Rumford Water District 25 Spruce Street Rumford, ME 04276

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April 18, 2017

Dear Customer:

The following is an update regarding the ongoing negotiations between Rumford Water District and Poland Spring/Nestle Waters North America:

- The District is nearing the point of having agreements with Poland Spring to share with the public, and hope to update you shortly as to the timing.
- Whatever form final agreements may be in, the Trustees have ensured that they will: (1) allow the District to continue to provide a safe, reliable source of water to all our customers without harm to the sustainable yield of the Ellis River aquifer for either residential wells or the ecology of the Ellis River system; (2) stabilize rates for our customers; and (3) create economic and social benefits for the community.
- As independent review in the past year has shown, the State of Maine will also monitor Poland Springs groundwater withdrawals. For example, Dr. Robert Marvinney, Maine State Geologist and Director of the Maine Geological Survey, told the District that his department went to all nine Poland Spring sites during the 2016 drought and found that Poland Spring was complying with all State of Maine regulations imposed on them. David Braley of the State of Maine Drinking Water Program had similar remarks about the sustainability of Poland Spring's operations.
- If final agreement can be reached with Poland Spring some of the benefits would include:
 - A Community Investment Fund that would total over \$1.2 million over a four-year period. The fund can be set up as an annual revenue stream to be spent at the Town's discretion on community projects;
 - o The District would receive over \$450,000 a year from water and lease payments (and other one-time payments would address the

- District's needs for evaluation and monitoring and for system redundancy):
- Taxes and payments in lieu of taxes on Poland Spring paid to the Town; and
- o Contract conditions in an Evaluation Agreement that would encourage Poland Spring to consider Rumford as a site for a future bottling plant, creating jobs and increased tax revenues.
- Before any final decision is reached with Poland Spring, the Trustees will
 make a draft of the agreement available to the public for review and will
 hold a public meeting to solicit input that meets or exceeds the time frames
 for public review and input required by law. No decision will be reached
 until after the June, 2017 Town Meeting.

Finally, the Trustees would like to clarify some recent misinformation going around Rumford:

- Recently, a group called "Protect Rumford Water" incorrectly claimed that a moratorium passed on March 7, 2017, stops negotiations between the District and Poland Spring.
- That is a gross misstatement; the moratorium only affects "extraction" of water for 180 days, not the ability of the District to contract with Poland Spring.
- Prior to the March 7 moratorium, the District proposed a Large Scale Water Extraction Ordinance to be voted on at the Annual Town Meeting in June.
- This Ordinance gives the Town enhanced powers to manage large scale extraction of water and to protect groundwater rights, addressing all concerns raised in the moratorium.
- The Trustees encourage the customers of the District and the residents of the Town of Rumford to vote to approve the Ordinance at the Annual Town Meeting in June.

Please contact us if you have any questions, we are happy to further discuss these issues.

Sincerely,

Jim Thibodeau, Jolene Lovejoy, Harry Burns, Rumford Water District Trustees

Brian Gagnon, Rumford Water District Superintendent