

1910

2019

109th
ANNUAL
REPORT



CHERRY VALLEY & ROCHDALE WATER DISTRICT

Ending June 30, 2019

OFFICERS OF THE DISTRICT

June 30, 2018

WATER COMMISSIONERS

Michael L. DellaCava	May, 1995
Kevin M. Bergin	May, 2003
Arthur E.J. Levesque	May, 2003

TREASURER

Jennifer Wood	May, 2013
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ASSISTANT TREASURER

Benjamin J. Morris	August, 2017
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DISTRICT CLERK

Cheryl Balkus	August, 2018
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OTHER OFFICERS WHO SERVED THE DISTRICT

*Hon. Channing Smith	May, 1910 to May, 1919
*J.A.B. Taylor	May 1919 to April, 1932
*Charles E. Bigelow	April 1932 to February, 1937
* Adelord LaBree	April, 1937 to April, 1938
*James J. Daley	April, 1938 to May, 1941
*Everett Carleton	May, 1910 to June, 1934
*Cornelius Leafiang	February, 1935 to April, 1936
*Chester Woodcock	April, 1936 to May, 1941
*Robert B. Taft	May, 1941 to April, 1946
*Francis D. Mainville	April, 1948 to April, 1951
*Ernest J. Titcomb	May, 1910 to December, 1957
*Arthur St.Germain	April, 1958 to April, 1961
*Michael A. Manning	May 1941, to March, 1964
*Francis J. Nally	April, 1951 to August, 1978
*Stuart E. Gilbert	May, 1979 to May, 1984
*Douglas T. Cherry, Jr.	April, 1961 to May, 1988
*Richard A. Lemerise	April, 1964 to May, 1988
Thomas P. Wood	May, 1988 to May, 1989
Kenneth G. Soucie	May, 1989 to May, 1992
Ronald H. Benson	May, 1984 to May, 1993
*Robert J. Theirrien	May, 1992 to May, 1995
William E. Halley	May, 1988 to May, 1997
*Charles J. Flagg	May, 1993 to January 2002
Wayne J. Colby	May, 1997 to May, 2003

DISTRICT CLERK

*Samuel Shepard	May, 1910 to February, 1915
*Robert A. Cutting	May, 1915 to May, 1941
*John Pucilauskas	April, 1941 to May, 1942
*Robert Cutting	May, 1942 to May, 1949
*Walter J. Kelley	April, 1949 to April, 1951
*Francis E. Kennedy	April, 1951 to May, 1975
Donald Gordon	May, 1975 to May, 1988
Emily Perkins	May, 1988 to May, 1995
Cynthia A. Garabedian	May, 1995 to May, 2012
Carla A. Davis	May, 2012 to August, 2018
Cheryl Balkus	August, 2018

TREASURER

*Eldridge S. Carleton	May, 1910 to October, 1932
*Chester C. Woodcock	October, 1932 to April, 1936
*Mary J. Lackey	April, 1936 to April, 1948
*Walter J. Kelley	April, 1948 to April, 1949
*Margeret J. LaChasseur	April, 1949 to May, 1973
*Ruth D. Lemerise	May, 1973 to May, 1992
*Stanley Zagorski	May, 1992 to May, 2013
Jennifer M. Wood	May, 2013

SUPERINTENDENT

*George E. Stimson	October, 1910 to March, 1914
*Robert A. Cutting	April, 1914 to November, 1949
*Everett A. LaBree	April 1957 to June, 1960
*Michael A. Manning	July, 1960 to March, 1964
*Douglas T. Cherry, Jr.	March, 1961 to February, 1977
Robert Wilson	February, 1977 to March, 1979
Michael F. Knox	March, 1979 to July 2017
Benjamin J. Morris	August 2017

* Deceased

**CHERRY VALLEY AND ROCHDALE WATER DISTRICT'S
109th ANNUAL REPORT
PERIOD ENDING JUNE 30, 2019**

To the people of the Cherry Valley and Rochdale Water District:

Greetings:

Your Board of Water Commissioners respectfully submits their 109th Annual Report for fiscal year ending June 30, 2019.

The items in this report are updates to the events and tasks that the District has been working on for the past year.

Hydrant Flushing

Uni-directional Flushing (UDF) is a hydrant flushing method that is an extremely aggressive method of flushing the distribution system providing positive benefits by enhancing water quality, maintain chlorine residuals throughout the distribution system and verify proper operation of hydrants and valves. In 2018 the District Staff was able to complete system flushing both in the Spring and again in the Fall.

Valve Exercising

In 2018 District staff started the beginning stages of implementation of a valve exercising program. Valve exercising is a task that MassDEP recommends all water utilities complete on an annual basis. The idea is to ensure that all control valves in the street are in functional working condition in case they are needed in an emergency. The first part of our program involved staff looking at record drawings and verifying the drawings match to the actual locations in the street. Staff would then ensure that there is sufficient access to the valve box and the valve within the box. In some cases, valve boxes would need to be cleaned out to be able to reach the operating nut on the valve. In the coming year staff will be back out working on these valves completing the exercising program.

Apricot Interconnection/Booster Station

At the May 2017 annual meeting voters approved \$437,000 to fund the automation of the Apricot Interconnection and the Booster Pump located at 148 Henshaw St. The project went out to bid in early 2018, unfortunately the project had to be rebid due to only 1 contractor bidding on the project and the price being much higher than what was projected. After a second successful bid, the District signed a contract with PRIDE Environmental to complete the needed upgrades for the automation project. Construction began in late summer of 2018 and a new vault with a meter and automated valve was installed at the Leicester/Worcester line on Apricot St. The District was scheduled to go live with this new automated system no later than September 30, 2018 per our agreement with MassDEP. We did not meet that deadline due to some construction not completed and had to change the activation date to October 4th 2018. Mass DEP was understanding of the delay. On October 4th the Automated system on Apricot St and the Booster System located at 148 Henshaw St went active and have been working well ever since. With the system being automated, it eliminates the need for the overtime that was associated with the manual operations that had extended until the Automation date. Having this system active the staff can now see and monitor flows, pressures, and consumption on a daily basis of what is purchased from the City of Worcester, and what is utilized in both service areas of the District. This information is crucial to our operations since we can trend the consumptions and determine if we have a leak or something out of the ordinary occurring in the Distribution system. Pride Environmental is going to be finalizing paving of the area on Apricot St this spring.

Leak Detection

As a result of purchasing water from the City of Worcester and knowing that the District pays for every drop of water measured by the interconnection's master meter, the District's staff has increased the frequency of the District Leak Detection program. The District's staff continues to conduct monthly hydrant to hydrant surveys to avoid wasteful and costly system water leaks. In the last year this program has helped staff locate 9 leaks. This allowed District Staff to address these leaks in a timely manner in order to minimize the effect on the ratepayers in the areas.

Pending MassDEP Actions

Administrative Consent Order Update (ACO)

The District continues to meet with MassDEP regarding the Administrative Consent Order. Although at the meeting held on January 2017, MassDEP indicated that all provisions assigned to the Henshaw Pond treatment requirements would be removed, it was unclear exactly what provisions would remain and when the revised ACO would be released. In February of 2018 the District was notified that the date of issuance (Nov. 22, 2016) of the Unilateral Consent Order will be used to closeout all items in the ACO associated with the Henshaw Treatment Facility.

Unilateral Consent Order (UCO)

On November 22, 2016 MassDEP issued a Unilateral Consent Order confirming that MassDEP prohibits the District from resuming use of Henshaw Pond as a Public Water Supply source until treatment is provided to assure compliance with MassDEP's Drinking Water Regulations.

To be clear, a conservative estimate of the cost to construct a treatment facility to assure compliance with MassDEP's Drinking Water Regulations fell in the range of \$9 to \$9.5 million dollars. This cost was deemed by the Commissioners as being well beyond the ratepayers' ability to pay the long-term debt associated with the project. Coupled with the fact that the facility would require a footprint of up to 20 acres to accommodate the construction of the treatment facility, the Worcester interconnection became the most affordable option.

Sanitary Survey 2016

In September 2016, MassDEP conducted the District wide Sanitary Survey. The Survey is usually a day long review and inspection of all phases of operation and management. However, the Survey was cut short due to the pending activation of the Apricot Interconnection and construction of the Booster Station. The MassDEP agent returned after the interconnection/booster system was in operation. On December 19, 2017 Mass DEP agent returned to the District to review the original survey from 2016 in order to see what still applies to the District with the change in operation. On January 29, 2018 the District again met with Mass DEP to review and agree upon items to be addressed within the Sanitary Survey. The District is currently working with Mass Dep to address these items and in a timely manner. The items needing to be addressed by from the 2016 Sanitary Survey were as follows, Inspect and clean West St Storage Tanks before end of calendar year 2018, Inspect and clean Greenville Storage Tank by end of calendar year 2019. conduct a system Hydraulic Study, Remove old treatment chemicals from Henshaw St facility. Mass DEP will be back to conduct a new Sanitary Survey in 2019 as they are required to complete a survey every three years.

Updates in regards the individual items on the Survey are below:

Storage Tank Cleaning

In July of 2018 the District had contracted the West St Storage Tanks to be cleaned and inspected by SUEZ. To minimize the impact of pressure loss, one tank was cleaned at a time so that the District would maintain sufficient pressure throughout the system. Next summer the District will work on having to the Greenville Tank cleaned and inspected in order to maintain compliance with MassDEP.

Hydraulic Study

In conjunction with the ongoing work for the automation of the Worcester Interconnection Tata & Howard was conducting the System Hydraulic Study now that the source of water for the District had changed. The purpose of this study is to evaluate the overall distribution system relative to its ability to meet current and future estimated demands. The study was completed by June of 2018, meeting the MassDEP deadline from the Sanitary Survey. From this study the District has been given a list of necessary improvements the system needs in order to maximize our ability to meet system demands. The study indicates sections of water mains throughout the system that are in need of being upgraded and replaced. The total overall cost to perform all these potential projects is between ten and twelve million dollars. The District notified MassDEP that we are aware of the need for the improvements in the system and due to current costs in the District, we cannot afford to begin implementing a capital improvement plan that would affect the customer's current rates. The District is going to work on trying to allocate funds to address some of projects moving forward.

Chemical Removal

The Sanitary Survey also addressed the excess chemicals left in storage that were once used by the water treatment facility. At the annual meeting in May of 2018, District voters approved a warrant article allocating ten thousand dollars for the staff to hire a company to remove the chemicals. Clean Harbors was contracted to remove all the excess chemicals that remained in the storage facility. Their crew was able to remove the remaining Sodium Chlorite, Potassium Hydroxide, and orthophosphate and have the containers flushed out so there is no chemical residue or chemical hazards associated with those chemicals.

Town of Leicester

In the past year a great deal of information has come to light regarding the water and sewer Districts throughout this town. With the Cherry Valley Sewer District facing impending insolvency, conversations between all town Water and Sewer Districts began to see what could be done to potentially help the Sewer District. We have since held meetings with State and Federal Law makers to discuss if there is potential assistance from them as well. The collective group is working to look at what is best for our community moving forward. They will continue to meet and brainstorm throughout the upcoming year working to find resolutions to the issues facing our community.

Annual Water Use Restrictions

As per the provisions of the Water Management Act Permit the Board of Water Commissioners declared the required District-wide water use restrictions beginning May 1, 2019 and ending October 1, 2019. Details of the restrictions are posted on the District website www.cvrwd.com

Annual Financial Audit

The annual financial audit was conducted by the firm of Spinelli Accountants/Advisors for years ending June 30, 2017 and 2018. The audit concluded that the District continues to demonstrate excellent financial accountability.

For your convenience and review the 2017 – 2018 Audited Statement of Net Assets, Revenue, Expenses, Changes in Net Assets and Cash Flows are published in the 109th Annual Report. Any questions regarding this report or any other questions you may have please contact the District Office (508-892-9616) and the Staff will be happy to assist you

Respectfully submitted,

Kevin M. Bergin, Chairman
Arthur E. J. Levesque, Commissioner
Michael L. Della Cava, Sr. Commissioner

**COMMONWEALTH OF MASSACHUSETTS
CHERRY VALLEY AND ROCHDALE WATER DISTRICT
WARRANT
ANNUAL DISTRICT MEETING**

To: Cheryl Balkus, District Clerk
Cherry Valley and Rochdale Water District

Greetings:

You are hereby directed to notify the VOTERS of the Cherry Valley and Rochdale Water District to meet in the Leicester Town Hall Auditorium, 3 Washburn Square, Leicester, Massachusetts 01524, on Thursday, the sixteenth day of May, two thousand and nineteen (May 16, 2019) at seven-thirty P.M. (7:30 P.M.), then and there to act on the following articles:

ONE: To elect a Moderator to preside at said meeting and for a period of one (1) year thereafter.

TWO: To act on the reports of the District.

THREE: To elect the following officer by ballot:

A resident from the Cherry Valley service area to hold the office of District Commissioner for a period of three (3) years.

FOUR: To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum, from any available funding source or other available means, for the operating budget for fiscal year 2020, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance, construction and any other items related thereto; to execute any instruments or documents necessary or appropriate to accomplish said purposes; or take any action in relation thereto.

FIVE: To see if the District will raise and appropriate, transfer from available funds or free cash or otherwise provide, a sum of money, or any other sum, to create a reserve account, or take any action in relation thereto.

SIX: To see if the District will vote to authorize the Board of Water Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 105 of the Acts of 1996, and, from which expenditures may be made by the Board of Water Commissioners for legal services, administrative services and engineering services (including but not limited to, design, plan review, and inspection of the project being constructed) in connection with any water system design, review, and construction, or to take any action thereon.

SEVEN: To see if the District will vote to authorize the Board of Water Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 105 of the Acts Of 1996, and, from which expenditures may be made by the Board of Water Commissioners for the purchase and installation of water meters or take any action thereon.

EIGHT: To see if the District will vote to authorize the Board of Water Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 105 of the Acts of 1996, and, from which expenditures may be made by the Board of Water Commissioners for the purchase and rental of supplies and equipment associated with the District's Service Termination Process, including but not limited to construction and excavation equipment rental, police details, backfill materials such as processed gravel and sand, asphalt, pipe, fittings and appurtenances or take any action thereon.

NINE: To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum, from any available funding source or by available means to enable the District to fund the construction of an extension of the water main

from Sargent Street to Main Street and to pay all costs related thereto including engineering services, administrative services, legal services, and construction services, or to take any action thereon.

TEN: To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum, from any available funding source or by available means to enable the District to fund the permitting, design, and construction to bring the grindstone well online and to convert the clear well to a holding/distribution tank and to pay all costs related thereto including engineering services, administrative services, legal services, and construction services, or to take any action thereon.

ELEVEN: To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum, from any available funding source or by available means to payoff USDA loan #91-04, or to take any other action thereon.

TWELVE: To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum, from any available funding source or by available means to payoff USDA loan #91-02, or to take any other action thereon.

THIRTEEN: To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum, from any available funding source or by available means to enable the District to fund the repairs and/or maintenance to the two West Street Tanks including, but not limited to, painting the exterior and interior of the two tanks, disinfecting the two tanks, and cleaning upon completion and to pay all costs related thereto including engineering services, administrative services, legal services, and construction services, or to take any action thereon.

You are hereby directed to serve this WARRANT by posting an attested copy at the Leicester Fire Department, Company No. 2, 226 Main Street, Cherry Valley, MA; Rochdale Post Office, 1138 Stafford Street, Rochdale, MA; at the Church Building, 672 Pleasant Street, Rochdale, MA; at the Leicester Town Hall and the Oxford Town Hall seven (7) days at least before said meeting.

Given under our hands, this 30th day of April, in the year of Our Lord, two thousand nineteen (April 30, 2019).

Respectfully submitted,

Kevin M. Bergin, Chairman

Arthur E.J. Levesque, Commissioner

Michael L. Della Cava, Sr., Commissioner

A TRUE COPY, ATTEST:

Cheryl Balkus, District Clerk

(SEAL)

“This institution is an equal opportunity provider, and employer.”

Cherry Valley & Rochdale Water District			
Operating Budget			
ACCOUNT		FY 2019	FY 2020
		APPROVED	PROPOSED
ABATEMENTS		\$ 100.00	
ACCOUNTING		\$ 15,966.55	\$ 15,966.55
BANK FEES		\$ 2,200.00	\$ 1,000.00
CHEMICAL SUPPLIES		\$ 10,000.00	\$ 5,000.00
CITY OF WORCESTER		\$ 540,000.00	\$ 490,000.00
CONSULTING SERVICE		\$ 25,000.00	\$ 25,000.00
CONTINUING ED		\$ 5,431.74	\$ 5,431.74
MA DEP-U.S. EPA MANDATES			
CONSUMER CONFIDENCE REPORT		\$ 1,000.00	\$ 1,000.00
DEP SDWA ASSESSMENT		\$ 850.00	\$ 850.00
LEAK DETECTION AND STAND PIPE INSPECTIONS		\$ 10,500.00	\$ 16,000.00
MASTER METERS CALIBRATION		\$ 1,000.00	\$ 1,000.00
PUBLIC EDUCATION		\$ 500.00	\$ 500.00
ELECTRICITY		\$ 23,000.00	\$ 22,000.00
FIELD SUPPLIES		\$ 5,623.80	\$ 5,623.80
HEAT		\$ 8,400.00	\$ 8,400.00
INSURANCE		\$ 118,000.00	\$ 100,000.00
LAB WORK		\$ 14,400.00	\$ 11,000.00
LEGAL ADVERTISING		\$ 1,200.00	\$ 1,200.00
LEGAL FEES		\$ 13,000.00	\$ 13,000.00
LICENSE FEES		\$ 2,000.00	\$ 2,000.00
METERS		\$ 30,000.00	\$ 33,700.00
MISCELLANEOUS		\$ 200.00	\$ 200.00
MOTOR VEHICLE EXP		\$ 10,500.00	\$ 10,500.00
OFFICE SUPPLY		\$ 19,600.00	\$ 18,856.00
OFFICER'S SALARY		\$ 6,400.00	\$ 6,400.00
PAYROLL		\$ 302,026.59	\$ 284,881.00
PIPES		\$ 20,000.00	\$ 15,000.00
POSTAGE		\$ 8,400.00	\$ 8,400.00
PROPERTY TAX		\$ 4,500.00	\$ 4,500.00
REPAIR/MAINT		\$ 14,562.72	\$ 14,562.72
RETIREMENT		\$ 46,094.00	\$ 54,840.00
SERVICES		\$ 16,000.00	\$ 15,619.00
SMALL TOOLS		\$ 4,480.00	\$ 3,000.00
SUB CONTRACTORS		\$ 45,320.00	\$ 40,000.00
TECHNOLOGY		\$ 16,100.00	\$ 16,100.00
TELEPHONE		\$ 8,400.00	\$ 7,910.00
Sub Total A		\$ 1,350,755.40	\$ 1,259,440.81
Debt Service			
MA Water Pollution Abatement Trust		\$ 95,306.00	\$ 93,000.00
USDA-RD		\$ 24,732.00	\$ 24,732.00
USDA-RD		\$ 6,456.00	\$ 6,456.00
Reserve		\$ 50,000.00	\$ 50,000.00
Sub Total B		\$ 176,494.00	\$ 174,188.00
Required Revenue (A+B)		\$ 1,527,249.40	\$ 1,433,628.81

**CHERRY VALLEY AND ROCHDALE WATER DISTRICT
STATEMENTS OF NET ASSETS
JUNE 30, 2018 AND 2017**

	ASSETS	
	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,189,604	\$ 1,716,047
Accounts Receivable	54,812	85,298
Water Liens Receivable	48,094	15,127
Prepaid Expenses	14,920	12,617
Total Current Assets	<u>2,307,430</u>	<u>1,829,089</u>
CAPITAL ASSETS, NET	<u>3,080,360</u>	<u>3,171,091</u>
OTHER ASSETS		
Deferred Outflows	<u>92,653</u>	<u>118,946</u>
Total Other Assets	<u>92,653</u>	<u>118,946</u>
TOTAL ASSETS	<u><u>\$ 5,480,443</u></u>	<u><u>\$ 5,119,126</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 27,260	\$ 46,515
Accrued Expenses	44,055	29,073
Due to Cherry Valley Sewer District	2,631	449
Deferred Revenue	10,653	-
Current Portion of Long-Term Debt	<u>109,590</u>	<u>103,828</u>
Total Current Liabilities	<u>194,189</u>	<u>179,865</u>
LONG-TERM LIABILITIES		
Long-Term Debt, Net of Current Portion and Unamortized Debt Issuance Cost	1,426,121	1,537,962
Deferred Inflows	75,262	51,962
Net Pension Liability	<u>679,972</u>	<u>692,580</u>
Total Long-Term Liabilities	<u>2,181,355</u>	<u>2,282,504</u>
Total Liabilities	<u>2,375,544</u>	<u>2,462,369</u>
NET ASSETS		
Reserved	50,000	83,489
Unreserved	<u>3,054,899</u>	<u>2,573,268</u>
Total Net Assets	<u>3,104,899</u>	<u>2,656,757</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 5,480,443</u></u>	<u><u>\$ 5,119,126</u></u>

**CHERRY VALLEY AND ROCHDALE WATER DISTRICT
STATEMENTS OF REVENUE, EXPENSE AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
OPERATING REVENUE		
Water Revenue - Net of Refunds	\$ 1,557,600	\$ 1,366,090
Penalties Invoiced Customers	16,298	14,412
Other Revenue	14,571	3,607
	1,588,469	1,384,109
OPERATING EXPENSES		
Payroll and Related Expenses	380,221	401,521
Depreciation Expense	138,665	148,834
Insurance and Surety Bond	93,670	105,074
Dues	78,456	74,905
Supplies and Materials	67,383	80,402
Outside Services	51,339	93,449
Utilities	37,750	42,030
Professional Services	26,282	34,455
Other Operating Expenses	22,226	15,291
Water Treatment and Lab Fees	19,920	46,409
Meters	11,707	-
Service Agreement Reimbursements	(175,445)	(175,222)
	752,174	867,148
OPERATING PROFIT	836,295	516,961
NON-OPERATING REVENUE (EXPENSE)		
Subsidy Revenue	32,447	32,880
Tower Rental	19,485	18,918
Interest Income	10,932	4,852
Automation of Interconnection	-	(4,191)
City of Worcester	(410,647)	(326,514)
Water System Upgrades	2,196	(45,103)
Interest Expense	(42,567)	(48,214)
	(388,154)	(367,372)
CHANGES IN NET ASSETS	448,141	149,589
NET ASSETS, BEGINNING OF YEAR	2,656,757	2,507,168
NET ASSETS, END OF YEAR	\$ 3,104,899	\$ 2,656,757

**CHERRY VALLEY AND ROCHDALE WATER DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from Customers	\$ 1,588,086	\$ 1,337,027
Other Operating Revenue	10,737	17,293
Paid to Employees and Professional Contractors for Services	(366,004)	(432,654)
Paid to Suppliers for Goods and Services	<u>(217,096)</u>	<u>(227,710)</u>
Net Cash Provided by Operating Activities	<u>1,015,723</u>	<u>693,956</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest Income	10,932	4,852
Grant and Subsidy Revenue	32,447	32,880
Tower Rental Income	19,485	18,918
Acquisition of Fixed Assets	(47,933)	(152,488)
Automation of Interconnection	-	(4,191)
Borrowings of Long-Term Debt	-	30,468
Principal Paid on Long-Term Debt	(106,079)	(105,250)
City of Worcester	(410,647)	(326,514)
Water System Upgrades	2,196	(45,103)
Interest Paid on Long-Term Debt	<u>(42,567)</u>	<u>(47,811)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(542,166)</u>	<u>(594,239)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	473,557	99,717
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,716,047</u>	<u>1,616,330</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,189,604</u></u>	<u><u>\$ 1,716,047</u></u>
RECONCILIATION OF OPERATING PROFIT TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Changes in Operating Activities	\$ 836,295	\$ 516,961
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used In) Operating Activities:		
Depreciation Expense	138,665	148,834
Changes in Assets and Liabilities:		
Accounts Receivable	30,486	(29,063)
Water Liens Receivable	(32,967)	(7,641)
Due from Cherry Valley Sewer District	-	6,466
Prepaid Expenses	(2,303)	538
Deferred Outflows	26,293	(69,101)
Deferred Revenue	10,653	-
Accounts Payable	(19,255)	46,515
Accrued Expenses	14,982	(22,240)
Due to Cherry Valley Sewer District	2,182	449
Deferred Inflows	23,300	(13,121)
Pension Liability, Net of Inflows and Outflows	<u>(12,608)</u>	<u>115,359</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 1,015,723</u></u>	<u><u>\$ 693,956</u></u>

SALARIES OF ELECTED OFFICIALS FY 2019

1 CHAIRMAN	\$2,191.18	Annually
2 COMMISSIONERS	\$2,091.18	Annually

CVRWD MONTHLY WATER RATES

MONTHLY BASE CHARGE: (Suspending until June 30, 2019)	\$29.00
0-1000 CF	\$0.1200/CF
EXCESS OF 1,001 CF BUT NOT GREATER THAN 1,500 CF	\$0.1704/CF
EXCESS OF 1,501 CF BUT NOT GREATER THAN 2,000 CF	\$0.1879/CF
EXCESS OF 2,000 CF	\$0.2084/CF

ESTIMATED BILLS: If a meter fails to record water consumption, the customer may be issued an estimated bill, based on the historical water consumption as recorded by the meter when in order.

DUE DATE / LATE FEE: All payments are due and payable on the 15th of each month. After the 15th of the month, the customer is charged a \$5.00 penalty per service.

PAST DUE ACCOUNTS: Current bills are considered to be past due after the due date. Past due accounts are subject to termination of water service. All past due bills are considered to be delinquent and appear hereon as a second notice.

SERVICE TERMINATIONS: If water service is terminated, a re-connection fee will be charged prior to restoring service. Additionally, it is the right of the District to charge a demand fee to any customer receiving demand notices.

NO DISCOUNTS: Both the Water and Sewer Districts are small districts funded by you, the rate payers. Allowing discounts would be an additional cost burden to the remaining rate payers who would not qualify for a discount. Therefore, no discounts are available.

"Cherry Valley and Rochdale Water District is an equal opportunity provider, and employer."

To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, or call (800) 795-3272 (voice), or (202) 720-6382 (TDD)."

Monthly Record Of Water Purchased In 2018

January	6,045,000	July	6,045,000
February	6,000,000	August	6,045,000
March	6,045,000	September	5,850,000
April	5,850,000	October	6,229,280
May	6,045,000	November	6,631,551
June	5,850,000	December	6,627,054

Total in 2018 73,262,885 gallons = Avg. of 200,720 gpd

Total In 2017 79,152,994 gallons = Avg. of 216,857 gpd

Total In 2016 100,343,586 gallons = Avg. of 274,914gpd

Total In 2015 93,600,595 gallons = Avg. of 256,440 gpd

Total In 2014 94,732,478 gallons = Avg. of 259,512 gpd

Hydrants	Cherry Valley	80
	Rochdale	73
	Oxford	11
	Total	164

Sprinklers in thirteen businesses supplying + 10,470 heads

In August of 2017 the Master meter had stopped working, the City of Worcester then started billing us based off of past usage, therefore the amounts listed in months from January through September are estimated amounts. The meter was replaced and activated in October of 2018 as part of the Automation of the Interconnection Upgrade project.

CHERRY VALLEY & ROCHDALE WATER DISTRICT
RECORD OF VOTE – 108th ANNUAL MEETING
MAY 17, 2018

A meeting of the Cherry Valley and Rochdale Water District was held at the Leicester Town Hall, 3 Washburn Square, Leicester, MA 01524, on Thursday May 17, 2018. Twenty-Nine (29) were in attendance, all of who were eligible voters.

The Annual Meeting was called to order at 7:30 p.m. by Mr. Victor Taylor. A motion was made and seconded to **waive the reading of the Annual Warrant**, for it is published on pages **6 and 7** of the 108th Annual Report, which was in the hands of the voters.

VOTED: UNANIMOUS. APPROVED.

ARTICLE I – MODERATOR

A motion was made and seconded to nominate **Mr. Victor Taylor** to the position of **Moderator** to preside at said meeting and for a term of one (1) year.

VOTED: UNANIMOUS. APPROVED.

ARTICLE II – PRINTED REPORTS

A motion was made and seconded to accept the **Printed Reports** of the Commissioners and District Treasurer, which were included in the 108th Annual Report.

VOTED: UNANIMOUS. APPROVED.

ARTICLE III - ELECTION OF OFFICERS

The Following Officers Were Elected:

District Commissioner For Three (3) Years: **Mr. Arthur E.J. Levesque**

VOTED: MAJORITY. APPROVED.

ARTICLE IV - FY 19 BUDGET

A motion was made and seconded, and the district voted to appropriate from available funds (water revenue) the sum of ONE MILLION, FIVE HUNDRED AND TWENTY-SEVEN THOUSAND, TWO HUNDRED AND FORTY-NINE DOLLARS (**\$1,527,249.00**), for the operating budget for Fiscal Year 2019, to provide for the district's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance, construction and any other items related thereto; to execute any instruments or documents necessary or appropriate to accomplish said purposes, as printed on page **8** in the 108th Annual Report.

VOTED: MAJORITY. APPROVED.

ARTICLE V - RESERVE ACCOUNT

A motion was made and seconded and the district voted to appropriate the sum of **Fifty Thousand Dollars (\$50,000.00)** from available funds (water revenue) to create a reserve account.

VOTED: MAJORITY. APPROVED.

ARTICLE VI – REVOLVING FUND FOR CONSTRUCTION REVIEW

A motion was made and seconded and the district voted to authorize the Board of Water Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 105 of the Acts of 1996, and, from which expenditures may be made by the Board of Water Commissioners for legal services, administrative services, and engineering services (including but not limited to, design, plan review, and inspection of the project(s) being constructed) in connection with any water system design, review, and construction.

VOTED: UNANIMOUS. APPROVED.

ARTICLE VII - REVOLVING FUND FOR WATER METERS

A motion was made and seconded, and the district voted to authorize the Board of Water Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 105 of the Acts of 1996, and, from which, expenditures may be made by the Board of Water Commissioners, for the purchase and installation of water meters. (*Discussion occurred regarding language of motion*).

A motion was made and seconded to AMEND Article VII – Revolving fund for water meters to: to establish a fund to receive and deposit fees paid pursuant to Chapter 105 of the Acts of 1996, and, from which, expenditures may be made by the Board of Water Commissioners, for the purchase and installation of water meters ***associated with new construction projects***.

AMENDMENT: VOTED: UNANIMOUS. APPROVED.

ARTICLE: VOTED: UNANIMOUS. APPROVED.

ARTICLE VIII - REVOLVING FUND FOR TERMINATION

A motion was made and seconded, and the district voted to authorize the Board of Water Commissioners to establish a fund to receive and deposit fees pursuant to Chapter 105 of the Acts of 1996, and, from which expenditures may be made by the Board of Water Commissioners for the purchase and rental of supplies and equipment associated with the District's Service Termination Process, including but not limited to construction and excavation equipment rental, police details, backfill materials such as processed gravel and sand, asphalt, pipe, fittings and appurtenances.

VOTED: UNANIMOUS. APPROVED.

ARTICLE IX – CHEMICAL REMOVAL

A motion was made and seconded and the District voted to transfer from available funds or free cash the sum of EIGHT THOUSAND FIVE HUNDRED DOLLARS (\$8,500.00) to enable the District to pay the costs associated with hiring a Hazardous Waste Disposal Service to remove and dispose of chemicals from the former Water Treatment facility in accordance with all municipal, state, and federal laws and regulations.

VOTED: UNANIMOUS. APPROVED.

The meeting adjourned at 8:12 P.M.

I, Carla A. Davis, hereby certify that this is a true and accurate record of vote taken by the voters of the Cherry Valley and Rochdale Water District at the Annual Meeting, May 17, 2018.

A TRUE COPY ATTEST:

CARLA A. DAVIS, DISTRICT CLERK

STATISTICS
CHERRY VALLEY & ROCHDALE WATER DISTRICT

Supplying the Villages of Cherry Valley, Greenville and Rochdale, all within the Town of Leicester and extensions to Comins Road, Wells Street and Pleasant Street, all located within the Town of Oxford.

Charter (Chapter 381, Acts of 1910) accepted April 20, 1910. Charter amended May 29, 1996, Chapter 105, Act of 1996.

First Officers elected May 19, 1910.

Old systems in Cherry Valley installed by Leicester Water District in 1894 and 1895. This section was purchased in 1910 and looped into a new system.

A new system was installed in Cherry Valley in 1910. The systems in Rochdale and Greenville, plus the pumping stations and both standpipes were built in 1910.

Population supplied by the Cherry Valley and Rochdale Water District is estimated at 4,000.

Henshaw Reservoir has a storage capacity of 97, 700, 00 gallons and a safe yield of 375,000 gallons per day.

Grindstone Well has a safe yield of 115,000 gallons per day and was activated March 21, 2002.

Pumping to three covered standpipes. Two steel constructed tanks located in Cherry Valley with a combined capacity of 500,000 gallons. One concrete constructed tank located in Greenville with a 500,000 gallon capacity. Built on the same level and connected directly with entire system, the three standpipe system provides a total storage capacity of one million gallons.

Pipes - Main cast iron 6", 8" and 12" (16 miles)

Small pipes - Cement lined, galvanized iron and 3" cast iron.

Services - Galvanized pipe, cement lined pipe and copper tubing.

Original construction Bonds - paid in December 1938

Pipe line construction Notes - paid in February 1939

Last District Tax Assessed - 1933

All Notes, etc., due since have been paid from Water Revenue.

Two Goulds Centrifugal High Lift Pumps. Capacity 500 GPM.

Two Baldor 30HP Electric Motors to operate High Lift Pumps.

Two Goulds Centrifugal Low Lift Pumps Capacity 500 GPM.

Two Baldor 7½ HP Electric Motors to operate Low Lift Pumps.

One Kohler Power Systems 125 KVA Diesel Driven Automatic Standby Generator which provides full power to operate the treatment facility in the event of a power failure.

One 500,000 GPD Lowry Treatment System for the removal of Arsenic, Uranium and Radon.

Citect SCADA System to control and monitor the operation of the Water Treatment Facility.

One 2012 Ford F150 four-wheel drive pick-up truck.

One 2015 Ford F250 four-wheel drive pick-up truck with plow and sander.

One Foxboro Flow Meter, Electronic Type, which records on a 24-hour chart the time the Raw and Finish (Henshaw Water Treatment Facility) water pumps start and shut off, the exact gallons pumped per minute, plus the total gallons pumped per day.

One Foxboro Flow Meter, Electronic Type, which records on a 24-hour chart the time the raw (Grindstone Water Treatment Facility) water pumps start and shut off, the exact gallons pumped per minute, plus the total gallons pumped per day.

Four Superior cylinder mounted chlorinators. This is a vacuum type solution feed chlorinator which gives a precise control of chlorine gas feed rate.

Four Milton Roy chemical feed pumps.

One International dioxide generator system.

One Bell & Gossett techno force booster pump system.

One Krone electromagnetic flow meter.

One ten-foot steel storage container.

One 8" Sensus Omni F2 Flowmeter

One 8" Val-Matic Butterfly valve