

STATE OF MAINE
Oxford, ss

TOWN OF DENMARK
Board of Selectmen

APPLICATION OF	)	
POLAND SPRING BOTTLING COMPANY,	)	
A DIVISION OF	)	
NESTLE WATERS NORTH AMERICA, INC.	)	DECISION OF
FOR RENEWAL OF PERMIT FOR	)	BOARD OF SELECTMEN
WATER EXTRACTION FROM	)	
COLD SPRING IN DENMARK, MAINE,	)	
AND FOR AMENDMENT OF PERMIT	)	

A. Background

On November 21, 2005 Poland Spring Bottling Company, a division of Nestle Waters North America, Inc. (hereinafter variously referred to as “applicant”, “Poland Spring Bottling Company” or “Poland Spring”) received a permit for the extraction of water from borehole no. 1 on applicant’s Cold Spring Property at a rate of 300 gallons per minute, or an aggregate daily total not to exceed 432,000 gallons in any one day, or an aggregate annual total not to exceed 105,100,000 gallons in any given 365 day period, said permit being issued by the Denmark Board of Selectmen pursuant to Denmark’s “Ordinance Governing Large Scale Pumping or Extraction of Ground Water, Spring Water and/or Water from Aquifers Within the Municipality of Denmark, Maine”. (Hereinafter the municipality is variously referred to, as indicated by the context, as the “Town of Denmark”, the “Town”, the “Board of Selectmen”, the “Municipal Officers”, or the “Board”, and the Ordinance is referred to as “the Ordinance”).

Pursuant to the ordinance said permit was for a three (3) year period, requiring renewal at the end of that period, and was accompanied by and subject to “Conditions of Approval”, also dated November 21, 2005, which conditions included Schedule A (Monitoring and Reporting Requirements) and Schedule B (Monitoring Requirements and Action Levels). Further, on August 21, 2006 the Board of Selectmen issued an addendum to the November 21, 2005 permit adding additional alert and action levels.

The applicant timely filed with the Town of Denmark a consolidated application for renewal of its existing extraction permit and a request for an amendment to its permit to include the use of a second borehole (“borehole no. 2”) in its planned extraction activities, without however increasing the gallonage to be extracted as specified in the original permit.

The Town engaged the services of and was represented throughout by Jacques Whitford, Donald Moore, hydrogeologist, who submitted written reports and analyses of the application, supporting documentation, and analysis of and commentary on the submissions of the intervenor's geohydrologist. (Hereinafter referred to as the "Town's technical agent".) The Town also engaged Michael Thorne, MPA, to conduct a study of impacts and impact fees as required by Art. VI of the ordinance.

Steven Griswold, owner of property abutting the Poland Spring property, who has been treated as an intervenor in the application process, engaged the services of R. W. Gillespie & Associates, Inc., Cynthia A. Thayer, Geohydrologist, who submitted a proposed monitoring plan and alert and action levels. (hereinafter referred to as "Griswold" or "intervenors").

Additionally, throughout, the parties have been actively represented by counsel: the applicant by Pierce Atwood, LLP, of Portland, Maine; the intervenors by Verrill Dana, LLP, of Portland, Maine and the Town by A. Kingman Pratt, Jr., Esq. of Fryeburg, Maine, all of whom have generated numerous letters, memos, written responses and similar which have been submitted to the Board of Selectmen as part of their review.

On October 20, 2008 the Board of Selectmen determined the application was complete, subject to specified supplementation, and in order for public hearing.

On November 22, 2008 the Board of Selectmen conducted a public hearing on the application. The hearing included a presentation by the applicant, responsive commentary by the intervenors, comments from the Town's technical agent, and comments and questions by the members of the Board of Selectmen and members of the public.

At the close of that hearing the Board of Selectmen solicited further submissions from the parties and the public to be filed with the Town not later than December 15, 2008, and declared that as of that date the record would be closed.

On December 15, 2008 the Board of Selectmen convened a public meeting of the Board, for purposes of reviewing the record before it and deliberating on the application, finding certain facts, determining whether the application met the applicable performance standards of the Ordinance, and rendering its decision. That deliberative session was continued to December 18, 2008 at which the Board of Selectmen found, concluded, ruled and decided as follows:

B. Findings

General findings, applicable both to the renewal and the amendment.

The Board unanimously found the following:

1. The notice requirements of Article IV.C.3.a and Art. IV of the ordinance were complied with.

2. The public hearing requirements of Art. IV. D and E were complied with.

3. There were no challenges to the jurisdiction of the Board of Selectmen to hear and decide the application(s).

4. There were no challenges to the impartiality of individual members of the Board of Selectmen.

5. The applicant established the required right, title and interest in the Cold Spring Property and pipeline easements described in the application(s).

6. The applicant demonstrated to the Board of Selectmen that it possesses the expertise and financial resources to provide continuing adherence to the standards in Art. V of the ordinance.

Renewal of the 11/21/05 permit

The Board unanimously found the following:

7. Under Art IV. G.4:

(a) There is no proposed increase in the permit holder's extraction activities in terms of the quantity of water to be extracted.

(a)(1) Even if the permit is amended to include borehole no. 2 there will be no increase in the quantity of water to be extracted.

(b) There is no change in the location or configuration (aside from the proposed addition of borehole no. 2 by way of amendment) of the extraction facility.

(c) There has been no material failure by the permit holder to comply with any conditions of the expiring permit.

(d) There is no significant, credible evidence that the permit holder's continuing operations would be unable to meet the performance standards of the ordinance during the renewal period, given compliance with "Conditions" and Schedule A and B annexed hereto.

RULING: Based on the foregoing findings, the Board of Selectmen unanimously ruled the applicant has met the standards for renewal of its existing permit, under Art. IV.G.4 of the ordinance.

Amendment of approval, to include borehole no. 2

(Applicant's application for an amendment to add borehole no. 2 to its permit was structured as though it was a new application, consequently the Board of Selectmen has reviewed it under Art. V of the ordinance ("Performance Standards")).

The Board unanimously found the following; under ordinance Art V.A (geologic and Hydrologic Standards) and Art V.B (Impacts on General Vicinity);

Art. V.A of the Ordinance sets out six specific geologic and hydrologic standards, as follows:

A. 1 The proposed extraction will not cause undesirable changes in groundwater flow patterns relating to the aquifer, its recharge areas, or other ground water sources within the Town.

Based on the data generated by the testing regime imposed by the 2005 permit, analyses developed by the applicant, and reasonable assumptions and predictions regarding the nature and extent of the Cold Spring aquifer, and the review and analysis of all of this information by the Town's designated technical agent, the Board finds based on uncontroverted evidence in the record, subject to the provisions set forth under "Conditions" attached, the applicant has met this standard.

A. 2 The proposed extraction will not negatively impact, diminish or alter any surface waters within the Town, including during any periods of drought.

Based on the data, tests, and analyses developed by the applicant and reviewed by the Town's designated technical agent, and considering the historical natural fluctuations in the discernible levels of such surface waters, the Board finds, based on normally prevailing climatic patterns, subject to the provisions set forth in "Conditions" attached, the applicant has met this standard; however, with respect to periods of severe or sustained drought, that contingency is specifically addressed in Conditions Schedules A & B annexed hereto.

A. 3 The proposed extraction will not cause any ground subsidence beyond the property lines of applicant's property.

The evidence before the Board as submitted by the applicant was that the type of extraction activity proposed, and the natural formation and make up of the Cold Spring aquifer, do not create the specific conditions contributing to ground subsidence. There being no evidence to the contrary the Board finds the applicant has met this standard.

A.4 The proposed extraction will not adversely affect the long term sustainability of the aquifer, or its recharge areas, or other ground water source, including during periods of drought.

Based on the data generated by the testing regime imposed by the 2005 decision, analyses developed by the applicant, and reasonable assumptions and predictions based on historic norms regarding the sources and extent of naturally occurring recharge to the Cold Spring aquifer, and the review and analysis of the same by the Town's designated technical agent, the Board finds, based on normally prevailing climatic patterns, and specifically subject to the provisions set forth in "Conditions" attached, the applicant has met this standard; however with respect to periods of severe or sustained drought, that contingency is specifically addressed in Conditions Schedules A & B annexed hereto.

A.5 The proposed extraction will not create a health risk or issues of drinking water turbidity, clarity or aroma.

Based on the absence in the record of any credible evidence of such risks, and the acknowledged undertaking by the applicant of an ongoing testing and monitoring regime, the Board finds, subject to the provisions set forth in "Conditions" attached, the applicant has met this standard.

A. 6 The establishment of an ongoing follow up monitoring system.

By way of its repeated representations to engage in such an ongoing testing and monitoring program, its adherence to the monitoring regime established in the 2005 permit, and the submission of its own detailed proposal in this regard, the Board finds that , given compliance with the provisions set forth in "Conditions" attached, the applicant has met this standard.

3. Art. V.B of the Ordinance sets out seven specific performance standards related to impacts on the general vicinity.

B.1. Assumption by the applicant of any and all liability for loss, interruption, degradation or interference with the pre-existing beneficial domestic use of ground water by a land owner or lawful land occupant, or other public or private water supply, caused by applicant's withdrawal or extraction of water.

The Board finds that, given the reasonable expectation applicant will be subject to the provisions of 38 MRSA 401 et seq, the acknowledgment by applicant of it's responsibilities with respect to this performance standard, and compliance with the provisions set forth in "Conditions" attached,

including specifically the provisions therein related to the posting of security, the applicant has met this standard.

B.2.)

B.3)

B.4) See integrated findings and rulings immediately below.

B.5)

B.6)

B.7)

B.5 is not implicated by this application, which contemplates transport of extracted water through and out of the Town of Denmark by underground pipeline. Any change in transport method involving Town roads or public easements not expressly addressed in the application will require further review and approval.

As to standards B2, B3, B4, B6 and B7 the uncontroverted evidence before the Boards compels the Board to find the applicant has met these specific standards subject to ongoing compliance with the provisions set out in “conditions” below.

RULING: Based on the foregoing findings, the Board of Selectmen hereby unanimously rules that applicant has met the standards (for amendment of its permit to include borehole no. 2) under Art V.A. and V.B, assuming ongoing compliance with the Conditions, attached, and monitoring requirements and alert and action levels attached hereto as Conditions Schedules A and B.

Impacts and impact fees

Art VI of the ordinance requires the Board to evaluate the impact of the proposed extraction activities on vital public facilities, improvements and infrastructure which might be overburdened as a result and, in such cases, impose a reasonable impact fee to ameliorate the same.

The Board unanimously found no projected impacts, and thus no basis for imposing an impact fee, with respect to elements a through h of Art VI.3 of the ordinance, consistent with the report of Michael Thorne, MPA, and given the lack of any evidence or testimony to the contrary.

With respect to Mr. Thorne’s expressed concern for possible damage to town roads or public easements under which the applicant’s pipeline passes, in the event of failure or malfunction the pipeline, and his recommendations regarding a bond to ensure repair, the Board was persuaded by the uncontroverted testimony of applicant’s engineers, and from viewing a sample of a typical and similar pipeline cross section, that additional security as such

would not be required. However, the subject is separately addressed in the Conditions, attached hereto.

Conditions

The stated primary purpose of the Ordinance (Art. I) is “to protect the quality and quantity of ground water, spring water and/or water in aquifers and their recharge areas located wholly or partially within the Town of Denmark.”

The Ordinance mandates (Art. I) that any approval of water extraction governed by the Ordinance must insure “the ongoing sustainability and quality of said water supplies and the avoidance of any interruption or degradation of water quality and quantity to members of the general public within the Town...”

In furtherance of these requirements the ordinance (Article IV.F.2) authorizes the Board of Selectmen to grant approval of an application subject to conditions; to engage independent expert assistance (Art. VI) with respect to such conditions; and establishes that failure to comply with such conditions may be grounds for suspension or revocation of any permit approval (Art. VIII).

Therefore the following decision is expressly subject to “Conditions of Approval”, with Schedules A and B, attached hereto and made a part hereof.

E. Decision

Based on the foregoing the Board of Selectmen hereby grants conditional approval for renewal and amendment of Poland Spring’s application for a period of three (3) years from December 18, 2008 specifically:

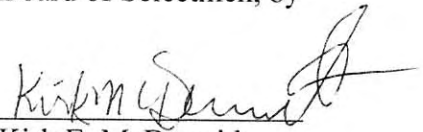
1. The extraction from borehole no. 1 and borehole no. 2 on the so-called Cold Spring property of the following amounts of spring water, which amounts may not be increased, exceeded, or allocated to other extraction points, without further review and approval of the Board of Selectmen:

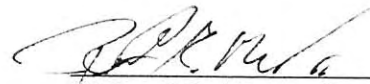
- (a) A per minute extraction not to exceed in the aggregate 300 gallons per minute;
- (b) An aggregate daily total not to exceed 432,000 gallons in any one day;
- (c) An aggregate annual total not to exceed 105,100,000 gallons in any given 365 day period; and

The transport of said spring water beyond the limits of the Municipality of Denmark by underground pipeline as referred to above and depicted and described in the application.

Dated: 1-26-, 2009

Town of Denmark
Board of Selectmen, by


Kirk E. McDermith


Richard K. Mason, Jr.

(Note: all findings, rulings and decisions made at the December 18, 2008 deliberative session were unanimous, by a vote of 3-0. On January 1, 2009 Ralph Sarty, Selectman, resigned from the Board. The above signatories are all of the remaining members of the Board, each of whom were on the Board throughout the preliminary proceedings, hearing, and deliberative session.)

L2182/09-003L

CONDITIONS of APPROVAL
ATTACHING AND APPLYING TO
DENMARK BOARD OF SELECTMEN
DECISION RENDERED ON DECEMBER 18, 2008

CONDITIONS OF APPROVAL

Approval of the application of Poland Spring Bottling Company, a division of Nestle Waters North America, Inc. is subject to the Conditions of Approval set out below. These conditions are imposed by the Board of Selectmen pursuant to the following sections of the Town of Denmark "Ordinance Governing the Large Scale Pumping or Extraction of Groundwater, Spring Water, and/or Water from Aquifers within the Municipality of Denmark, Maine": Article I; Article IV.G.2; Article IV.G.3; Article V.A; Article V.B; Article V.C; Article VI; Article VII; and Article IX.

Any failure of Poland Spring Bottling Company, or its successors or assigns, to maintain ongoing compliance with any of said conditions of approval or with any of the performance standards of the Ordinance may, after notice by and hearing before the Board of Selectmen, result in suspension or revocation of this approval in which case all water extraction addressed by this approval shall cease until a new approval is obtained, as provided by Ordinance, Article IX.

1. This approval is conditioned upon and limited to the proposals and plans contained in the application, and supporting documents submitted by the applicant or referred to in this decision. Any variance from the proposals, plans, documents, or findings and rulings in this decision is subject to the further review, hearing and approval by the Denmark Board of Selectmen prior to implementation. As part of its preliminary review of any such changes the Board will first determine whether the changes are so substantial and fundamental as to constitute a new application under the ordinance, or are only incidental and subject to review as merely an amendment to this approval.
2. Prior to commencement of any construction, reconstruction, relocation or modification of buildings, pipelines or related facilities or the actual extraction of water or transport thereof the applicant shall secure and comply with all applicable Federal, State and local licenses, permits, authorizations, conditions, agreements or orders, including but not limited to:
 - (a) Federal Food and Drug Administration approval of the source as "Natural Spring Water" as maintaining a continuous spring flow;
 - (b) Maine Department of Environmental Protection permit(s);

- (c) Building permit(s) from the Denmark Code Enforcement Officer as required under the Denmark Zoning Ordinance;

Copies of all such permits, as and when issued, will be provided to the Town of Denmark via the Denmark Code Enforcement Officer.

The construction by applicant of any buildings, pipelines or related facilities prior to the receipt of any additional approvals or permits cited or referred to above shall be at applicant's sole risk, and shall not confer upon applicants, its property or improvements any vested rights with regard thereto, nor shall it excuse the applicant's obligation to obtain and comply with such approvals or permits prior to the use and operation of such buildings, pipelines or related facilities.

3. The applicant shall timely submit all reports, information and monitoring data as required by the Ordinance, or this approval and conditions thereof, to the Board of Selectmen or its duly authorized designees, or such other and additional information reasonably necessary to enable the Town to confirm ongoing compliance with the terms of the Ordinance and this approval and conditions.
4. The applicant shall not sell, lease, assign or otherwise transfer its water extraction and transport authority under this approval without the prior written consent by the Board of Selectmen, which consent shall not be unreasonably withheld, upon a demonstration to the reasonable satisfaction of the Board by the proposed transferee that it has the financial ability and technical capacity, and the ability to provide a performance guarantee equivalent to that specified elsewhere in this approval, equal to that of the original applicant, with respect to the ongoing adherence to these conditions and the performance standards of the Ordinance.
5. The applicant shall comply on an ongoing basis with all the monitoring requirements set out or referred to in Article V.A.6 of the Ordinance. In addition the applicant shall conduct monitoring of all locations listed on Schedule A, per the frequency schedule set forth therein, as annexed hereto.

All of the above monitoring reports (and such supporting data as requested by Town's technical agent) and data shall be submitted, contemporaneously with their submission to or generation by the applicant, to the Town's Code Enforcement Officer and the Town's duly designated technical agent (the Town's hydrologist or similar) for review of ongoing compliance with the performance standards of the ordinance in Articles V.A, V.B, and VII and the conditions of this approval. All such monitoring costs, and the costs of ongoing review by the Town's designated technical agent, shall be promptly paid by the applicant.

6. The applicant may be required to establish additional monitoring stations, implement additional monitoring procedures and/or submit monitoring reports and data on a more frequent basis if the Town determines based on the advice of

its designated technical agent that such changes or additions are required to ensure ongoing compliance with Ordinance Articles V.A, V.B, or VII. The Town reserves the right to establish its own monitoring stations, as may be recommended by its technical agent, data from which shall be considered on the same basis as data generated by the applicant.

7. The Town, through its Code Enforcement Officer and/or its duly designated technical agent may enter applicant's extraction site, monitoring sites, and associated load out facility for the purposes of confirming monitoring methods and reports, with reasonable advance notice to applicant, for good cause which shall include, but not be limited to, the recommendation of the Town's technical agent, observation by the Code Enforcement Officer of readily apparent and significant environmental circumstances such as rapid diminution of gauge levels, receipt by the Town of multiple reports certified by engineers, hydrologists or similar of negative impacts on domestic private water wells within the Cold Spring Aquifer's zone of contribution, or monitoring reports indicating that any alert or action levels set forth in Schedule B annexed hereto, have been reached or exceeded.

To avoid damage, wash out, or erosion affecting the utility and safety of any public easement or town way under which any portion of applicant's pipeline(s) may cross, resulting from a leak, bursting or other failure or malfunction of said pipeline(s), applicant shall install a "fail safe" interlock component to its pumping and pipeline system which will detect any such leak and in consequence thereof automatically shut down all pumps.

Said system shall include at least the following elements: a method by which the incoming flow of water at the applicant's storage/load out facility is continuously compared with the outgoing flow as measured or monitored at the pumping facilities, and in the event of any material deviation therefrom, the pumps are automatically shut down until the source of any leak is located and repaired. The system shall also include the generation of reviewable data showing cumulative totals of gallonage pumped at the extraction site and cumulative totals of gallonage received and distributed at the load out and storage site.

Said system shall be installed, tested, and demonstrated to the reasonable satisfaction of the Board of Selectmen, the Denmark Code Enforcement Officer, the Denmark's Public Works Director, and the Town's designated technical agent prior to any sustained, commercial extraction being undertaken.

In the event of any shut down of pumping due to leakage or similar cause, no sustained pumping will be resumed until the Board of Selectmen is satisfied that the cause and location of the leakage has been identified and addressed and that any damage to any affected town way(s) or public easement(s) have been repaired, and that said easements and ways have been restored to their prior condition, at

the sole cost of the permit holder.

8. The alert and action levels set out in Schedule B annexed hereto are adopted pursuant to Art IV.G.3 of the ordinance, and represent threshold draw down levels of the Cold Spring Aquifer, springs, and surface water bodies which express the point at which applicant's water extraction is deemed to be creating a risk to the long term sustainability of the aquifer and associated ground water and surface water resources. If any of the alert or action levels set out in Schedule B are reached or exceeded the applicant shall, as set out in the ordinance, and as directed by the municipal officers or the Town's designated technical agent, immediately increase monitoring frequency and reduce or cease pumping, as the case may be, and shall not resume previous extraction schedules until the Town has conducted a complete technical review of the causes and circumstances of arriving at or exceeding the applicable alert or action level(s), and has determined that resumption of previous extraction and pumping schedules, or resumption at a lesser rate than previous extraction and pumping schedules or a lesser rate than approved herein, will not cause or exacerbate any adverse impact on the aquifer or associated ground water or surface water resources, and has so notified the applicant in writing.

Additionally, the alert and action levels proposed by R. W. Gillespie & Associates, Inc. as outlined in memorandum of Cynthia A. Thayer, Geohydrologist dated December 2, 2008, and incorporated herein by reference, which are entitled "Aquifer Predicted Drawdown and Alert and Action levels, Denmark facility", a copy of which is attached as Exhibit A, are hereby approved on a stand-by basis and shall be implemented, and shall have the effect set forth in Art. IV.G.3 of the ordinance, in either of the following two events:

- (a) The Cold Spring Aquifer and/or associated springs and surface water bodies are determined to be in a severe drought condition as computed in accordance with the Palmer Hydrological Drought Index, standardized to local climate to the greatest extent practicable (as indicated by the data generated by the National Oceanic and Atmospheric Administration's (NOAA) Station no. 172238 located in East Hiram, Maine, and the heated rain gauge maintained at applicant's extraction site in Denmark, Maine), as published on the website(s) of the U. S. Geological Survey and/or the U.S. Department of Commerce, National Climatic Data Center, or similar successor federal agencies or as published in their respective periodic reports; or
- (b) Upon a sustained pattern of monitoring data indicating that the action levels set out in Schedule B are being reached or exceeded on a frequent basis. For purposes hereof "sustained" shall mean three or more consecutive sets of monthly monitoring data, and "frequent" shall mean more than twice in any given twelve month period.

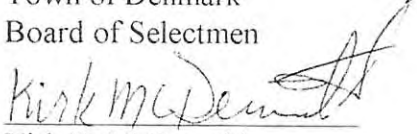
The standby alert/action levels referred to above may, upon written petition to the Board of Selectmen, after notice and hearing, be modified or superseded by different alert/action levels after additional data yielded by an actual, sustained extraction regime becomes available for analysis, or as otherwise allowed by the ordinance.

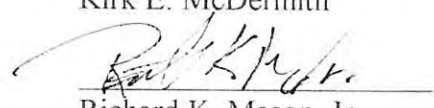
9. Pursuant to Ordinance Art. VII applicant shall pay to the Town all of its professional costs related to the review of monitoring reports referred to in the Ordinance, this decision or the conditions, including specifically such costs as may reasonably be incurred under conditions 3, 4, 5, 6, 7 and 8 herein.
10. To secure its obligations under Art V.B.1 of the Ordinance applicant shall procure and post with the Town a payment bond in the aggregate amount of \$225,000.00 for payment of the recoverable costs incurred by the owners of private domestic ground water wells as covered by said Ordinance Art V.B.1 and 38 MRSA 401 et seq. Said payment bond shall be issued for review and approval by the Board of Selectmen prior to the commencement of any extraction authorized under this decision, and shall be maintained in force throughout the term of this approval. The Town may, in its sole discretion, accept another form of security which it deems of equivalent protection.
11. With respect to any findings and rulings in the decision of the Board of Selectmen that specific performance standards will be met and satisfied by the extraction activities described in the application such findings are largely based on preliminary tests, hydrogeologic modeling, background data generated to date based on non-pumping conditions and/or affirmative representations of the applicant. To the extent actual construction and operation of the facilities and infrastructure related to the approved extraction, or specific Ordinance performance standards related thereto, establish that such tests, modeling, background monitoring data and representations were not complete or accurate, and that specific performance standards are in fact not being met, the Board of Selectmen reserves the right of further review of same, and the right to impose appropriate changes or modifications to the approval and/or conditions as are reasonably calculated to achieve ongoing compliance with said performance standards.

Dated: 1-26-, 2009

Town of Denmark
Board of Selectmen

By:


Kirk E. McDermith


Richard K. Mason, Jr.,
Selectmen

L2182/09-004L

CONDITIONS OF APPROVAL
SCHEDULE A
MONITORING and REPORTING REQUIREMENTS

Poland Spring will monitor the various points or stations listed in this section. Monitoring results will be submitted to the Denmark Code Enforcement Officer and the Town's duly designated technical agent each month, except where noted.

A1. Borehole (discharge, turbidity, and odor)

Monitoring Point	Monitoring Frequency	
	(discharge and turbidity)	(odor)
Borehole #1	Continuous, once operational	
	Annually	
Borehole #1	Continuous, once operational	
	Annually	

A2. Monitoring Wells (water levels)

Monitoring Point	Monitoring Frequency	
MW-1	Monthly	
MW-3	Monthly	
MW-5	Monthly	
MW-6	Monthly	
MW-8	Monthly	
MW-9	Monthly	
MW-10	Monthly	
MW-11	Monthly	
MW-12	Monthly	
MW-14	Monthly	
MW-16	Monthly	
MW-17	Monthly	
MW-18	Monthly	
MW-19	Monthly	
MW-21	Monthly	
MW-22	Monthly	
MW-23	Monthly	
PZ-1	Monthly	

A3. Domestic Wells (water levels¹ and water quality²).

Monitoring Point	Monitoring Frequency	
	(water levels)	(water quality)
DW-01	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-02	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-03	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-04	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-05	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-06	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-07	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-08	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-09	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-10	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		
DW-11	4 hour intervals	4 and 1 mth. prior to, 6 mths after, 2, and 3
yrs after startup		

¹ Water level data will be monitored by automated pressure transducers and downloaded and submitted on a quarterly basis.

² Water quality samples will be collected for similar analytical parameters previously analyzed at these wells (i.e. VOCs, metals, and inorganics). Results will be submitted within two weeks of receipt from laboratory

A4. Staff Gauges (water levels)

Monitoring Point	Monitoring Frequency
SG-02	Monthly
SG-03	Monthly
SG-05	Monthly
SG-07	Monthly
SG-08	Monthly

A5. Stream flow (flow)

Monitoring Point	Monitoring Frequency
Upstream at Denmark Road	Monthly
Downstream at Rocky Knoll Road Dam	Monthly

A6. Spring Points (water level, flow)

Monitoring Point	Monitoring Frequency
SP-01S	Monthly
SP-01D	Monthly
SP-02S	Monthly
SP-02D	Monthly
SP-03S	Monthly
SP-03D	Monthly

A7. Precipitation (rate)

Monitoring Point	Monitoring Frequency
East Hiram NOAA Station 172238	Monthly
On-site Station	Continuous

A8. Wetland Monitoring (plant species)

Monitoring Point	Monitoring Frequency
Zone of Contribution	Annually

CONDITIONS OF APPROVAL
SCHEDULE B
MONITORING REQUIREMENTS and ACTION LEVELS

B1. Pumping Rate

The proposed aggregate pumping rate from Borehole #1 and Borehole #2 is an average rate of 200 gallons per minute with short-term maximum rates up to 300 gpm. The annual pumping rate is not to exceed 105.1 million gallons. As described in Section A1 above, the pumping rate will be monitored on a continuous basis and reported monthly. If, during any weekly interval, the average rate of 200 gpm is exceeded, then weekly monitoring (as listed below) and reporting to the Denmark Code Enforcement Officer will be required. If Action Levels, described in Section B2 through B4 below, are encountered, pumping will be decreased or ceased until it can be demonstrated that the various Action Levels are no longer exceeded. Weekly monitoring, if necessary, will be conducted at the following points

Monitoring Point	Weekly Monitoring when applicable
MW-1	Water Level
MW-8	Water Level
MW-16	Water Level
MW-10	Water Level
MW-23	Water Level
SP-01S	Water Level
SP-02S	Water Level
SP-03S	Water Level
PZ-1	Water Level
SG-05	Water Level
Upstream Location in Beaver Brook at Denmark Road	Flow Rate
Downstream Location in Beaver Brook at Rocky Knoll Road Dam	Flow Rate

B2. Monitoring Wells

At the present time it is difficult to accurately correlate water levels in monitoring wells (under both pumping and non-pumping conditions) with levels and flow rate in sensitive surface water bodies, Long Pond and Beaver Brook. However, as mentioned in Section A, monitoring is required at wells, staff gauges, springs, and surface water bodies. A goal of the monitoring program is to further the understanding of the interaction between groundwater and surface water and to ultimately derive action levels at specific monitoring points. The monitoring points listed below have been selected based on their proximity to these surface water bodies (PZ-1 and SG-05 at Long Pond, and MW-16 at Beaver Brook). The Town, therefore, reserves the right to establish action levels at these points, or any others deemed important, once a correlation is established.

Monitoring Point	Alert Level	Action Level
MW-16 above	379.0 feet or less above MSL (aka NGVD)	378.0 feet or less MSL (aka NGVD)
PZ-1	To Be Determined	
SG-05	To Be Determined	

B3. Spring Points.

Water levels in the following Spring Points will be measured on a monthly basis to monitor the effects of pumping on the various springs located at the site. If water levels are measured at below ground surface at all of the spring points listed below, and no ground flow is observed for any period of 90 consecutive days, spring flow is no longer occurring and pumping will cease until spring flow returns and/or it can be demonstrated that spring flow returns under reduced pumping.

Water levels in the Spring Points listed below will be measured on a monthly basis to monitor the effects of pumping on the various springs located at the site. An Action Level is mandated by the Food and Drug Administration (FDA) and has been established at this site; i.e., if water levels are measured at below ground surface at all of the spring points listed below, and no spring flow is observed for any period of 90 consecutive days, spring flow is no longer occurring and pumping will cease until spring flow returns and/or it can be demonstrated that spring flow returns under reduced pumping.

Based on this FDA criterion, an Alert Level should also be established for these Spring Points. The water level monitoring record shows that water levels at these Spring Points have been consistently measured, under non-pumping conditions, at three to four feet

above ground surface. During the pumping tests, measured drawdowns were shown to be approximately six to nine inches, with 180-day projected drawdowns of approximately nine to 12 inches. These 180-day projected drawdowns are therefore two to three feet above ground surface. Therefore, an Alert Level of one foot above ground surface should be established. If water levels, under pumping conditions, reach the Alert Level then weekly monitoring will be conducted at these same points until levels have returned to above the Alert Level.

Monitoring Point	Alert Level*	Action Level
SP-01S	1 foot above ground surface	Water levels below ground surface
SP-01D	1 foot above ground surface	Water levels below ground surface
SP-02S	1 foot above ground surface	Water levels below ground surface
SP-02D	1 foot above ground surface	Water levels below ground surface
SP-03S	1 foot above ground surface	Water levels below ground surface
SP-03D	1 foot above ground surface	Water levels below ground surface

*Alert Level established herein.

B4. Stream Flow

The locations within Beaver Brook listed below will be measured on a monthly basis, unless extreme flows present potentially unsafe conditions, to monitor the effects of pumping on the brook’s flow. If the flow at the downstream station is measured at or below the alert level of 0.48 cubic feet per second (cfs), gauging will be increased to weekly intervals until flow rates have returned to above the Alert Level. If flow at the downstream station is measured at the Action Level of 0.40 cfs, pumping will cease until stream flow returns to above 0.40 cfs and/or it can be demonstrated that flow can be maintained above 0.40 under reduced pumping.

As a means to aid in evaluating the flow in Beaver Brook, a correlation between ground water levels at MW-16 (a monitoring well located directly down gradient of the proposed withdrawal(s) and in close proximity to the brook) was also established to derive preliminary Alert and Action Levels in the brook. These water level elevations (presented below), if achieved, would then trigger the required responses from the Applicant.

Monitoring Station	Alert Level (cfs)	Action Level (cfs)
Upstream at Denmark Road	-	-
Downstream at Rocky Knoll Road Dam	0.48	0.40

Monitoring Station	Alert Level (ft MSL)	Action Level (ft MSL)
MW-16	379.0	378.0

B5. Domestic wells

Water levels will be measured and water quality samples will be collected in the domestic wells listed in Section A3 to monitor the effects of pumping on residential wells. Impacts to these, and/or other nearby residential wells, will be evaluated on an individual basis, therefore there are no Action Levels established.

EXHIBIT A
Aquifer Predicted Drawdown and Alert and Action Levels – Denmark Facility
Standby Alert & Action Levels

Monthly Monitoring Station ID	Maximum Observed Water Level Elevation (ft) ¹	Minimum Observed Water Level Elevation (ft) ¹	Maximum Projected 180-day Drawdown (ft) ²	Alert Level Water Level Elevation (ft) ³	Action Level Water Level Elevation (ft) ⁴
MW-1	387.34	384.40	1.92	382.0	381.0
MW-3	391.18	387.82	0.56	386.5	385.5
MW-5	391.78	387.41	1.06	385.5	384.5
MW-6	386.15	383.58	1.61	381.5	380.5
MW-8	402.18	395.27	0.08	394.5	393.5
MW-9	385.18	382.80	1.60	380.5	379.5
MW-10	387.06	384.20	1.82	381.5	380.5
MW-11	387.44	384.54	1.47	382.5	381.5
MW-12	386.21	383.55	1.45	381.5	380.5
MW-14	387.92	384.86	1.16	383.0	382.0
MW-16	383.15	380.96	1.32	379.0	378.0
MW-17	386.05	382.89	1.24	381.0	380.0
MW-18	391.11	385.45	0.36	384.5	383.5
MW-19	394.70	389.53	0.34	388.5	387.5
MW-21	396.84	392.20	0.30	391.0	390.0
MW-22	395.25	391.41	0.45	390.5	389.5
MW-23	389.41	385.42	0.82	384.0	383.0
PZ-1	405.18	401.19	0.01	400.5	399.5
SG-05	405.18	401.32	--	400.0	399.0

Notes:

- (1) For the monitoring period from 2/22/2006 to 10/20/2008.
 - (2) "Worst-case" scenario, based on Woodard & Curran modeling of potential aquifer drawdown influences during pumping of BH-01 and/or BH-02.
 - (3) Alert Level based on predicted maximum 180-day drawdown, minus 0.5 feet.
 - (4) Action Level based on predicted maximum 180-day drawdown, minus 1.5 feet.
 - (5) "--" The Maximum Projected 18-day Drawdown was not established for this location.
- Shading indicates monitoring locations with previously established action levels.