

**Cedar Meadow Lake Watershed District
Annual Meeting
May 18, 2017**

The 2017 Annual Meeting of the District was scheduled to be held at the Knights of Columbus Hall in Leicester at 7:30 P.M. on May 18, 2017. The Proprietors of the District were notified of the meeting by First Class mail more than 14 days in advance of the meeting. Further, a copy of the same Warrant sent to the Proprietors (attached) was posted on the Leicester Town Clerk's bulletin board more than 14 days in advance of the meeting.

Meeting Minutes

The District Clerk, Michele Cosper of 45 Fairview Drive, Leicester, registered Proprietors, also referred to as members, and offered hand-out material prior to the start of the meeting. After being assured that a quorum existed, the meeting was convened at 7:45 P.M. by District Management Committee Chairman, Mr. Tommy Lee of 61 Fairview Drive, Leicester.

Representation constituting one-third of the \$24,315,200 assessed valuation of property within the District, currently \$8,121,277, was required to establish a quorum. Owners of property within the District totaling \$11,249,000 (46.3%) in assessed valuation were represented at the meeting in-person or by proxy.

Article 1

Mr. Lee read the Article and moved that the District votes to elect a moderator to preside for the duration of the meeting. The motion was seconded. Mr. Lee asked for nominations.

Mr. Lee nominated Richard Johnston to moderate the Annual Meeting of the District and noted that Mr. Johnston served as Cedar Meadow Lake Watershed District Clerk for many years. There were no other nominations. Mr. Lee asked for a vote on the nomination. Richard Johnston was voted as Moderator unanimously.

Article 2

The Moderator read the Article. Mr. O'Coin of 6 Lake Shore Drive, Leicester moved that the District votes to hear a report from the Management Committee summarizing their activities since the last Annual Meeting of the District.

The motion was seconded. The Moderator read the motion and asked for a vote. The motion was voted unanimously. Management Committee President Tommy Lee of 61 Fairview Drive, Leicester stated that the Management Committee met eleven times during the year. He then took the members through a summary of the Management Committee's activities since the last Annual Meeting and used the attached document entitled "Cedar Meadow Lake 2016-2017 Action Plan Status Report" as a guide.

With respect to

- Goal 1 - Dam Maintenance was completed. Mr. Lee stated that the routine maintenance on the dam was completed including the cutting of the grass on the dam crest.
- Goal 2 - Engineering Services was complete. The dam was inspected in June 2015 and was rated in fair condition and was reviewed the Office of Dam Safety. Upon review, the District was awarded our Dam Safety Certification of Completion. The District did continue the good working relationship with Lenard Engineering.
- Goal 3 - Tree Removal was incomplete.
- Goal 4 - Weed Control Draw Down was completed. Mr. Lee stated that a successful draw down had been completed as specified by the Order of Conditions (OOC).
- Goal 5 - Weed Control - Herbicide was completed.

- Goal 6 - Financing was completed. Betterment collections have gone very well and the third payment to the USDA was made. The fourth payment is scheduled for June 2017.
- Goal 7 - Conduct Water Quality Monitoring Program was incomplete. The water testing was not performed in 2016-2017. It is proposed that the water testing be taken over by the Boys Scouts under the direction of Proprietor and Management Committee member Paul Dufresne.
- Goal 8 - Communications was complete with newsletters being sent to members and the District's website being updated by Mr. O'Coin. The District has made a move to electronic distribution of newsletters to half the Proprietors. The District also continues to use its Facebook and Twitter accounts.

Article 3

The Moderator read the Article. Mr. O'Coin moved that the District votes to see if the District will vote to grant to the inhabitants of the Town of Leicester, herein Grantee, with a usual place of business at 3 Washburn Square, Leicester, Worcester County, MA 01524, in consideration of One and no/100 (\$1.00) Dollar, the perpetual right and easement to pass and repass on the Grantors' property for the purpose of access to construction, maintenance repair and replacement of a public way know as Rawson Street and all its appurtenant structures, including but not limited to a bridge, all situated in the said Town of Leicester, MA, all shown on a plan entitled "Easement Plan of Land Rawson Street Over Cedar Meadow Lake Surveyed for the Town of Leicester, MA" dated January 5, 2017, Scale 1"=2'- and drawn by Green International Affiliates. The permanent and perpetual easement areas are located on the southerly side of Rawson Street and are more particular described as "PE-1" and "S-1" on the above referenced plan. And further granting a temporary easement for all construction purposes, including but not limited to all appurtenant structures on the area designated on said plan as "TE-1". This temporary easement will be for a term of not more than three years. The grantee assumes all liability for damages to the grantors property caused by the by the permanent drainage easement system shown on the plan.

The Town of Leicester is asking that the District donate the permanent and temporary easements to the Town for \$1.00. The Easements were appraised at \$700;00. The easements are needed for the construction and maintenance of the new Rawson Street Bridge. There were no questions for the Proprietors.

The Moderator made a motion to not re-read the motion for article 3. The motion was seconded. The motion was voted unanimously.

The Moderator read the motion and asked if there was any further discussion. There being none, the Moderator did not read the Article and asked for a vote. The motion was voted unanimously with the exception of a single vote against the motion.

Article 4

The Moderator read the Article. Mr Lee moved that the District votes to hear a report from the Treasurer.

The motion was seconded. The Moderator read the motion and asked for a vote. The motion was voted unanimously.

Terence O'Coin of 12 Caron Road, Sturbridge, the District Treasurer, referred the members to a pie chart comparison (attached) showing budgeted versus actual expenses that had been distributed prior to the start of the meeting. The documents showed that it was necessary to transfer \$1766.97 from the Reserve Account to the Legal Account. He discussed each of six accounts. There was no need to fund the Stabilization Account. Of the \$100.00 set aside in the Reserve for Bad Debt Account, nothing was spent. The full budgeted amount of \$10,000 in the Legal Account had been spent. Of the \$72,550 in the Dam Repair and Maintenance Account, only \$648.00 had been spent because the land behind the dam was not purchased. Of the \$8,973.00 in the Administrative Account, only \$8,415.67 had been spent. Nothing was spent of the \$10,300.00 in the Debt Repayment Account because nothing was borrowed from the line-of-credit. The third USDA loan payment would be made from the Betterment Loan USDA Account in June 2017. Lastly, \$1,766.97 of the \$7,500 in the

Reserve Account had been spent. The pie charts in this handout illustrate the percentage differences between budgeted and actual spending.

Article 5

The Moderator read the Article. Mr. Paul Dufresne of 47 Fairview Drive, Leicester moved that the District votes to elect a District Clerk to hold office for a term of one year or until the next Annual Meeting.

The motion was seconded. The Moderator read the motion and asked for nominations. Mr. Lee nominated Michele Cosper of 45 Fairview Drive, Leicester. There were no other nominations. In the interest of saving time, the Moderator asked the Management Committee Chairman to cast one vote for Mrs. Cosper. Mrs. Cosper was, thus, voted District Clerk unanimously.

Article 6

The Moderator read the Article. Mr. Lee moved that the District votes to elect a District Treasurer to hold office for a term of one year or until the next Annual Meeting.

The motion was seconded. The Moderator read the motion and asked for nominations. Mr. Dufresne nominated Terence O'Coin. There were no other nominations. In the interest of saving time, the Moderator asked the Management Committee Chairman to cast one vote for Mr. O'Coin. Mr. O'Coin was, thus, voted District Treasurer unanimously.

Article 7

The Moderator read the Article. Mr. Dufresne moved that the District votes by ballot to elect a member to the Management Committee for a term of three (3) years.

The motion was seconded. The Moderator read the motion and asked for nominations. Mr. O'Coin nominated Mr. Thomas Forsberg of 21 Lake View Drive, Leicester. There were no other nominations. The Moderator explained the voting procedure. The Proprietors would enter the name of the person they wished to vote for on the ballots they received from the Meeting Clerks. The Meeting Clerks will collect and tally these votes. The voting then proceeded as described and Mr. Dufresne was voted as a member of the Management Committee to hold office for three years. There were 34 votes for Mr. Forsberg and 4 votes abstained.

Article 8

The Moderator read the Article. Mr. Dufresne moved that the District votes to accept the Cedar Meadow Lake 2017-2018 Action Plan in the hands of the Proprietors.

The motion was seconded. The Moderator read the motion and asked for discussion. Mr. Lee referred the Proprietors to the Cedar Meadow Lake 2017-2018 Action Plan (attached) that had been distributed prior to the start of the meeting.

This winter was a relatively "normal" winter. Total ice out was observed late March. The upper channel flash boards were installed in the middle of April after the District experienced a very wet spring immediately following near ice out. The lake essentially filled on its own with the channel 100% open. At the time the flashboards were installed the lake was nearly full and there was consistent flow through the upper channel and over the spill way to maintain flow consistent with the District's order of conditions. The District worked closely with Burncoat Pond as they were forced to "reopen" their channel due to heavy rains in early spring, as a result the District's channel remained open a few extra days to allow the additional flow of water.

The use and installation of the additional "no trespassing/fishing" signs installed last summer on the east and west sides of the dam including one on the gate at Charles Street appear to have had a

positive impact. Several were damaged and one removed during the course of installation. The district removed them in the fall so as to avoid further damage or loss. The District will re-install these signs again this year prior to Memorial Day. If any proprietors see suspicious activity or trespassers on the dam, please feel free to contact the Leicester Police Department.

Lenard Engineering rated the dam in fair condition and cited several minor deficiencies: such as missing cap stones along top of downstream wall, small voids behind downstream masonry wall, large trees and brush growing near the dam, and multiple vertical cracks in the spillway training wall. Many of these minor deficiencies can be remedied through the continued course of regular maintenance. District officials will meet with Lenard Engineering to develop a long range strategic plan to towards repairing the minor deficiencies cited in the inspection report. The management committee will engage with Lenard and R.H. White to remediate some minor work in the fall of 2017.

The dam is considered to be in fair condition by the Massachusetts Office of Dam Safety, primarily due to the presence of large diameter trees within 15 feet of the downstream toe of the dam. The Office of Dam Safety is concerned that the integrity of the dam could be damaged if these trees were uprooted during heavy rain and wind conditions, and they suggest these trees removed. The land below the dam is owned by Raymond E. Shea, Jr. In October of 2015, Mr. Shea brought a civil suit against the District in Worcester Superior Court alleging a private nuisance by the District causing damage and seeking \$100,000 for those damages. At last year's annual meeting the district authorized the management committee to purchase the land behind the dam in the amount of \$50,000. This was based upon a signed purchase and sale agreement between Mr. Shea and the District. During the proceedings to transfer the land, it was discovered that there is an existing mortgage on the property in the amount of \$450,000 (approx.) In addition, there is an IRS tax levy on the property. Mr. Shea failed to negotiate this mortgage and convey clear title to the property that would allow the sale and transfer of the property. With the trial date of October 2016, looming, the District applied pressure to Mr. Shea to clear title and convey the property. Without clear title or indication we would have clear title, we were forced to fully prepare to defend the District in the lawsuit. Shortly before the trial a settlement agreement was reached between Mr. Shea and the District. Under the settlement agreement Mr. Shea dismissed the lawsuit in full and provided a release of all claims against the District. There was no obligation conceded by the District to purchase the land as part of the settlement and as such the prior agreement was voided. The District does have the ability to pursue this parcel through several options in the future.

The District met with the Town Administrators Office, MA DOT, and the Engineering Firm designing the new Rawson Street Bridge. The purpose of the meeting was to discuss the proposed easements for the construction of the bridge and voice some concerns. At this meeting, the District and several proprietors voiced concerns about illicit activities that have taken place over the years around this bridge area. The concerns were very well received and as a result we received verbal commitment from MA-DOR that implementation of chain link fencing would be installed on both sides of the bridge to deter fishing and other activities from the area. We also received some assurances that proper signage was part of the design to defer parking in the area. In article 3, we are recommending that the district grant the proposed easements to the Town. Further discussion will take place.

Andrew Carlson recently completed his Eagle Service Project. Andrew is with Troop 201 out of Spencer. Andrew rejuvenated the Carl A. Harding Memorial Beach on Fairview Drive. The upgrades included, new see-saws, picnic tables, swim platform, landscaping, fence painting and new signage. We would like to congratulate Andrew on a job well done and thank him and his Troop for making community a better place.

Thanks to our treasurer, Terry O'Coin, you can now connect with our District via Twitter & Facebook. In addition to our website. On a routine basis, Terry posts monthly meeting minutes, newsletters and other important messages. Also of note, the photo used on our webpage was selected by the Town to be used on the Towns annual report! Michele Cosper has done an excellent job with our "electronic mailing" list and significantly reduced our hard copy mailings over the last several years.

The management committee members are participating in conflict of interest training. This will be complete by the end of summer 2017.

Last summer the clarity of the lake was again reduced due to the presence of blue-green algae. ESS Group continues to advocate that this condition exists due to the hot, dry summers in both 2015 and 2016 and the filtration of phosphorus rich "runoff". The District is proposing in our budget this year to perform a lake mapping of aquatic growth in the spring of 2018. This will give us an opportunity to see that the summer of 2017 brings and with cooperation from mother nature and a rest from herbicidal treatment we hope to see the clarity of the lake significantly improve from the summers of 2015 and 2016.

Members of the District are continuing to pay off the USDA loan taken to pay the \$1,714,000 judgment against the District via betterments. The District will make the fourth annual USDA payment in June 2017.

With respect to

- Goal 1, Dam Maintenance, Mr. Lee stated that this goal dealt with routine maintenance including mowing the dam surface.
- Goal 2, Engineering Services, calls for maintaining a professional relationship with an engineering firm to provide expertise and guidance with respect to maintaining and repairing the dam. This relationship already exists with Lenard Engineering.
- Goal 3, Tree Removal, calls for acquiring the land below the dam and cutting large trees within 15 feet of the downstream side of the dam.
- Goal 4, Weed Control - Draw Down, will continue through the annual draw down program according the OOC.
- Goal 5, Weed Control - Herbicides, calls for the maintaining and retaining the services of a lake management organization to continue to monitor and manage the proliferation of Fanwort (Cabomda) and other weeds.
- Goal 6, Financing, calls for collecting betterments and repaying the USDA loan, and maintaining betterment pre-payments in safe investment vehicles to realize a rate of return.
- Goal 7, Conduct Water Quality Monitoring Program, calls for continuing to collect and analyze lake water sample. Under Mr. Dufrense's direction, the Boy Scouts will collect samples and have these samples analyzed.
- Goal 8, Communications, the Management Committee will continue to communicate with the members via newsletters and the District's website.

The Moderator read the motion and asked if there was any further discussion. There being none, the Moderator read the Article and asked for a vote. The motion was voted unanimously.

Article 9

The Moderator read the Article. Mr. Lee moved that the District votes to authorize the Management Committee to maintain a line-of-credit loan in an amount not to exceed \$30,000 to pay District operating expenses pending receipt of annual tax revenue.

The motion was seconded. The Moderator asked for discussion. Mr. O'Coin explained that he had been working with Steve Quink at the Spencer Savings Bank and that repayment of line-of-credit loans would be guaranteed by the District's own betterment prepayment funds on deposit at the bank. The line of credit was not used in FY17, and it is not expected that it will be used in FY18 either. The motion was voted unanimously.

Article 10

The Moderator read the Article. Mr. Dufresne moved that the District votes to carry forward and/or transfer funds as described in a document in the hands of the Proprietors.

The motion was seconded. The Moderator read the motion and asked for discussion. Mr. O'Coin stated that the budget that he would discuss in the next article called for carrying \$38,290.61 forward in the Repair and Maintenance Account. This was good news for the members because it represented unspent money in the current budget that could be carried forward to avoid the need to collect \$38,290.61 in new tax revenue in the Fiscal Year 2018 budget. \$38,290.61 was appropriated to Dam Repair and Maintenance in FY2018. The motion was voted unanimously.

Article 11

The Moderator read the Article. Mr. Lee moved that the District votes to approve the Fiscal 2018 budget in the hands of the Proprietors, the appropriation of monies to be raised by assessment upon the Proprietors in support thereof.

The motion was seconded. The Moderator read the motion and asked for discussion. Mr. O'Coin referred to a hand out entitled "Proposed Budget and Appropriation of Monies Fiscal Year July 1, 2017 - June 30, 2018 (FY2018)" that had been distributed prior to the start of the meeting and described each item. He explained that the left hand column showed the annual Budget Amounts totaling \$184,271.50. The next column showed the \$38,290.61 voted on the last article as being carried forward from FY2017. The next column, entitled "From FY2018 Tax Revenues" represented the amount, \$30,065.00, to be raised through taxation. The next column to the right represented the amount, \$0.00, to be taken from Free Cash. He explained the process of the MA DOR DLS certifying the amount of available free cash, following the annual audit by the District auditor and submission of financial reports. The next column on the right entitled "From Issuance of Debt" showed \$0.00, showing that no funds will be borrowed from the line-of-credit. The next column to the right entitled "From Betterments" totaled \$96,206.50; of that amount, \$79,961.50 represents the expected fifth payment on the USDA loan, \$3,249.00 represents administrative cost, and \$12,996.00 represents USDA Loan reserves. The next column to the right entitled "From Stabilization Account" did not include any activity. The last column entitled "From USDA Loan to Betterment" totaled \$19,709.39 represents money borrowed and reserved for the purchase of the land behind the dam.

He discussed the current budget in detail. \$5,000 was budgeted for legal expenses. The Repair and Maintenance Account totaled \$63,800 including \$100 for gate house upkeep, \$700 for grass mowing on the dam, \$2,500 for dam repair and maintenance, \$40,200 for purchase of land behind the dam, \$3,000 for a weed map survey in SP18, \$500 for water sample testing, and \$17,000 for tree cutting behind the dam. The Administrative Account totaled \$9,265 including \$800 for communications, and \$2,250 for auditing, \$525 for the Treasurer's Bond, \$5,300 for the liability insurance premium, \$40 for the COLAP dues, \$150 for Treasurer's Expenses and \$200 for the annual meeting. \$10,000 was included in the Reserve Account to cover unexpected expenses. The \$84,519.13 shown in the USDA Loan Payment-Long Term Debt Account is the same amount to be collected from betterments and contains \$83,210.50, the fourth annual loan payment, and \$3,249.00 for loan administration expenses. The USDA Loan Payment Reserve Account totaled \$12,966.00. The Moderator asked if there were any questions or if there was any other discussion. There being none, the Moderator asked for a vote on the motion. The motion was approved unanimously.

Article 12

The Moderator read the Article. Mr. Dufrense moved that the District votes to discuss any other business that may properly come before this meeting.

The motion was seconded. The Moderator read the motion and asked for discussion. There was no discussion. The Moderator asked for a vote and the motion was approved unanimously. Mr. Lee explained to the audience that this was their opportunity to bring up questions not previously answered during the meeting or to raise new subject for discussion. No business was brought forth. Proprietors did ask to whom they should report Trespassers on the dam. Mr. Lee reminded Proprietors were reminded trespassers on the dam should be reported to the Leicester Police.

Adjournment

The Moderator stated that he would entertain a motion for adjournment. This motion was made and seconded and approved unanimously. The meeting adjourned at 9:01 P.M.

A True Copy Attest:

Michele M. Cospers
District Clerk