Money and respectfully responds to the requests for information directed to the Company in writing and under oath.

Other data requests were directed toward the TILTON AND NORTHFIELD WATER DISTRICT, Co-Petitioner, and a copy of both this response and the original data request has been forwarded to them.

Staff Data Request 2-12 Response of Kenneth F. Money

Paragraph 1.3 of the February 11, 2005 Stock Purchase Agreement discusses adjustments to the purchase price, total assets less total liabilities not to exceed \$890,000. Please provide an estimate, and derivation, of the adjustments expected under this paragraph.

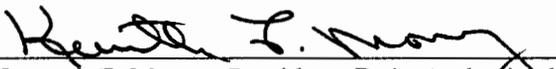
The Stock Purchase Agreement represents a proposal by the Commissioners that was accepted by the shareholders of the Tilton and Northfield Aqueduct Company, Inc. and approved by the voters. Please note that the agreement states that the Net Book Value of the Company "shall not be less than \$890,000", not "not to exceed \$890,000" as stated in Staff Data Request 2-12. The only adjustment contemplated under paragraph 1.3 of the agreement is a dividend distribution to the current shareholders before the closing of the transaction. This dividend will reduce the Net Book Value (as defined by Generally Accepted Accounting Principles) of the Company to not less than \$890,000. It is anticipated that this dividend will be about \$135,000. It should be noted that, subsequent to the agreement, the parties have stipulated that deferred income taxes will not be considered when determining Net Book Value as of the closing date. This provision works both ways to keep the value the same as it was when the Stock Purchase Agreement was signed and approved by the voters.

Staff Data Request 2-13 Response of Kenneth F. Money

Is there a more current version of the stock purchase agreement than February 11, 2005 and June 29, 2005? If so, please provide a copy.

Copies of subsequent extensions are attached as Exhibits 1 and 2.

Respectfully submitted:
Tilton and Northfield Aqueduct Company, Inc.
For the Company and Shareholders:

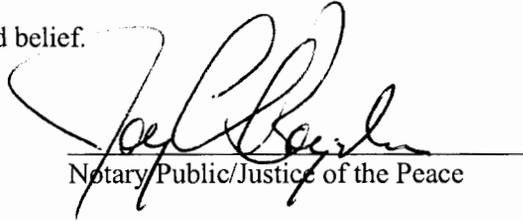


Kenneth F. Money, President, Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

Kenneth F. Money appeared, signed this before me, and took oath that the facts stated above are true, to the best of his knowledge and belief.

13 Oct 2005
Date


Notary Public/Justice of the Peace

JAY C. BOYNTON, Notary Public
My Commission Expires December 19, 2006

**SECOND AGREEMENT TO EXTEND
STOCK PURCHASE AGREEMENT ORIGINALLY DATED 02/11/05**

This Extension Agreement entered into this date, is by and among TILTON AND NORTHFIELD WATER DISTRICT, a NEW HAMPSHIRE municipal subdivision, ("Purchaser"), and TILTON AND NORTHFIELD AQUEDUCT COMPANY, INC., a NEW HAMPSHIRE corporation ("Corporation"), and KENNETH F. MONEY, Trustee of the Kenneth F. Money Revocable Trust, (SELLER #1), BARBARA J. MONEY, Trustee of the Barbara J. Money Revocable Trust (SELLER #2), KENNETH F. MONEY and BARBARA J. MONEY, Trustees of the Robert W. Marshall Revocable Trust (SELLER #3), and JON EMERSON (SELLER #4) (collectively referred herein to as "Sellers").

WHEREAS, the Parties to this Agreement wish to extend the date for closing;

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. The Purchaser has investigated fully to its complete satisfaction, with due diligence, all tax implications of this transaction without reliance upon the Sellers, the Corporation, their attorneys or accountants.
2. The Parties have mutually agreed that the closing shall be extended and completed on or before September 30, 2005 and that, time being of the essence, no further extension shall be permitted without the prior written approval of all of the Parties.
3. Sellers have provided to the Purchaser any and all documents and information requested.
4. The Purchaser has written confirmation from Rural Development that funds are available for this transaction and the Parties have filed a Joint Petition before the Public Utilities Commission. The Purchaser will continue to seek such approval of the State regarding SRLF as it requires. In the event such confirmation, having been provided, is withdrawn or modified, the Sellers may, at their option, terminate any approval process.
5. In all other respects, the Stock Purchase Agreement originally dated 02/11/05 and previously extended is affirmed and ratified.

Dated on this 17th day of August, 2005

Tilton and Northfield Water District

By:

Rolando J. Lamer
Commissioner, Duly Authorized

Francis J. Brancheau
Commissioner, Duly Authorized

Commissioner, Duly Authorized

Dated on this 17th day of August, 2005

Tilton and Northfield Aqueduct Company, Inc.

For the Company and Shareholders:

Kenneth F. Money
Kenneth F. Money, President, Duly Authorized

**AGREEMENT TO EXTEND
STOCK PURCHASE AGREEMENT ORIGINALLY DATED 02/11/05**

This Extension Agreement entered into this date, is by and among TILTON AND NORTHFIELD WATER DISTRICT, a NEW HAMPSHIRE municipal subdivision, ("Purchaser"), and TILTON AND NORTHFIELD AQUEDUCT COMPANY, INC., a NEW HAMPSHIRE corporation ("Corporation"), and KENNETH F. MONEY, Trustee of the Kenneth F. Money Revocable Trust, (SELLER #1), BARBARA J. MONEY, Trustee of the Barbara J. Money Revocable Trust (SELLER #2), KENNETH F. MONEY and BARBARA J. MONEY, Trustees of the Robert W. Marshall Revocable Trust (SELLER #3), and JON EMERSON (SELLER #4) (collectively referred herein to as "Sellers").

WHEREAS, the Parties to this Agreement wish to extend the date for closing;

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. The Purchaser has investigated fully to its complete satisfaction, with due diligence, all tax implications of this transaction without reliance upon the Sellers, the Corporation, their attorneys or accountants.

2. The Parties have mutually agreed that the closing shall be extended and completed on or before October 31, 2005 and that, time being of the essence, no further extension shall be permitted without the prior written approval of all of the Parties.

3. Sellers have provided to the Purchaser any and all documents and information requested. Purchaser has consulted with Sellers' Accountants to its satisfaction and has retained legal counsel. Purchaser will complete Forms RD442-21 and 22 as well as providing all other information requested by Rural Development.

4. The Tilton and Northfield Aqueduct Company, Inc. agrees to advance up to the sum of \$27,978.93 for engineering and real estate legal fees anticipated by the Purchaser in completing its application to Rural Development. Purchaser agrees to execute a Promissory Note or Notes for the amount actually advanced which will be shown as a "receivable" on the books of the Tilton and Northfield Aqueduct Company Inc.

5. In all other respects, the Stock Purchase Agreement originally dated 02/11/05 is affirmed and ratified.

Dated on this 4th day of Oct., 2005

Tilton and Northfield Water District

By:

[Signature]
Commissioner, Duly Authorized

[Signature]
Commissioner, Duly Authorized

Commissioner, Duly Authorized

Dated on this 3rd day of October, 2005

Tilton and Northfield Aqueduct Company, Inc.
For the Company and Shareholders:

[Signature]
Kenneth F. Money, President, Duly Authorized