

April 15, 2025

Dear Senators and Representatives of the Energy, Utility, and Technology Legislative Committee,

My name is Ed Ferreira, and I am a resident of New Sharon and a Trustee of the New Sharon Water District. I am also a homeowner who gets their water from the New Sharon Water District.

I am submitting testimony today to you in support of the bill entitled, "An Act Regarding the Supply of Water to the town of New Sharon," that transfers assets and obligations of the New Sharon Water District to the Town of New Sharon. Currently, the New Sharon Water District is governed by a charter that was established decades ago which designates that an elected group of trustees oversees and administers the water system, the New Sharon Water District. There are approximately 100 users of water on the system and there are approximately 12 water hydrants.

For over a year now, there have been conversations between the New Sharon Water District Trustees and the Select people of the Town of New Sharon. These conversations have been supported by folks from the Maine Rural Water Association who have assisted us trustees in getting our financial situation stabilized. In the past year there were some loan payment obligations that proved difficult to meet. Those obligations were met and the Water District increased its monthly user fees by 64% which has put the water district/system in a more financially sustainable position.

In our conversations the Trustees and the Select People have agreed that it would be in the best interests of both the New Sharon Water District and for the Town of New Sharon for the Town of New Sharon to assume the assets, operation and administrative responsibility for the public water system in the town.

There are a number of reasons we feel that this is the right way to go. A primary reason is that it would be administratively efficient. There could be a cost savings of about \$13,000 a year in billing costs if the town became the operator of the water system. Another reason is that the system serves a very important function for the town and the town's volunteer fire department by providing a fire hydrant system throughout its water pipe run. This hydrant system is critical to the mission of the fire department and helps control the cost of home owner's insurance for all residents of New Sharon. In our view it would make sense for the Town of New Sharon through its Select People and town meeting to be the responsible entity for the water system since it serves such a vital role for the entire town.

The water system is funded by the monthly rates paid for the users of the water, and by an allotment voted on at annual town meeting for fire department's hydrants. Operation and maintenance of the water system is overseen by our operator Mark Deden and we are not envisioning any major change in the way funding, operation and maintenance are conducted, other than billing and accounting as mentioned earlier, as we currently have sustainable financing, and competent and dedicated water system operation and personnel.

Thank you,

Ed Ferreira

New Sharon Water District Trustee