

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 Twentieth Annual Report for the year ending Dec. 31, 2007.

WATER DEPARTMENT

Water quality coli form samples were taken each month according to the Department of Environmental Protections Schedule at 4 locations, 124 Pine Street, 9 Water Street and 10 Market Street and at the water tanks. In addition to the 4 routine distribution samples, each well (5) was sampled each month with no issues with coliform. There were no coliform violations during 2007.

Additional water samples taken during the previous year included Haloacetic Acids and Trihalomethanes at 124 Pine Street to monitor for compounds associated with the chlorination added at the Jim Dandy well, Total Organic Compound monthly samples were taken for the Jim Dandy Well. There were no violations during 2007

Samples were taken from each well for Perchlorate in September with no violations from the DEP. Perchlorates are substances that have been found in the drink water supplies that come from explosive powders such as fireworks, gun powders or blasting projects.

Lead and copper samples were taken from 15 selected residence in the distribution system in September with the results meeting the current Lead and Copper requirements of the DEP. The District adds an ortho-poly phosphate product to the drinking water at the water tanks and at the #5 well to control the possibility of any lead or copper from leaching into the water in the plumbing residence.

Volatile Organic Compound samples and Nitrates were taken at the #1, #2,#3, Jim Dandy and Rawson Street wells in May. Volatile Organics are compounds found in the Drinking Water that originate from petroleum products leaching into the ground water. Nitrates indicate the presence of sewerage. The wells currently have no issues and sampling will continue annually to monitor these water sources.

Sampling continues each quarter at the #3 and #2 wells in Paxton and the #5 well in Leicester for arsenic. The #2 and #3 wells in Paxton are under a consent order by the DEP to reduce the arsenic limits to fewer than 10 parts per billion.

Violation notices have been sent quarterly to the residence indicating the levels recorded each quarter which range from a low of 14 ppb to 22 ppb.

The Arsenic Running Annual Average (RAA) for the #3 well in Paxton which has not been used since March 2007 but must be monitored by DEP standards has been 30 parts per billion (ppb). The #2 well in Paxton RAA is 23 ppb and #5 well in Leicester is 18 ppb. The maximum contaminant level (MCL) for arsenic is 10 ppb. Arsenic levels exceeding the MCL are recent issues for the #5 well and treatment will be included in the planned treatment plant.

Radionuclide's which are derived from uranium has only been an issue in the #5 well in Leicester. The RAA for 2007 was 39 ppb. The MCL for uranium is 30 ppb.

Both Arsenic and Uranium are naturally occurring in the rock structures of New England.

The District voted at the Annual Meeting on April 24 to appropriate \$780,000. to provide treatment for Arsenic at the #2 and #3 wells in Paxton for Arsenic and Uranium and Radon Treatment at the #5 well in Leicester. The plans were completed in August 2007 for the #2 and #3 wells and were under review by the DEP. Approval for the District to begin construction at the #3 well was received on December 13, 2007.

Bids were advertised and received by the District with construction to begin in March 2008 in Paxton for the #2 and #3 wells.

The #5 well is currently under design planning with an application to be submitted to the DEP Sometime in May 2008. Once approval is given by the DEP, construction will begin with a completion expected by December 2008.

Wells #1, Jim Dandy and #2 in Paxton currently have shown no Arsenic or Radionuclides accedence's 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. The Commissioners will revisit this well to decide if it is cost effective to provide a treatment or abandon this source.

The Permitting process was started for the water storage tank designed by SEA Consultants for the Rt9 west area. At the Planning Board hearing to request Planning Board Approval there were several abutters to the property on Blueberry Lane and Mount Pleasant Drive apposed to the location and the District building the water tank.

Based on the objections submitted at the Planning Board the Commissioners withdrew the application and to date have not decided the position the District will take to provide fire service to the west end of Rte 9.

Until the issues are resolved than Fire Service to the west end are limited and will affect the town's ability to develop this area for Commercial use.

The water meter replacement program with heresy radio read meters is 95% complete. The meters will be read by a lap top computer minimizing the reading process and insuring the readings are not visually missed read or entered.

The Seventh Consumer Confidence reports were mailed to the District in June 2007, which included information for the previous year 2006.

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

The Districts Sewer Regulations were reviewed and rewritten during 2007. The new regulations included a revision of the previous regulations with updated language and an addition for commercial and industrial sections. An Appendix was added which outlines the requirements of construction materials and procedures of installations in addition to inspection requirements.

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.

The District Rules and Regulations read as follows:

Article 4 Section 6 Specific Prohibitions:

The following discharges are specifically prohibited:

- A. Groundwater, storm water and surface waters, including but not limited to, roof and surface runoff, and subsurface drainage.
- B. No water from pools, reservoirs, or cellars shall be drained into any sanitary sewer either by gravity or pump.

The Commissioners are taking these illegal discharges very seriously and feel they have warned the residence sufficiently.

Beginning January 2008 any sewer connections found to be in violation will be given 30 days to correct the violation, be fined or service discontinued according to the penalty section of the Rules and Regulation.

With the exception of the sewer bank regulation which allows a perspective sewer connection to remove infiltration and or inflow (I/I) at a 10 gallon to 1 gallon ratio 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 were stubs have been left for the different sewer projects and who are adjacent to the existing sewer system.

The Districts property on Pine Street was resurveyed this last year to determine were the property bounds were in preparation to construct a by-pass of the discharge for the wastewater treatment plant around Dutton Pond. The EPA and DEP are requiring the District by June 2008 to either reduce the phosphorous limits discharged after treatment to .09 mg/l if the discharge remains as it has been since the 1890's or bypass Dutton Pond. The phosphorous limit if the discharge is relocated would be increased to .20 mg/l. After a carefully considering the options the Commissioners decided the most affordable means and the best approach for the present is to relocate the discharge below Dutton Pond.

Minutes of the Special District Meeting
Leicester Water Supply District
February 1, 2007

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 February 1, 2007 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. Gabriela. A Quorum was declared with 19 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 - Motion was made by Robert F. Wilson to transfer from Available Funds Fifty Five Thousand Dollars (\$55,000.00) to continue replacing water meters as part of a water meter replacement program. The motion was seconded with some discussion as to the benefits to replacing the existing water meters and voted 19 yes 0 no.

ARTICLE 2 -Motion was made by Frank W. Lyon to transfer from Available Funds Twenty Three Thousand Dollars (\$23,000.00) for the purchase of a 2007 ½ Ton Pick Up Truck as per the Bid and specifications in the Hands of the Commissioners and to allow the Commissioners to advertise and sell the 1996 Ford 1/2 Ton pick up truck to the highest Bidder. The motion was seconded and voted 19 yes 0 no.

ARTICLE 3 - Motion was made by Frank W. Lyon to pass over this article. Motion was seconded and voted

ARTICLE 4 - Motion was made by J Donald Lennerton to transfer from Available funds the sum of Fifteen Thousand Dollars (\$15,000.00) for reimbursement for damage to property caused from a sewer surcharge at 13 Barberton Drive on 10/15/05. The motion was seconded with some explanation by Mr. Lennerton and discussion. The motion was voted with 18 yes and 0 no.

The meeting was adjourned at 7:20 p.m. after a motion and a second was made. 19 legal votes attended the meeting

Respectfully submitted,
Frank W. Lyon District Clerk
February 2, 2007

Minutes of the 120th Annual Meeting
Leicester Water Supply District
April 24, 2007

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 24, 2007 at seven in the evening (7:00 pm), to act on the following Articles, viz:

The meeting was called to order at 7:30 p.m. by the District Moderator Leonard S. Gabrila. A Quorum was declared with 51 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 119 Th Annual Report was 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,

The Chairman Robert F. Wilson moved that Article 2 be skipped over until the Clerk could make up enough ballots needed for the election of a

Commissioner. Motion was voted. None oppose.

ARTICLE 3 J. Donald Lennerton made a motion that the District vote to pay the District Officers as follows for the fiscal year beginning July 1, 2007.

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

A second was made.

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, 2007.

Water Maintenance.....	\$	298,340.50
Sewer Maintenance.....		362,640.50
Maturing Debt.....		39,587.00
Interest.....		12,701.87
<u>TOTAL</u>	\$	713,269.87

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

To Maturing Debt (Principal).....	\$	13,750.00
To Interest on Debt (Interest).....		6,875.00
<u>TOTAL</u>	\$	20,625.00

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

To Maturing Debt (Principal)	\$	30,834.00
To Interest on Debt (Interest).....		36,344.56
<u>TOTAL</u>	\$	67,178.56

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

To Maturing Debt (Principal).....	\$	9,460.00
To Interest on Debt (Interest).....		11,352.00
<u>TOTAL</u>	\$	20,812.00

To transfer from the
Mannville Street Sewer Lateral Account

To Maturing Debt (Principal).....	\$	11,000.00
To Interest on Debt (Interest).....		13,062.50
<u>TOTAL</u>	\$	24,062.50

To transfer from the
Route 9 West Sewer Lateral Account

To Maturing Debt (Principal).....	\$	84,678.00
To Interest on Debt (Interest).....		90,816.70
<u>TOTAL</u>	\$	175,494.70

The motion was seconded and voted: None opposed

ARTICLE 5 Robert F. Wilson made the motion that the District vote 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, 2007, in accordance with Mass. Gen. Laws, c. 44, sec 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 renew any note or notes as may be given for a period of less than one year.

The motion was seconded and voted unanimously.

The Clerk Frank W. Lyon notified the Moderator that the Ballots were ready for the election of a Commissioner for a three year term and that the Moderator should step down from his position as he was a candidate.

ARTICLE 2 The Clerk asked if there were any nominations for Water Commissioner for a term of three years.

Robert F. Wilson nominated Leonard S. Gabrila. A second was made. Leonard Ivel nominated Timothy W.P. McNaboe. A second was made Michael Antanavica Nominated Theodore P. Antanavica. A second was made.

The Clerk requested Mr. Lennerton and Mr. Wilson to distribute ballots to the voters that held the purple slips that were given to the voters as they signed into the meeting and that the voters should mark there ballots and place them in the ballot box at the front of the room.

The Clerk assigned Mrs. Wilson and Mr. Davenport to count the ballots and report back to the Clerk the results.

The Moderator resumed his position and the meeting continued.

ARTICLE 6 J. Donald Lennerton made the motion that the District vote to accept the provisions of Mass. Gen. Laws c. 32B, sec. 10, authorizing the District to provide a plan of group insurance for its employees

Under discussion Mr. Wilson explained that the District has been providing Health Insurance for its full time employees for over 30 years. It was recently discovered that the District had not accepted the provisions of the Mass. Gen. Law and that this article and the Article 7 were to correct the Districts legal obligations. There was some general discussion as to which employees qualified.

The motion was voted with 22 for none opposed

ARTICLE 7 Robert F. Wilson made the motion that the District vote to accept the provisions of Mass. Gen. Laws c. 32B, sec. 7A, authorizing the

District to make contribution payments in excess of fifty percent (50%) for group insurances.

It was explained by Mr. Wilson that the District currently contributes 90% and the employees 10%.

The motion was voted with 23 for none opposed

The Clerk announced the results of the Commissioners election.

Leonard S. Gabrila 26 Tim McNaboe 13 Ted Antanavica 14

Mr. Gabrila was declared the Commissioner for the three year term

ARTICLE 8 Robert F. Wilson made the motion that the District vote to accept pursuant to the provisions of Mass. Gen. Laws c. 32B, sec. 9A, to pay one-half of the premium cost payable by a retired employee, for group general or blanket hospital, surgical, medical, and other insurance, provided the employee has maintained at least 20 years of continued employment with the District retiring after July 1, 2007 from the service of the District and has been enrolled in a health insurance policy program offered by the District during their employment period, to become effective July 1, 2007.

Under discussion several voters questioned the wording of the article with concerns that any retired employee would qualify. The most vocal concern was that if an employee retired at a young age could the District be responsible until the age of 65. Mr. Wilson with the consensuses of the meeting amended his motion to include the following and attained the age of 55. The amendment was voted in favor.

The Article was again read by Mr. Wilson as follows:

I Move that the District vote to accept pursuant to the provisions of Mass. Gen. Laws c. 32B, sec. 9A, to pay one-half of the premium cost payable by a retired employee, for group general or blanket hospital, surgical, medical, and other insurance, provided the employee has maintained at least 20 years of continued employment with the District and attained the age of 55, retiring after July 1, 2007 from the service of the District and has been enrolled in a health insurance policy program offered by the District during their employment period, to become effective July 1, 2007.

The amended motion was voted 22 for and 3 opposed.

ARTICLE 9 Robert F. Wilson made the motion that the District vote to accept the provisions of Mass. Gen. Laws c. 32B, sec. 18, so that the District shall require all retirees, their spouses and dependents who are enrolled in Medicare Part A at no cost to the retiree, their spouse or

dependents, or eligible for coverage there under at no cost to a retiree, their spouse or dependents, be required to enroll in a Medicare health benefits supplement plan offered by the District, and that the District shall offer a Senior Plan for employees over the age of 65 to become effective July 1, 2007

The motion was voted with 23 for none opposed

ARTICLE 10 Robert F. Wilson made the motion that the District vote to raise and appropriate by borrowing the sum of SIX HUNDRED THIRTY THOUSAND DOLLAR (\$630,000.00), to transfer from the Water Development Account the Sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00), total to SEVEN HUNDRED EIGHTY THOUSAND DOLLARS (\$780,000.00), to construct two Water Treatment Facilities, (1.) To remove Uranium and Radon from the #5 Rawson Street Well in Leicester and (2.) To remove Arsenic from the #2 and #3 Wells in Paxton as required by the Massachusetts Department of Environmental Protection Consent Order issued on February 4, 2007, and corrective Action Plan submitted on April 5, 2007, to allow the Commissioners to retain a Professional Engineering Consultant to complete said plans and bid documents and to provide construction related engineering services; to further authorize the Treasurer with the approval of the Board of Water Commissioners be and hereby is authorized to borrow at one time or from time to time, a sum of money under the authority of Chapter 44, Section 8, of the General Laws, as amended and to issue notes or bonds of the District there for, each issue of such bonds or notes to be paid in not more than 30 years from its date in accordance with the provisions of said Chapter 44, and that the Board of Water Commissioners be authorized to take all action including but not limited to easements, land taking, grant applications and acceptance, or otherwise necessary to complete said project .

The Superintendent Frank W. Lyon explained the process the District has been doing over the last two years which included two different pilot studies to determine the best cost and treatment approach for the treatment needed. It was also explained that there was really no other alternative for the District other than trying to find new sources of water which could result in the same water qualities issues. It was also explained that the water quality in the wells had not changed. It was the EPA and the DEP water quality regulations that had changed requiring the District to meet the new regulations for arsenic and uranium

The motion was voted with 24 for None opposed

The meeting was adjourned at 8:36 p.m. after a motion and a second was made. 52 legal votes attended the meeting.

The motion was seconded and voted: None opposed:

Respectfully submitted, Frank W. Lyon District Clerk May 4, 2007

TREASURER'S REPORT
JULY 1, 2006 TO JUNE 30, 2007

RECEIPTS

WATER REVENUE	\$277,973.97
SEWER REVENUE	\$335,801.05
INTEREST INCOME BANK ACCOUNTS	\$130,162.25
INTEREST SEWER STAB. ACCOUNT	\$3,821.73
INTEREST BREEZY/RAWSON LATERAL	\$4,248.43
INTEREST C.W.M.P.	\$3,394.11
INTEREST DEER POND LATERAL	\$731.05
INTEREST MANNVILLE LATERAL	\$12,621.03
INTEREST PAXTON/LAKE SARG. LATERAL	\$9,649.01
INTEREST ROUTE 9 LATERAL	\$25,650.38
INTEREST WAITE/CHAPEL LATERAL	\$27,047.87
OTHER CHARGES	\$51,081.40
WATER CONNECTION FEES	\$9,500.00
SEWER CONNECTION FEES	\$65,652.42
HILLCREST WATER ASSESSMENTS	\$18,540.01
HILLCREST SEWER ASSESSMENTS	\$29,576.00
HILLCREST SEWER INSPECTION FEES	\$480.00
BETTERMENT COLLECTIONS	\$386,380.79
BETTERMENT INTEREST	\$71821.52
GRANT MONIES	\$140.50
TOTAL RECEIPTS	\$1,464,273.52

DISBURSEMENTS

WATER MAINTENANCE	\$233,721.56
SEWER MAINTENANCE	\$341,028.87
MATURING DEBT	\$189,309.00
INTEREST ON DEBT	\$183,706.00
WORCESTER COUNTY RETIREMENT	\$14,519.00
ART #2, 3-5-02 RT 9 LATERAL	\$110,976.70
ART #9, 4-27-04 CONSULTING ENG.	\$5,236.17
ART #7, 4-27-04 CWMP	\$152,840.00
ART #4, 2-2-07 DAMAGES 13 HARBERTON	\$15,000.00
ART #8, 4-27-04 METER REPLACEMENT	\$24,729.74
ART #3, 4-25-06 SMOKE TESTING	\$21,200.00
ART #2, 6-23-06 TANK DESIGN	\$42,750.00
ART #2, 2-2-07 TRUCK PURCHASE	\$23,000.00
ART #1, 2-2-07 METER REPLACEMENT	\$31,302.84
TOTAL DISBURSMENTS	\$1,389,319.88

ANALYSIS OF CASH

WATER DEVELOPMENT	\$54,285.00
SEWER DEVELOPMENT	\$1,730,783.42
SEWER STABILIZATION	\$77,034.45
BREEZY/RAWSON LATERAL	\$75,052.57
C.W.M.P.	\$17,468.12
DEER POND LATERAL	\$21,515.07
MANNVILLE STREET LATERAL	\$258,037.14
PAXTON/LAKE SARG. LATERAL	\$188,076.83
ROUTE 9 LATERAL	\$576,090.43
WAITE/CHAPEL LATERAL	\$493,993.77
DEPOSIT IN TRANSIT	\$53,766.71
ROUTE 9 PROJECT	\$297,781.39
ART #9, 4-27-04 CONSULTING ENG.	\$3,906.94
ART #2, 6-23-06 TANK DESIGN	\$2,250.00
ART #1, 2-2-07 METER REPLACEMENT	\$23,697.16
ART #10, 4-24-07 WATER TREATMENT	\$150,000.00
HILLCREST SEWER INSPECTION FEES	\$480.00
SUB-TOTAL ANALYSIS OF CASH	\$4,024,219.00
SURPLUS REVENUE	\$480,565.00
TOTAL ANALYSIS OF CASH	\$4,504,784.00

GENERAL DEBT

BREEZY/RAWSON LATERAL	\$137,500.00
C.W.M.P SERIAL ISSUE	\$378,413.00
MANNVILLE STREET LATERAL	\$275,000.00
PAXTON/LAKE SARGENT LATERAL	\$227,040.00
ROUTE 9 W LATERAL	\$2,201,617.00
WAITE/CHAPEL LATERAL	\$709,162.00
WATER TANKS & LINE STATE HOUSE NOTE	\$95,000.00
TOTAL GENERAL DEBT	\$4,023,732.00

RESPECTFULLY SUBMITTED
DEBRA A. WILSON
DISTRICT TREASURER

OFFICERS 2007

Board of Water Commissioner's
Robert F. Wilson Chr. - 2005 - 2008
Leonard S. Gabrila 2007- 2010
J. Donald Lennerton 2006- 2009

District Treasurer

Debra Wilson 2007 - 2010

District Clerk

Frank W. Lyon 2007- 2010

District Moderator

Leonard S. Gabrila 2007-2008

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