

WATER COMMISSIONER'S AND SUPERINTENDENT'S  
REPORT

To the Residents of the Leicester Water Supply District:

The Commissioners and Superintendent respectfully submit the One Hundred and Nineteenth Annual Report for the year ending Dec. 31, 2006.

*WATER DEPARTMENT*

Water quality samples were taken each month according to the Department of Environmental Protections Schedule at 3 locations, 124 Pine Street, 9 Water Street and 10 Market Street.

All of the results with the exception of the one sample location on Market Street in August tested positive presence of coliform bacteria which exceeds the acceptable standards. Further testing showed there was no presence of fecal or E coli bacteria in any of the samples. Market Street was flushed with repeat samples showing no presence of coliform bacteria.

Notice of the Non Compliance was advertised in the Worcester Telegram and Gazette on August 29, 2006 as required by the Massachusetts Department of Environmental Protection (DEP).

Additionally, monthly water samples were taken at each well source being pumped; wells number 1, #2, #3 and #5 and Jim Dandy along with a sample from the water tanks.

Our # 3 well in Paxton during the monthly water quality sampling in August showed a count of 5 coliform with no Fecal or E coli bacteria. Repeat samples were taken confirmed a 0 coliform count

In October the #5 well in Leicester had a positive coliform hit and a negative for Fecal – E. coli. Repeat sampling resulted in a confirmed 0 coliform count.

The Commissioners have been actively pursuing the best and most affordable and particle treatment method available to resolve the Arsenic and Uranium issues with the understanding that there is no easy treatment or low cost methods currently available. We have however been taking samples within the Distribution system for Arsenic with the results ranging between 6 and 8 ug/l (10 ug/l is the DEP MCL limit). We believe the same is true for the Uranium and it is below the DEP MCL (30 ug/L is the DEP MCL limit) also in the Distribution System but are not allowed to use these results in our calculation methods. DEP does not accept the method of blending water sources as a treatment method even though we use several water sources at one time to provide water to the entire system.

Sampling for Radionuclides continues quarterly at our #3 and #5 wells for Arsenic, Radon, and Uranium. .

The DEP as of January 2006 now requires the District to report the new Arsenic, Uranium and Radionuclides limits based on a 12 month rolling average.

As a result of the DEP procedure and maximum contaminant lowered limits for Arsenic the District was required to issue notices to our customers in November 2006 for the preceding periods of July 1 to September 30 2006 (average 13 ug/l) and October 1 to December 31, 2006 (average 18 ug/l) that we did not meet the 10 parts per billion limit (ug/L) or MCL for our #3 well during these periods.

Our #5 well has some different issues with the DEP regulations and lowered compliance limits which are Uranium. The test results for 2006 currently meet the DEP limits. New requirements for the DEP will also include Radon limits which currently are not being addressed in the regulations but are expected in the next couple of years.

Wells #1, Jim Dandy and #2 in Paxton currently have shown no Arsenic or Radionuclides exceedances for the new DEP limits of 10 parts per billion or ug/L.

The #4 well on Whittemore Street was removed from service in 2002 because of the issues with Radionuclides and Arsenic. Once a treatment method is decided on then the Commissioners will revisit this well to decide if it is cost effective to provide a treatment or abandon this source.

Two different Pilot Study's have been conducted at the Rawson Street #5 Well for Radionuclides (RADS) and at the Water Tanks for the Paxton well source #3 well for removal of Arsenic with the assistance of Ionic's GE an equipment manufacture of Watertown, Ma. Costs associated with this treatment could result in half a million dollars for each of the two treatment systems needed.

The second Pilot study was conducted by Solmetex of Northborough, Ma. This process uses a newer technology at each well site which absorbs the arsenic and uranium into a media and is then disposed or neutralized. This process is less costly for the capital costs but is more maintenance and upkeep. The treatment process has been approved for the Arsenic removal and is currently under review with the DEP for Uranium removal which is what causes the issues with the Radionuclides. The Commissioners are currently waiting for a final approvals and reports to be completed to submit to the DEP.

In February 2007 the DEP issued a Notice of Noncompliance to the District which requires a corrective action plan detailing both short term and long term solutions to the accedences for the arsenic and uranium issues we are having with our sources.

Final determinations with construction of the treatment after appropriations in April by the District are expected during the summer of 2007.

The Wal-Mart Store located on West Main Street (Rt9) installed both water and sewer lines into their property during 2006. . They have also built a water storage tank to the rear of their property which holds approximately 167,000 gallons of water for their fire sprinkler system. The Fire System is independent from our water system and has all the proper backflow devices which prevents the water in the tank from being re introduced to our water system.

There are 4 additional sites in the Wal-Mart project that have water and sewer stubs to the curbs for future use. There are currently no plans to develop at this time.

Cumberland Farms has built a new store and fuel facilities which opened in January 2007 at 1530 Main Street. Both water and sewer service has been provided from the Districts water and sewer systems.

The Design of a water storage tank has been completed by SEA Consultants for the Rt9 west area. The property was purchased off of Blueberry Lane during the Rt 9 water and sewer project with both water and sewer stubs left for the future tank. The Commissioners as part of the design process are making sure that all the permits and review processes are completed before going forward with the construction which will require a vote of the District for funding.

Replacement of water meters is continuing. Most of the water meters are expected to be replaced by the end of 2007 with heresy radio read meters. The meters will be read either from a hand held reader or a lap top computer minimizing the reading process and insuring the readings are not visually missed read or entered.

The RVS Billing system has also been upgraded to a more advanced Windows Operating System which allowed the District to redesign and modernize the water and sewer bills. The first billing will take place for the January through March 2007 quarter which is billed in April.

The Seventh Consumer Confidence reports were mailed to the District in June 2006, which included information for the previous year 2005.

Each year the Consumer Confidence report will be mailed to the residence of the District by June 30 and will include the information about water quality of each source, information about progress the District is making in protecting the sources and pertinent information about treatment along with general district business.

### *SEWER DEPARTMENT*

SEA Consultants of Cambridge, Ma has completed the Comprehensive Wastewater Management Plan (CWMP) study of the Wastewater Treatment Plant for the current and future needs of the District. The CWMP also included studies to the collection system for infiltration and inflow of which smoke testing and cameras were used to selected areas and lines in the District. Several problem sections were identified for rehabilitation and needed repair which the District will be performing in the near future.

The Commissioners have repeatedly cautioned the residence of the District about sump pumps, roof drains, removing cleanout covers to allow surface water to enter the sanitary sewer or any other means of allowing rain or surface water to be discharged to the sanitary sewer system. Each year the Annual Report cautions about this abuse. A specific notice was sent in December 2005 to each sewer customer.

The District Rules and Regulations read as follows:

Article 3 Section 1 No person shall discharge or cause to be discharged any storm water, surface water, ground water, roof runoff, subsurface drainage, uncontaminated cooling water, or unpolluted industrial process waters to any sanitary sewer.

- a) No water from pools, reservoirs, or cellars shall be drained into any sanitary sewer either by gravity or pump.

It is apparent from the smoke testing and camera study that there remains a number of sewer customers that still have illegal connections to the sanitary sewer system. During the next summer there will be a representative from the District inspecting each house documenting any connection that is not related to the sanitary sewer. Once a violation is found the District will issue a violation notice and begin issuing fines until the connection is removed.

The Creation of a System Capacity or Sewer Bank has been established by the Commissioners and reads as follows. In the absence of system capacity, the applicant for any new connection(s) shall be required to create new capacity or remove/reduce existing flow from the sewer system proportionate to ten (10) gallons of infiltration/ inflow for every one (1) gallon anticipated for new construction or a new use.

To satisfy this requirement the applicant may remove, with written permission from the Board, five (5) documented infiltration and/or inflow sources to be accredited, on a case by case basis, for every one (1) residential connection, or it's equivalent, for new construction or a new use. The Applicant shall provide documentation to the Board, for its approval indicating compliance with the "ten-for-one" or "five-for-one" requirement(s) before connection permit is issued.

Also addressed by the CWMP was the necessity for the District to upgrade the current treatment plant to meet the new discharge permit requirements issued by the EPA and the DEP. The most urgent requirements are the Phosphorous, Copper and the possibility of future requirements for Nitrogen. In addition future development will require the plant to increase the capacity of the plant. The estimated current cost for expansion and treatment upgrades is \$13.5 million dollars. The Commissioners are in agreement that some of this estimated cost can be substantially reduced by contracting individually or performing the work directly by the District rather than a General Contractor who would do the job completely.

A 5 phased approach is being considered for the upgrade as part of the recommendations in which only the most necessary portions be done over the next couple of years and expand the remaining portions of the plant as the customer base increases. The sewer rate could be increased to as much as 40% over the next 5 years.

Other options have also been reviewed which included abandoning the current Wastewater Facility and connecting to the Upper Blackstone Abatement District through Cherry Valley Sewer District and the City of Worcester. The connection fee cost together with treatment and O & M costs to each of the three entities almost doubled the costs over treating and maintain our own system.

The Commissioners at this time are still not accepting any additional connections or sewer extensions to the system from future development projects until the Wastewater Treatment Plant is upgraded for the stricter treatment requirements and enlarged to accommodate more flow capacity. Individual connections will be allowed to properties where stubs have been left for the different sewer projects and who are adjacent to the existing sewer system.

New sewer connections for 2006 included the New Super Wal-mart and Cumberland Farms on West Main Street. Number 12 Breezy Green and 22 Winslow also made connection to the sanitary sewers.

The WWTP on Pine Street has been operating at its design flow during wet weather and has met the permit during the last year for phosphorous and copper. Additional chemicals have been added to help the plant during the wet periods meet the permit limits.

Minutes of the 119th Annual Meeting  
Leicester Water Supply District  
April 25, 2006

In accordance with the warrant legally served and posted, the legal voters of the Leicester Water Supply District met in the Leicester Water Supply District Meeting Hall, 124 Pine Street, in the Town of Leicester on Tuesday April 25, 2006 at seven in the evening ( 7:00 pm), to act on the following Articles, viz:

The meeting was called to order at 7:00 p.m. by the District Moderator Leonard S. Gabrila. A Quorum was declared with 24 signed in voting residence.

A Motion was made by the Clerk to dispense with the reading of the Articles as everyone present had a copy of the Warrant. A second was made and voted in the affirmative. None opposed.

ARTICLE 1 A motion to be made to dispense with the reading of the Officers Reports as copies of the 118 th Annual Report were present and that the reports of the District Officers are accepted with the exception of any typographical errors. A second was made and voted. None opposed,

ARTICLE 2 Robert F. Wilson nominated J. Donald Lennerton for Water Commissioner for a term of three years. Motion was seconded. Motion was made and seconded that the Clerk cast one ballot for J. Donald Lennerton for Water Commissioner for a term of three years. None opposed

ARTICLE 3 Leonard S Gabrila made a motion that the District vote to pay the District Officers as follows for the fiscal year beginning July 1, 2006.

Commissioner Chairman	\$	2,024.00
2 other Commissioners, each		1,760.00
<u>Moderator</u>		<u>137.50</u>
TOTAL	\$	5,681.50

A second was made by Theodore Antanavica.

The Clerk asked if this was an amendment to the original motion approved by the Board. Robert Wilson responded with a no and stated that the Moderator changed the figures before making the motion.

After no other discussion and the motion was voted: 18 for and 2 opposed 4 abstained.

The Superintendent Frank W. Lyon asked for a few moments to recalculate the figures for Article 4 as the total figures represented in the Motion for Article 4 had changed because of the voted for Article 3.

Robert Wilson suggested that the Meeting move to Article 5 until the figures were corrected.

ARTICLE 5 Robert F. Wilson made the motion that the District vote to authorize the Treasurer with the approval of the Commissioners to borrow in anticipation of the revenue for the fiscal year beginning July 1, 2005, in accordance with the General Laws, Chapter 44, Section 4 and Acts in amendment thereon and including in addition thereto, Chapter 849 of the Acts of 1969, as amended, by issuing a note or notes payable within one year and to renew any note or notes as may be given for a period of less than one year, in accordance with the General Laws, Chapter 44, Section 17.

The motion was seconded and voted: None opposed

ARTICLE 4 Robert F. Wilson made the motion that the District vote to raise and appropriate the following sums of money to defray the expenses of the District for the fiscal year beginning July 1, 2006.

Water Maintenance.....	\$ 318,535.75
Sewer Maintenance.....	383,369.09
Maturing Debt.....	39,587.00
Interest.....	18,508.79
TOTAL	\$ 760,000.63

To transfer from the  
Rawson, Holcomb, Utica and Breezy Green Lateral Account

To Maturing Debt (Principal).....	\$ 13,750.00
To Interest on Debt (Interest).....	7,562.50
TOTAL	\$ 21,312.50

To transfer from the  
Waite Street, Massasoit, Rural, Chapel Sewer Lateral Account

To Maturing Debt (Principal) .....	\$ 30,834.00
To Interest on Debt (Interest).....	37,924.80
TOTAL	\$ 68,758.80

To transfer from the  
Lake Sargent Drive / Paxton Street Sewer Lateral Account

To Maturing Debt (Principal).....	\$ 9,460.00
To Interest on Debt (Interest).....	11,625.00
TOTAL	\$ 21,085.00

To transfer from the  
Mannville Street Sewer Lateral Account

To Maturing Debt (Principal).....	\$ 11,000.00
To Interest on Debt (Interest).....	13,585.00
TOTAL	\$ 24,585.00

The motion was seconded and voted: None opposed

ARTICLE 6 Robert F. Wilson made the motion that the District vote to Table this Article until the next Special or Annual Meeting. The motion was seconded.

Under discussion Mr. Wilson explained that the Board was not fully prepared to present this article at this time. The Board needed more time to properly research some issues that surfaced before they present this article to the District for future retired employees of the District.

Mr. Pierce, Mr. Laincz of Warren Ave and Mr. Nelson of Warren Street all expressed their concerns and also contributed that the current the economics conditions did not warrant the additional cost of thousands of dollars to the District.

The motion was voted with 22 for None opposed.

ARTICLE 7 Robert F. Wilson made the motion that the District vote to Table this Article until the next Special or Annual Meeting. The motion was seconded.

Under discussion Mr. Wilson explained that this article was relative to article 6 and would be addresses at another date.

Motion was voted 22 for None opposed

The Moderator asked if there was any further business to be brought before the meeting.

Mr. Davis of Warren Street wanted the District to notify the residence individually of any further meetings. There was some general discussion as to direct mailings, additional postings etc.

The Commissioners recognized the discussion and stated that all the legal requirements are met with an additional advertisement in the newspaper about the meetings time and place. The Commissioners were not in agreement that there should be additional expense to mail notifications to each residence. The Annual Meeting by By-law requires the District Annual Meeting to be the last Tuesday of April each year. Posting of the Annual District was available on the Districts new web site in addition to the three public places and notice on the last billing.

The Treasurer Lillian Dorr responded with verification of the expense for a mailing notice and stated that no matter what notices were sent to the residence it was always hard to get people to come to the meetings unless they had an issue with something.

The Superintendent reminded the Meeting that SEA Consultants would present a Public Hearing immediately after the Annual Meeting to discuss the Comprehensive Wastewater Analysis Study for the Treatment Plant.

The meeting was adjourned at 7:30 p.m. after a motion and a second was made. 24 legal votes attended the meeting

The motion was seconded and voted: None opposed:

Respectfully submitted,  
Frank W. Lyon District Clerk  
April 28, 2006

Minutes of the Special District Meeting  
Leicester Water Supply District  
June 23, 2006,

In accordance with the warrant legally served and posted, the legal voters of the Leicester Water Supply District met in the Leicester Water Supply District Meeting Hall, 124 Pine Street, in the Town of Leicester on Tuesday April 25, 2006 at seven in the evening ( 6:30 pm), to act on the following Articles, viz:

The meeting was called to order at 6:30 p.m. by the District Moderator Leonard S. Gabrila. A Quorum was declared with 17 signed in voting residence.

A Motion was made by the Clerk to dispense with the reading of the Articles as everyone present had a copy of the Warrant. A second was made and voted in the affirmative. None opposed.

ARTICLE 1 J. Donald Lennerton moved that the District vote to amend Article 2, Section 2 of the District by Laws to read as follows;

If the Moderator, or the Meeting by vote, so orders, only legal voters shall be admitted to a defined portion of the place of meeting, and a check list shall be used in the enforcement of such orders. A legal voter shall be constituted as any person of legal voting age, registered as a voter with the town of Leicester and permanently residing within the legal bounds of the District.

Article 3, Section 1 to read as follows;

The Officers of the District shall be elected (by ballot) at the Annual Meeting. They shall include a Board of three Water Commissioners, one elected each year for a term of three years. The Treasurer; Assistant Treasurer; Clerk; Moderator and Auditor shall each be appointed by the Board of Water Commissioners for a term not to exceed three years.

Article 4, Section 1 to read as follows;

The Moderator shall preside at all meetings and conduct them in accordance with the procedure set forth in Article 2. In the absence of the appointed Moderator a substitute shall be elected by the meeting and shall preside only for that meeting.

Article 4, Section 3 to read as follows;

The Treasurer and Assistant Treasurer shall receive and take charge of all moneys and funds due this Water District, directly, or through Collectors

appointed with the approval of the Water Commissioners, and shall deposit said moneys or funds in one or more Banks or Trust Companies within the Commonwealth, and shall pay out same only on Warrants signed by a majority of the Board of Water Commissioners. Motion was seconded.

The Clerk reminded the Moderator that the motion required a two thirds majority vote of the District.

After a brief discussion the Motion was passed by a hand vote 15 yes, 0 no Unanimous.

ARTICLE 2 Robert F. Wilson moved that the District vote to transfer the sum of FORTY FIVE THOUSAND DOLLARS (\$45,000) from the Water Development Fund for design of a proposed water storage tank to be located on District owned property adjacent to Blueberry Lane off Rt 9 and to authorize the Commissioners to contract with a Registered Professional Engineer to design apply for applications, permits or grants for said tank. The motion was seconded.

A brief by Frank W. Lyon Superintendent explained the need and purpose to begin with the water tank needs for the Rt 9 west area.

On a hand vote 14 for and 1 opposed.

ARTICLE 3 Robert F. Wilson moved that the District vote to appropriate the sum of Twenty One Thousand Two Hundred Dollars (\$21,200.00) to conduct smoke testing and reporting of the district sanitary sewer lines in conformance with the Infiltration / Inflow requirements of the National Discharge Permit requirements and to meet said appropriation to transfer

Six Thousand Two Hundred Twenty Nine Dollars and 61 (\$6,229.61) from Article 8, Warren Street Sewer Repair, voted April 25, 2005

One Thousand One Hundred Thirty Four Dollars and 35 (\$1,134.35) from Article 1, Rawson Street land purchase, voted January 6, 2004

Four Thousand Thirty Five Dollars and 03 (\$4, 035.03) from Article 11, Mannville Street Sewer Project, voted April 24, 2001

Five Thousand Nine Hundred Sixteen Dollars and 61 (\$5,916.03) from Article 2, Paxton Street Sewer Project, voted June 10, 1999

Three Thousand Eight Hundred Eighty Four Dollars and 98 (\$3,884.98) from Sewer Development.

TOTAL to be transferred Twenty One Thousand Two Hundred Dollars (\$21,200.00)

And to Authorize the Commissioners to contract with a Registered Professional Engineer to conduct said study. Motion was seconded.

On a hand vote 15 yes and 0 no.

Respectfully submitted, Frank W. Lyon District Clerk June 29, 2006

TREASURE'S REPORT

JULY 1, 2005 TO JUNE 30, 2006

RECEIPTS

CASH ON HAND JUNE 2005	133,412.00
WATER REVENUE	99,639.00
SEWER REVENUE	348,277.00
INTEREST INCOME BANK ACCOUNTS	86,938.00
INTEREST WAITE LATERAL	19,721.00
INTEREST DEER POND LATERAL	5,132.00
INTEREST BREEZY/RAWWSON LATERAL	8,338.00
INTEREST PAXTON/LAKE LATERAL	5,903.00
INTEREST UNIBANK MANNVILLE LATERAL	9,949.00
INTEREST SEWER STABILIZER ACCOUNTS	2,790.00
INTEREST RT.9 LATERAL	17,938.00
INTEREST C.W.M.P	6,992.00
OTHER CHARGES	49,328.00
WATER CONNECTIONS FEES	95,500.00
SEWER CONNECTIONS FEES	501,123.00
WATER ASSEMENTS	588.00
SEWER ASSEMENTS	536,687.00
HILLCREST SEWER INSPECTION FEE	660.00
U.S.D.A. BORROWING	2,286,295.00
GRANT U.S.D.A.	952,825.00
C.W.M.P BORROWING	340,435.00
TOTAL RECEIPT	\$ 9,707,470.00

DISBURSEMENTS

WATER MAINTANCE	\$ 179,478.00
SEWER MAINTANCE	243,305.00
MATURING DEBT	964,677.00
INTEREST ON DEBT	114,364.00
WORCESTER COUNTY RETIREMENT	23,785.00
RT.9 SEWER LATERAL	89,905.00
ART. 8 ENG. (4-27-0421	1,151.00
CWMP	146,140.00
SHORT TERM BORROWING	3,640.00
ART. 9 NEW METERS	13,770.00
MANNVILLE LATERAL	252.00
TOTAL DISBURSEMENTS	\$ 5,280,467.00
CASH ON HAND JUNE 30, 2006	4, 427,003.00
TOTAL	\$ 9,707,470.00

ANALYSIS OF CASH

WATER DEVELOPMENT	\$ 194,785.00
SEWER DEVELOPMENT	1,664,033.00
SEWER STABLIZATION ACCOUNT	3,212.72
DEER POND LATERAL	4,989.55
RAWSON ST. LATERAL	78,258.32
UNIBANK MANNVILLE	261,764.69
WAITE/CHAPEL LATERAL	476,897.89
LAKESARGENT / PAXTON LATERAL	171,529.09
RT. 9 W SEWER LATERAL	531,025.34
METER REPLACEMENT ART#8	34,380.00
ART.9 CONSULTING ENG.	7,248.32
C.W.M.P	156,675.99
HILLCREST SEWER INSP. FEE	660.00
TOTAL	\$ 3,655,459.82
SURPLUS REVENUE	788,634.18
TOTAL	\$ 4,444,094.00

GENERAL DEBT

RAWSON/BREEZY LATERAL	\$ 151,250.00
WATER TANKS & LINE STATE HOUSE NOTE	120,000.00
LAKE SARGENT_AXTON LATERAL	236,500.00
WAITE SEWER LATERAL	739,996.00
MANNVILLE LATERAL	286,000.00
RT.9 W SEWER LATERAL	2,286,295.00
C.W.M.P, SERIAL ISSUE	393,000.00
TOTAL	\$ 4,213,041.00

RESPECTFULLY SUBMITTED LILLIAN A. DORR, Treasurer

LEICESTER WATER SUPPLY DISTRICT  
Incorporated 1888

*Chapter 171 Acts 1888 Water*  
An Act to supply the Centre Village of Leicester with Water

*Chapter 181 Acts 1893 Sewer*  
An Act to Authorize the Leicester Water Supply District to Construct and Maintain a system of Sewerage.

*OFFICERS 2006*  
*Board of Water Commissioner's*  
Robert F. Wilson Chr. - 2005 - 2008  
Leonard S. Gabrila 2004 - 2007  
J. Donald Lennerton 2003 - 2006

*District Treasurer*  
Lillian A. Dorr 2005 - 2006

*District Clerk*  
Frank W. Lyon 2005 - 2006

*District Moderator*  
Leonard S. Gabrila 2003- 2006

*Certified Public Accounting Auditors*  
Borgatti Harrison & Co.

*Superintendent*  
Frank W. Lyon

Annual Meetings - Last Tuesday in April.

Commissioners Meetings  
Second Thursday of the Month - 9:00 am at the Office 124 Pine Street  
unless otherwise posted.

Billing Periods – Quarterly

Office Hours Monday through Friday 9:00am – 2:00pm – excluding  
Holidays

tel: 508 892-8484  
Emergencies 508 892-8484  
Police Dept. 508 892-7010