

THE STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION

ORIGINAL  
N.H.P.U.C. Case No. DW 13-171  
Exhibit No. 4  
Witness Panel 1  
DO NOT REMOVE FROM FILE

DW 13-171

IN RE EASTMAN SEWER COMPANY, INC

Sale of Assets and Liabilities to the VILLAGE DISTRICT OF EASTMAN

PRE-FILED TESTIMONY OF WILLIAM WEBER  
GENERAL MANAGER OF THE VILLAGE DISTRICT OF EASTMAN

NOW COMES, the VILLAGE DISTRICT OF EASTMAN, and submits the following PRE-FILED TESTIMONY:

1 Q. What is your name and relationship to the Eastman Community?

2 A. My name is William Weber and I have been the General Manager of the Village  
3 District of Eastman since August 2008. My office mailing address is P.O. Box 990  
4 Grantham NH 03753.

5 Q. What are your duties in that capacity?

6 A. As General Manager of the Village District of Eastman, (VDE) I am tasked with  
7 the operation and oversight of a public water supply that serves 1330 connections that  
8 supplies approximately 2700 customers in the Town of Grantham and another 300  
9 customers combined from the Towns of Enfield and Springfield. The responsibilities  
10 include preparing budgets, providing information to the officials for monthly meetings,  
11 and overseeing upgrades and maintenance of the system.

12 What is your experience, generally, and within the Village District of Eastman?

13 A. I have a BA a JD and over thirty-five years experience in civil construction to  
14 include project management. I currently hold valid Grade 3 Water Operator License

15 issued by the New Hampshire Department of Environmental Services and am the owner  
16 and operator of record of the VDE.

17 Q. What is the purpose and authority of the Village District of Eastman?

18 A. The VDE was formed in March 1981 for all purposes that a village district could  
19 be created for pursuant to NHRSA 52, which included the authority to own, operate and  
20 maintain a wastewater collection facility.

21 Q. How have you been involved with the transfer of Eastman Sewer Company assets  
22 to the Village District of Eastman?

23 A. In February of 2012 the VDE was approached by the Eastman Sewer Company,  
24 (ESC) requesting that the Board of Commissioners, (BOC) consider acquiring the ESC.  
25 After numerous public meetings with the ESC and other consultants, the BOC  
26 determined that; 1) the wastewater operation would better serve the community if  
27 operated under the direction and control of a municipality, 2) that although only one third  
28 of the VDE customers were customers of the ESC, the ongoing and future repairs and  
29 maintenance would benefit the entire community, and, 3) the immediate savings of funds  
30 could be set aside for future capital expenses. In a two to one vote by the BOC to move  
31 forward the VDE requested that the ESC conduct an informational session for the sewer  
32 users to include the entire community to outline and address the pros and cons of the  
33 potential acquisition. The session was held on Saturday November 17, 2012, this date  
34 offered the opportunity for the greatest amount of the community to attend. On  
35 December 7, 2012 the slide presentation that was used at the November 17<sup>th</sup> forum was  
36 mailed to every homeowner in the Eastman Community, which includes both the VDE  
37 and the ESC.

38 Q. How did the Community respond?

39 A. Based on the overwhelming response to the informational forum the BOC  
40 scheduled a special meeting for January 9, 2013 to present a two question warrant to the  
41 community which if passed would authorize the BOC to move forward with the  
42 acquisition. The vote was in favor of the BOC moving forward and the acquisition was  
43 placed on the 2013 Annual Warrant.

44 Q. Did the voters approve the acquisition?

45 A. Yes. In February of 2013 the ESC and the VDE began negotiating the terms and  
46 conditions that would be in the best interest of the sewer customers and the community as  
47 a whole. On March 20<sup>th</sup> 2013 the VDE and ESC entered into a Memorandum of  
48 Understanding, (MOU) which outlined the expectations of the parties going forward  
49 primarily contingent on the outcome of the March 21, 2013 VDE Annual Meeting. All of  
50 the wastewater articles passed to include a bond article that required a two-thirds majority  
51 for \$280,000 that would payoff the existing wastewater loan at Lake Sunapee Savings  
52 Bank. The passage of the bond article will net the sewer users nearly \$7,000 in interest  
53 savings over the seven year term.

54 Q. Did the Parties negotiate a Purchase and Sale Agreement?

55 A. Yes. The BOC met on April 3<sup>rd</sup> 2013 to solidify a direction and outline further  
56 due diligence tasks in anticipation of July 1, 2013 closing. The VDE requested that the  
57 ESC prepare a purchase and sales agreement that would incorporate the terms of the  
58 MOU and any requirements necessitated by the 2013 VDE Annual Meeting vote.  
59 How will the wastewater treatment system be operated if this Agreement is approved by  
60 the PUC?

61 A. The VDE will continue to operate the wastewater treatment facility as it is now  
62 with no disruption to the customers and will continue to contract with Water System  
63 Operators of Henniker. The VDE has a decade's long professional relationship with  
64 Water System Operators as they are the current back up / on call company for the VDE  
65 water system. Water System Operators has indicated that they are willing to transfer  
66 their contractual relationship to the VDE without any disruption to the sewer customers.

67 Q. Do you believe that the Parties and the voters of the Village District of Eastman  
68 have determined that this transaction is in the public good and interest?

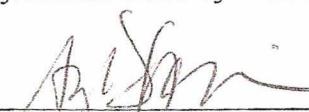
69 A. Yes. There have been other alternatives offered that in a final analyses would not  
70 benefit the sewer users over the long term, however, the acquisition of the ESC by the  
71 VDE is the most logical conclusion given all the facts presented over the past fifteen  
72 months and the will of the voters.

Respectfully Submitted,  
VILLAGE DISTRICT of EASTMAN

By:   
William S. Weber  
General Manager, Duly Authorized

STATE OF NEW HAMPSHIRE  
COUNTY OF SULLIVAN

Subscribed and sworn to before me this 18<sup>th</sup> day of June 2013 by William S.  
Weber, General Manager, Village District of Eastman

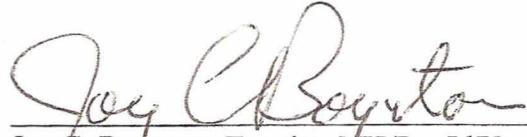
  
Notary Public / Justice of Peace  
My Commission Expires:

AMY D. LEWIS, Justice of the Peace  
My Commission Expires February 22, 2017

CERTIFICATE OF SERVICE

Today the foregoing document was served electronically and by depositing a copy of same in a United States Postal Service receptacle, first class postage prepaid, addressed to Office of the Consumer Advocate, 21 South Fruit Street, Suite 18, Concord, NH 03301-2429.

Dated: June 20, 2013



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