

**Cedar Meadow Lake Watershed District
Annual Meeting
May 14, 2008**

The 2008 Annual Meeting of the District was scheduled to be held at the Leicester Police Department Community Room at 7:30 P.M. on May 14, 2008. 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 Meeting Clerk, Anita Johnston of 1 Maple Glen Lane, Leicester, was sworn in by Moderator Ruth Kaminski. After having been assured that a quorum existed, Mrs. Kaminski, convened the meeting at 7:45 P.M.. She made an opening statement complimenting the Town of Leicester for voting to enact Stormwater By-laws, new Wetlands Protection By-laws, and for supporting the formation of the Common Ground Land Trust, an organization form specifically to acquire open space in Spencer and Leicester.

Article 1

Mrs. Kaminski read the Article. Tommy Lee of 61 Fairview Drive, Leicester moved that the District votes to elect a moderator to preside for the duration of the meeting. The motion was seconded. Mrs. Kaminski read the motion and asked for a vote. The motion was voted unanimously. Mrs. Kaminski asked for nominations. Mr. Lee nominated Ruth Kaminski and thanked her for, once again, taking time out of her busy schedule to moderate the Annual Meeting of the District. There were no other nominations. Mrs. Kaminski asked for a vote on the nomination. Mrs. Kaminski was voted as Moderator unanimously.

Article 2

The Moderator read the Article. Paul Dufresne of 47 Fairview 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 discussion. There was no discussion. The Moderator asked for a vote. The motion was voted unanimously.

Richard Johnston of 1 Maple Glen Lane, Leicester took the Proprietors through a summary of the Management Committee's activities since the last Annual Meeting and used the attached document entitled "Cedar Meadow Lake 2007 -2008 Action Plan Status Report" as a guide. With respect to Goal 1 - Dam Maintenance, Mr. Johnston stated that the routine maintenance on the dam was completed. Goal 2 - Tree Removal remains incomplete and there was, again, no response from Mr. Shea to the District's letters seeking permission to enter the land below the dam to cut trees as direct by the DEM. Mr. Johnston stated that the presence of trees immediately below the dam was one of the reasons the engineering firm that inspected the dam decided that the dam was only in fair condition. He stated that legal efforts would be made to gain access to the land during the summer of 2008.

Regarding Goal 3 - Legal Defense, Mr. Johnston reiterated the District's strategy to support the Massachusetts Department of Revenue in their efforts to collect \$1.7 million in taxes owed by the senior Raymond Shea. The DOR has attached liens to the properties owned by the Cedar Meadow Lake, Burncoat Pond and Stiles Reservoir water districts to ensure that any moneys awarded to Central Water District Associates in the suits files by CWDA against the district will go, first, to satisfy the tax obligation of Mr. Shea. This strategy is paying off. There have been various lower court rulings in favor of the DOR's ability to collect these revenues. In October the Massachusetts Court of Appeals issued a ruling that upheld a lower court ruling. In May, the Court of Appeals upheld another important lower court ruling favoring DOR. As things stand currently, CWDA and the Shea family have no incentive to continue the suits against the districts. If they are successful in attempts to get more money than paid in the eminent domain cases, the first \$1.7 million will go to the DOR.

With respect to Goal 4 - Weed Control, Mr. Johnston stated that the draw down program was suspended

last Fall as planned to give the lake a “rest.” That portion of this goal calling for keeping water elevations 30 to 36 inches below the spillway elevation during the winter to minimize ice damage to shoreline structures was not successful. The lower gate and spillway channel were wide open from mid-February through ice out but could not keep up with heavy precipitation and melting. Consequently, the ice cap rose and many shoreline structures were damaged. The start of refilling the lake in the Spring was delayed by about two weeks to give Proprietors the opportunity to make repairs and to attempt to make minor dam repairs. With respect to Goal 5 - Benthic Barrier, Mr. Johnston noted that this goal was only partially complete. A piece of barrier approximately 80 feet in length was successfully deployed but was not moved as planned. With respect to Goal 6 - Conduct Water Quality Monitoring, Management Committee Member Wayne Ridley of 39 Lakeview Drive described the results of recent and past testing. He presented the attached summary of test results from 5/29/05 through 9/27/07. These consistently reveal that the lake has an excellent clarity level. Generally speaking, total phosphorus readings have been within acceptable levels. There have, however, been spikes in these reading that may be attributable to heavy rain prior to sample collection. Planned testing for bacteria were not completed. Mr. Ridley extended thanks to Mike Dupuis of the Oxford Rochdale Water District who has been performing the total phosphorus testing at no cost to our District.

With respect to Goal 7 - Regulatory Dam Safety Compliance, Mr. Johnston stated that the dam was inspected by Fuss and O’Neill a respected engineering firm with a lot of experience in dams. He used the attached summary document entitled Phase I Inspection / Evaluation Report to take the audience through the report provided by Fuss and O’Neill. The dam, by State definition, is considered a “large” dam that presents a “significant” down stream hazard potential. Fuss and O’Neill concluded that the dam is in “fair” condition, not the “good” condition that the Management Committee would like to see, because of the large trees growing withing 15 feet of the dam on the downstream side and recently discovered seepage through the dam. This seepage, estimated at between 30 and 50 gallons per minute exits the dam approximately 30 feet east of the spillway.

Mr. Johnston took the opportunity to give the elected officials credit for a common sense, no engineering approach to managing the district that has saved the Proprietors thousands of dollars. This tradition started with former Management Committee member Steve Borgerson and continues today. For each of the tasks recommended by the engineering firm, Mr. Johnston compared the cost estimate offered by the engineering firm with the cost actually incurred, or estimated, by the District. Fuss and O’Neill estimated costs ranging from \$111,000 to \$198,000 to perform all the recommended tasks. He went through the recommendations task by task and estimated that the cost would be more like \$17,000.

With respect to Goal 8 - Friends Program, Mr. Johnston stated that the program of soliciting contributions from non-abutters to the lake was successful and raised between \$300 and \$400 per year. The cost of printing and postage was relatively small. The Friends program was like having an additional Proprietor to help pay the cost of running the District. With respect to Goal 9 - Communications, Mr. Johnston stated that three newsletters had been sent of Proprietors over the past year.

Article 3

The Moderator read the Article. Mr. Dufresne moved that the District votes to hear a report from the Treasurer. The motion was seconded. The Moderator asked for discussion. There being none, the Moderator read the motion and asked for a vote. The motion was voted unanimously.

Terence O’Coin, the District Treasurer, referred the Proprietors to a hand out entitled “FY2008 Report on Budget vs. Actual Expenditures” (attached) that had been distributed prior to the start of the meeting. This document showed that of the \$55,001.48 budgeted for FY2008, \$32,067.99 had been spent to date, \$4,066.90 in spending before June 30 was pending, and \$342.36 had been transferred from the Reserve Account to the Repair and Maintenance Account. He discussed each of six account numbers, actual and pending expenditures, and funds that would be carried over to the next budget period if voted in the affirmative later in the meeting. He stated that the planned \$1,500 transferred to the Stabilization Account was not made because research revealed that it was not necessary under State accounting guidelines. The Loan Repayment Account was expected to have \$63.81 left over at the end of the fiscal year. He noted that the interest rate had dropped from 8.25% to 7.75% in October. In the case of the Legal Account, only \$3,379.17 of the budgeted \$10,000 had been spent to support of the DOR case against Central Water District Associates. \$2,500 of the left over funds will be carried forward to the next fiscal year. The Repair and Maintenance Account required the transfer of \$342.36 from the Reserve Account to cover the higher

than expected costs including \$1,100 to replace loose or fallen cap stones on the dam. Only \$3,552.33 of the budgeted \$4,919 is expected to be spent in the Administration Account. As was previously discussed, only \$342.36 of the \$10,000 carried in the Reserve Account were actually expended.

Article 4

The Moderator read the Article. Mr. O'Coin 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 discussion. There was no discussion. The Moderator asked for a vote. The motion was voted unanimously. The Moderator asked for nominations. Mr. O'Coin nominated Richard Johnston. There were no other nominations. The Moderator asked for a vote on the nomination. Mr. Johnston was voted District Clerk unanimously.

Article 5

The Moderator read the Article. Mr. Ridley 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 discussion. There was no discussion. The Moderator asked for a vote. The motion was voted unanimously. The Moderator asked for nominations. Mr. Ridley nominated Terence O'Coin. There were no other nominations. The Moderator asked for a vote on the nomination. Mr. O'Coin was voted District Treasurer unanimously.

Article 6

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 discussion. There was no discussion. The Moderator asked for a vote. The motion was voted unanimously. The Moderator asked for nominations. Mr. Lee nominated Wayne Ridley. There were no other nominations. The Moderator explained the voting procedure. The Proprietors would show their Voting Cards and receive one Ballot for each Voting Card from the Meeting Clerk, enter the name of the person they wished to vote for and return the Ballots to the Meeting Clerk. The Clerk would then tally the Ballots. The voting then proceeded as described and Mr. Ridley was voted as a member of the Management Committee to hold office for three years. There were 52 votes for Mr. Ridley. No other votes were cast.

Article 7

The Moderator read the Article. Mr. Lee moved that the District votes to accept the Cedar Meadow Lake 2008-2009 Action Plan in the hands of the Proprietors. The motion was seconded. The Moderator read the motion and asked for discussion. Mr. Johnston referred the Proprietors to the Cedar Meadow Lake 2008-2009 Action Plan (attached) that had been distributed prior to the start of the meeting. In the interest of time, he summarized the Current Situation page.

With respect to Goal 1, Dam Maintenance, he indicated that this goal dealt with routine maintenance including mowing the dam surface and performing minor maintenance such as repairing fencing and painting the gate house and was completed. He explained that Goal 2, Tree Removal, had been modified from previous years because the District planned to take those legal steps necessary to gain access to the land below the dam and to remove the necessary trees before the start of the hurricane season in September. The matter had been discussed with legal counsel and would be address very soon. Goal 3, Dam Repair, calls for drawing down the lake five feet to perform repairs to stop seepage through the dam as identified in the Phase I Dam Inspection / Evaluation Report. This will start with a visual underwater inspection by Proprietor Phil Stiles in his scuba gear. Goal 4, Weed Control, calls for drawing down the lake five feet to coincide with the dam repair draw down and to keep the water elevation at this low level until the exposed lake bottom freezes. The water level will then be increased to, and maintained at, 30 to 36 inches below the spillway elevation for the duration of the winter to minimize damage to shoreline structures.

Goal 5, Benthic Barrier, calls for continually moving the benthic barrier in the Rawson Street cove to kill weeds covered by the barrier throughout the summer and early fall months. Marker buoys were lost during the winter. Mr. Stiles will be called upon again to find and mark the barrier location. With respect to Goal

6, Conduct Water Quality Monitoring Program, Mr. Johnston described the plan to continue collection and analyzing samples from four locations around the lake for total phosphorus and clarity. The analysis will be performed by the Rochdale Oxford Water District at no charge. Goal 7, Legal Defense, again, calls for vigorously defending the District in the law suit brought by Central Water District Associates and supporting the DOR in their efforts to collect taxes owned by Raymond Shea, Sr.. Legal expenses were expected to be relatively small since Court of Appeal decisions have removed the incentive for Central Water District Associates to go forward. There is, however, uncertainty about what CWDA will do next. Given this uncertainty, and the uncertainty regarding the cost of repairing the dam, our attorney, Ernest DeSimone, has agreed to carry his fees forward to the next fiscal year if the District is unable to fully pay these fees during the FY09. Goal 8, Friends Program, calls for soliciting non-abutter Friends for voluntary contributions to help defray the cost of operating the District. Goal 9, Communications, calls for a continuation of communications via newsletters.

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

Article 8

The Moderator read the Article. Mr. O'Coin 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 referenced the handouts entitled "FY2008 Report on Budget vs. Actual Expenditures" (attached) and "Proposed Budget and Appropriation of Monies Fiscal Year July 1, 2008 - June 30, 2009 (FY2009)" (attached) that had been distributed prior to the start of the meeting and explained that it was being recommended that \$2,500 of the \$6,620.83 "Leftover Funds" in the Legal Fees Account be carried forward. All remaining leftover funds will be returned to the District's General Fund. The Moderator read the motion and asked for a vote. The motion was voted unanimously.

Article 9

The Moderator read the Article. Mr. O'Coin moved that the District votes to approve the Fiscal 2008 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, 2008 - June 30, 2009 (FY2009)" 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 \$56,616.40. The next column represented monies, totaling \$2,500.00, carried forward from the prior year and voted previously in Article 8. The next column, entitled "From FY2009 Tax Revenues" represented the amount, \$32,912.38, to be raised through taxation. The right column represented the amount, \$21,204.02 to be taken from Free Cash. He referenced a note at the bottom of the schedule and stated that the DOR had previously certified a free cash amount in excess of the amount included in the FY09 budget. He then went through the proposed budget, line by line. Mr. O'Coin stated that the largest account, as is always the case, was repayment of the loan to buy the dam and land under the lake. He described a handout entitled CMLWD Mortgage (attached) and was pleased to report that, by the end of the next fiscal year, 141 or 144 mortgage payments will have been made. The mortgage will be fully paid in September of 2009.

The Loan Repayment Account is budgeted at \$23,387.40, and District Legal fees at \$2,500. The Repair and Maintenance Account is budgeted at \$17,000. Included in this amount are \$100 for paint and material, \$800 for grass and brush trimming, and \$100 for water testing. The larger items are \$10,000 for dam repairs, \$5,000 to cut trees below the dam, and \$1,000 for a hydrologic and hydraulic analysis that will, hopefully, be done as a senior project by WPI students. The Administration Account is budgeted at \$3,729.00 and includes \$900 for communications expenses, \$1,000 for our annual audit, \$229 for the Treasurer's bond, and \$1,500 for liability insurance. As is customarily the case, \$10,000 is carried in the Reserve Account. Lastly, no additional funds are included in the budget for the Stabilization Account. This account currently has a balance of more than \$10,000. The Moderator asked for further discussion. There was no further discussion. The Moderator asked for a vote. The motion was voted unanimously.

Article 10

The Moderator read the Article. Mr. Ridley 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. Mr. Ridley 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. There was no other discussion. The Moderator asked for a vote. The motion was voted unanimously.

The most interesting topic was brought up by Proprietor Richard Carr. He expressed concern regarding the placement of the ski course and its impact on the safety of his children. Some drivers of boats using the ski course come to close to shore before steering away, and some water skiers do the same. Mr. Carr asked if the course could be moved. First, it was stated that the District did not have its own set of boating safety regulations and relied on State rules and regulations. The District owns the land under the lake but has no control over the water. Mr. Lee, speaking on behalf of the ski club, stated that the ski course was installed many years ago in its current location, is anchored by engine blocks, and would be very difficult to move. He stated that he would be willing to install a visible buoy to mark a point 150 from Mr. Carr's beach. There was a discussion about boating safety in general and the possibility of having the Leicester Police patrol the lake from time-to-time. Mr. Lee stated that he would encourage the Management Committee to install several buoys around the lake to mark the 150 foot headway only zone. It was also stated that safety related information could be included in the next newsletter.

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 9:20 P.M..

A True Copy Attest:

Richard D. Johnston
District Clerk