

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 Twenty Second Annual Report for the year ending Dec. 31, 2009.

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. A 1 count of coliform bacteria which is an indicator bacteria was found in the Water Street sample in November. Repeat samples taken along with additional samples above and below the sample site resulted in an O presence and no E coli bacteria. No notification or Public Notice was required.

The Jim Dandy well in Paxton, which is considered by the DEP as a ground water supply influenced by surface water, continued to be pumped during the 2009 year. The DEP required the District to perform a special Stage 2 sampling for Disinfection byproducts (DBPR) every other week to determine the effects of the chemical, sodium hypochlorite (Liquid Chlorine) on the finish drinking water. Chlorine was monitored continually along with the turbidity while the well was pumping water to the system. Haloacetic Acids and Trihalomethanes samples were taken each quarter during the previous year at 124 Pine Street to monitor for compounds associated with the chlorination added at the Jim Dandy well, Total Organic Compound samples were also taken for the Jim Dandy Well.

Additional sampling was required at each of the coliform sample sites (4) for heterotrophic plate count (HPC) which have no health effects and is an additional analytic method used to measure the variety of bacteria that are common in the drinking water to determine back ground bacteria associated with addition of chlorine that was required at the Jim Dandy Well in Paxton. The Stage 2 sampling requirement of the Jim Dandy well ended in December 2009 and the well was placed in standby. The requirement to monitor the Haloacetic Acids, Trihalomethanes, Total Organic Compounds and the Heterotrophic Plate Counts are only required to be monitored monthly when the Jim Dandy well is in service. There were no violations during 2009.

The District has been granted a waiver from the DEP for Perchlorates sampling from each well for the next year because there has been no previous indication of accidents or indication of any presence of Perchlorates in our drinking water. Perchlorates are substances that have been found in the drinking water supplies that come from explosive powders such as fireworks, gun powders or blasting projects.

Volatile Organic Compound samples which are monitored yearly for petroleum produces which may be introduced to the ground water from leaking gas and oil tanks were taken at the #1, #2, #3, Jim Dandy and Rawson Street wells during the 2nd quarter. All the samples taken during this period were found to have no detections of VOC's.

Nitrates sample were also taken to insure there was no presence or indication of sewerage from septic systems in the area of the well fields. The wells currently have no issues and sampling will continue annually to monitor these water sources.

Wells #1 and Jim Dandy in Paxton have consistently not shown any Arsenic or Radionuclides during the quarterly sampling and have not had any accidents for the new DEP limits of 10 parts per billion.

Arsenic and Uranium is naturally occurring from the erosion of natural deposits in the rock structures of New England. Sampling at the #2 and #3 wells in Paxton and the #5 well in Leicester continues each quarter for arsenic. The treatment system that was built for #2 and #3 wells in Paxton went on line in October 2008 continues to meet the Arsenic MCL (Maximum Contaminant Limits) established by the EPA Safe Drink Water Standards.

The media in the lead vessel for the #3 well arsenic treatment skids was removed by our operators, sent back to Purlite the manufacturer of the arsenic media for cleaning and regeneration. The media was reinstalled and the treatment was placed back on line in the fall. The 3 other treatment vessels have shown no signs of needing to be cleaned and regenerated at this time.

Each of the wells has two vessels (Skid) which allows one of the vessels to be taken off line for cleaning, repair or regeneration of the treatment media without having to take the well off line while maintenance is being performed.

The four vessels are checked quarterly for arsenic brake through and have had no detection (ND) for the finish water being treated and pumped in Paxton. The arsenic maximum contaminant level (MCL) is 10 parts per billion.

Rawson Street #5 well had an arsenic violation during the second quarter April through June 2009. The running annual average was 11 ppb (parts per billion) which exceeded the MCL of 10 ppb. Public notices were sent in July notifying the District of the violation to the Safe Drinking Water Act. The first, third and fourth quarters were below the average of 10 ppb and required no public notification.

The construction of the Arsenic, Uranium and Radon Treatment Plant for the #5 Rawson Street well began in July after a bid protest was resolved with the Attorney Generals Office. The protest was made by the second low bidder for the project protesting inconsistency's in the bid proposal. The Attorney Generals Office found in favor of the District and the contract was awarded to the low bidder RH White of Auburn, Ma.

Completion of the project was scheduled for completed in December but was detained because of programming issues and delivery issues associated with the treatment equipment. The second completion date is scheduled for the end of February.

An application was submitted to the USDA Rural Development for an additional \$400,000.00 loan to complete the Rawson Street Project. The USDARD approved the loan of \$221,000.00 and a grant of \$179,000.00. The original loan and grant from the US Department of Agriculture Rural Development (USDARD) was applied for in May 2008 for funding of the water treatment plants in Paxton and Leicester. They treatment was required for the removal of the arsenic in the drinking water and was funded with a water loan of \$525,000 and a grant of \$225,000. This allowed the district to fund the projects with a payback up to a 40 year term if they desire with an interest rate around 3.25% in addition to a grant close to 30%. As always there are no penalties for early payoffs if the District chooses.

The new heresy radio read meters have been performing as expected. The meters are read by a lap top computer minimizing the reading process and insuring the readings are not visually miss read or entered incorrectly.

In June 2009, the Ninth Consumer Confidence reports were mailed to the District which included information for the previous year 2008

Each year the Consumer Confidence reports are mailed to the residence of the District by June 30 and 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

A 24" effluent bypass line with manholes was installed around Dutton Pond from the discharge stream on District land as required by the USEPA that would allow the District to discharge the treat effluent with a prosperous limit of .20 mg/l. The Commissioners considered this as the most affordable means and the best approach at this time to meet the discharge limits imposed by the EPA

Additional surveying and engineering work was complete for the Dutton Pond Dam which was classified by the Department of Conservation and Recreation as a medium risk dam in 2006. Sherwood Consulting & Design was hired to complete a hydrological study and complete an application to reduce the risk and requirements by the DCR and was successful in acquiring a low hazard statis.. In December 2009 the application was submitted to the DCR to reduce the hazard level to a dam remove permit which would essentially allow the District to maintain the dam as it is without any reconstruction or maintenance. A proposal will be presented at the Annual District Meeting to complete the deregulation process.

The sewer line in Harberton Drive from Warren Ave. to Paxton Street was replaced with an 8" SRD sewer line. The Harberton sewer line has for many years a problem area with back ups and stoppages. The project was completed by the District personnel and EM Thibault of Spencer the hired equipment contractor.

The monthly test results of the daily laboratory analysis have been forwarded to the Department of Environmental Protection (DEP) and the Environmental Protection Agency (EPA) as required. In addition quarterly sampling was conducted to determine the Toxicological for Acute and Chronic species survival of the treated effluent from the WWTP. There wer no exceptions during 2009.

The District currently operates eight (8) Wastewater Pump Stations (WWPS) for the LWSD and three (3) WWPS Pump Stations for the Hillcrest Sewer District. All together at the end of 2009 the District operations include 11 Waste Water Pump Stations, 5 Drinking Water Pump Stations and 3 Drinking Water Booster Stations in addition to the WWTP located on Pine Street.

The Commissioners once again 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.

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.

Should your residence be found in violation through random inspections and smoke testing the offender will be given 30 days to correct the violation and will be fined or service discontinued according to the penalty section of the Rules and Regulation.

Copies of the Rules and Regulations are available at the office or can be found on the Districts Web Site at LWSD.Net along with Notices, Applications and other District information.

**Minutes of the 122nd Annual Meeting
Leicester Water Supply District
April 28, 2009**

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 28, 2009 at seven in the evening (7:00 pm), to act on the following Articles, via:

The meeting was called to order at 7:00 p.m. by the District Moderator Leonard S. Gabrila. A Quorum was declared with 45 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 121st 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 Clerk announced that he had received two letters for the current position for the 3 year term.

Thomas Cote of 39 Pine Street on April 20, 2009
J. Donald Lennerton 9 Rawson Street on April 23, 2009

Both met the 3 day requirement for notice in the Bylaws.
Mr. Cote informed the Clerk by letter dated April 26, 2009 of his withdrawal.

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 J. Donald Lennerton Water Commissioner for a term of three years. None opposed

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, 2008.

| | | |
|-----------------------------|----|----------|
| Commissioner Chairman | \$ | 2,029.00 |
| 2 other Commissioners, each | | 1,760.00 |
| Moderator | | 137.50 |
| Clerk | | 302.50 |
| <u>TOTAL</u> | \$ | 5,989.00 |

A second was made and voted. The Commissioners announced that this article was level funded.

ARTICLE 4 Frank W. Lyon, Supt. 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, 2009.

| | | |
|--|----|------------|
| Water Maintenance... (RP \$310,254.29)...(TAF \$16,483.80).. | \$ | 326,738.09 |
| Sewer Maintenance.....(RP\$388,183.28)..(TAF\$.3,754.8 | | 391,938.09 |
| Maturing Debt..... | | 17,211.00 |
| Interest..... | | 6,728.03 |
| (RP Raise and Appropriate – TAF Transfer from Available Funds) | | |
| TOTAL | \$ | 742,615.21 |

| | | |
|---|----|-------------|
| To transfer from Available funds for loan pay off State House | | |
| Note Issued August 8, 2000 Principal \$ 45,000 Interest \$ | | 2,443.75 |
| TOTAL | \$ | \$47,443.75 |

| | | |
|---|----|-----------|
| To transfer from Available funds to the Capital | | |
| Equipment Account | \$ | 50,000.00 |

| | | |
|---|----|-----------|
| To transfer from the | | |
| Rawson, Holcomb, Utica and Breezy Green Lateral Account | | |
| To Maturing Debt (Principal.....) | \$ | 13,750.00 |
| To Interest on Debt (Interest)..... | \$ | 5,,000.00 |
| TOTAL | \$ | 9,250.00 |

To transfer from the
 Waite Street, Massasoit, Rural, Chapel Sewer Lateral Account
 To Maturing Debt (Principal).....\$ 30,834.00
 To Interest on Debt (Interest).....\$ 33,184.07
 TOTAL \$ 64,018.07

To transfer from the
 Lake Sargent Drive / Paxton Street Sewer Lateral Account
 To Maturing Debt (Principal).....\$ 9,460.00
 To Interest on Debt (Interest).....\$ 10,406.00
 TOTAL\$ 19,866.00

To transfer from the
 Mannville Street Sewer Lateral Account
 To Maturing Debt (Principal).....\$ 11,000.00
 To Interest on Debt (Interest).....\$ 12,017.50
 TOTAL\$ 23,017.50

To transfer from the
 Route 9 West Sewer Lateral Account
 To Maturing Debt (Principal).....\$ 84,678.00
 To Interest on Debt (Interest)..... 83,830.77
 TOTAL..... \$ 168,508.77

The motion was seconded and voted: None opposed

ARTICLE 5 J. Donald Lennerton 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, 2009, 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.

ARTICLE 6 Robert F. Wilson moved that the District vote to Passover this article as the current budget amounts were sufficient to complete the current year budget

The motion was seconded and voted unanimously.

ARTICLE 7 J. Donald Lennerton made the motion that the District vote to transfer the sum of Fifty Five Thousand Dollars (\$55,000.00) from Available Funds to replace the sewer line in Harberton Drive

After several questions the motion was seconded and voted: None opposed

The meeting was adjourned at 7:15 p.m. after a motion and a second was made. 15 legal votes attended the meeting

The motion was seconded and voted: None opposed:

ARTICLE 8 Robert F. Wilson move that the District vote to transfer the sum of Four Hundred Fifty Thousand Dollars (\$450,000.00) from Available Funds to the Water and Sewer Stabilization Account.

The Commissioners explained that moving these monies into the water and sewer stabilization accounts it would allow the Commissioners to maintain the current water and sewer rates as they are for a couple years until the economy is better. It would also take a District vote to use these monies.

The motion was seconded and voted: None opposed:

ARTICLE 9 Frank W. Lyon, Supt. moved that the District vote to amend Article 10 voted April 24, 2007 to read as follows, to raise and appropriate by borrowing the sum of ONE MILLION DOLLARS (\$1,000,000.00), to transfer from the Water Development Account the Sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00), total to appropriate ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000.00), to construct two Water Treatment Facilities, (1.) To remove Uranium, Arsenic 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.

tMr. Lyon explained that the two projects that were originally voted were required to be amended as the cost estimates were underestimated and the actual bids received were higher than voted on April 24, 2007. The District also was amending the grant and loan application to the Rural Development to reflect the current bid proposal.

Respectfully submitted,
 Frank W. Lyon District Clerk
 May 4, 2009

TREASURER'S REPORT
 JULY 1, 2008 TO JUNE 30, 2009

RECEIPTS

| | |
|------------------------------------|--------------------|
| WATER REVENUE | \$286,390.40 |
| SEWER REVENUE | \$323,615.17 |
| INTEREST INCOME BANK ACCOUNTS | \$57,860.53 |
| INTEREST SEWER STAB. ACCOUNT | \$1,314.20 |
| INTEREST BREEZY/RAWSON LATERAL | \$1,005.09 |
| INTEREST MANNVILLE LATERAL | \$4,146.61 |
| INTEREST PAXTON/LAKE SARG. LATERAL | \$3,086.56 |
| INTEREST ROUTE 9 LATERAL | \$10,692.20 |
| INTEREST WAITE/CHAPEL LATERAL | \$8,553.55 |
| OTHER CHARGES | \$24,205.30 |
| WATER CONNECTION FEES | \$0.00 |
| SEWER CONNECTION FEES | \$104,022.22 |
| HILLCREST WATER ASSESSMENTS | \$0.00 |
| HILLCREST SEWER ASSESSMENTS | \$34,256.00 |
| HILLCREST SEWER INSPECTION FEES | \$270.00 |
| BETTERMENT COLLECTIONS | \$242,822.75 |
| BETTERMENT INTEREST | \$129,121.95 |
| GRANT MONIES | \$140.50 |
| MTBE MONIES | \$632,633.49 |
| TOTAL RECEIPTS | \$1,864,136.52 |

DISBURSEMENTS

| | |
|-------------------------------------|--------------|
| WATER MAINTENANCE | \$216,469.58 |
| SEWER MAINTENANCE | \$248,660.56 |
| MATURING DEBT | \$195,210.77 |
| INTEREST ON DEBT | \$156,344.47 |
| WORCESTER COUNTY RETIREMENT | \$17,266.76 |
| ART #7 4-28-09 HARBERTON SEWER REPL | \$1,866.48 |

| | |
|--------------------------------------|--------------|
| ART #10 4-24-07 WATER TREATMENT PROJ | \$120,648.60 |
| ART #7 4-29-08 DUTTON POND BYPASS | \$35,370.68 |
| TOTAL DISBURSEMENTS | \$991,837.90 |

ANALYSIS OF CASH

| | |
|-------------------------------------|--------------------|
| WATER DEVELOPMENT | \$54,285.00 |
| SEWER DEVELOPMENT | \$1,893,246.89 |
| WATER & SEWER STABILIZATION | \$450,000.00 |
| SEWER STABILIZATION | \$82,074.52 |
| CAPITAL EQUIPMENT ACCOUNT | \$50,000.00 |
| BREEZY/RAWSON LATERAL | \$50,567.39 |
| C.W.M.P. | \$100.00 |
| DEER POND LATERAL | \$53,188.29 |
| MANNVILLE STREET LATERAL | \$262,023.13 |
| PAXTON/LAKE SARG. LATERAL | \$184,116.79 |
| ROUTE 9 LATERAL | \$760,397.07 |
| WAITE/CHAPEL LATERAL | \$481,896.25 |
| DEPOSIT IN TRANSIT | \$74,844.00 |
| ART #9 4-27-04 CONSULTING ENG | \$3,906.94 |
| ART #7 4-29-08 DUTTON POND BYPASS | \$63,676.04 |
| ART #7 4-28-09 HARBERTON SEWER REPL | \$53,133.52 |
| HILLCREST SEWER INSPECTION FEES | \$270.00 |
| SUB-TOTAL ANALYSIS OF CASH | \$4,517,725.83 |
| SURPLUS REVENUE | \$1,191,800.00 |
| TOTAL ANALYSIS OF CASH | \$5,709,525.83 |

GENERAL DEBT

| | |
|-----------------------------|--------------------|
| BREEZY/RAWSON LATERAL | \$110,000.00 |
| C.W.M.P SERIAL ISSUE | \$345,007.00 |
| MANNVILLE STREET LATERAL | \$253,000.00 |
| PAXTON/LAKE SARGENT LATERAL | \$208,120.00 |
| ROUTE 9 W LATERAL | \$2,032,261.00 |
| WAITE/CHAPEL LATERAL | \$647,494.00 |
| TOTAL GENERAL DEBT | \$3,595,882.00 |

RESPECTFULLY SUBMITTED
 DEBRA A. WILSON
 DISTRICT TREASURER

OFFICERS 2008

Board of Water Commissioner's
Robert F. Wilson Chr. - 2008 - 2011
Leonard S. Gabrila 2007- 2010
J. Donald Lennerton 2009- 2012

District Treasurer
Debra Wilson 2007 - 2010

District Clerk
Frank W. Lyon 2007- 2010

District Moderator
Leonard S. Gabrila 2009-2010

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