

**Cedar Meadow Lake Watershed District
Minutes of Management Committee Meeting
August 8, 2012**

The meeting commenced at 7:42 P.M. at 1 Maple Glen Lane, Leicester.

In attendance: Paul Dufresne
 Wayne Ridley
 Richard Johnston, Clerk
 Terence O'Coin, Treasurer

Minutes of Previous Meetings

The previously distributed Minutes of the Management Committee meeting on June 20, 2012 were offered for approval. A motion was made, seconded and voted unanimously to accept the Minutes as written.

Clerk's Report

Mr. Johnston reported the following communications since the last Management Committee meeting:

- 6/21 memorandum from Clerk to Donald Maloney, Jr. regarding tax deductibility of betterment payments
- 6/22 "realtor letter" from Clerk to Cornerstone Realty regarding 37 Lakeview Drive
- 6/22 "realtor letter" from Clerk to George Russell Realty regarding 138 Charles Street
- 6/22 "realtor letter" from Clerk to Re/Max Professional Associates regarding 1 Maple Glen Lane
- 6/27 e-mail from Lenard Engineering and 6/28 response from Clerk regarding additional measures required by the Office of Dam Safety (ODS) as condition of dam repair permit approval
- 6/27 e-mail from Clerk to Attorney Nickless providing update on proposed betterment legislation
- 6/29 e-mail exchange between Clerk and Lenard Engineering regarding additional ODS requirements
- 6/30 e-mail from Clerk to member Mike Reis inviting him to participate in dam inspection work
- 7/2 e-mail from Clerk to Lenard Engineering providing dam seepage report
- 7/3 exchange of e-mails between Clerk and Lenard Engineering regarding additional ODS requirements
- 7/5 letter from Clerk to Brailey and Wellington Insurance covering signature pages for liability insurance coverage application
- 7/6 copy of e-mail from USDA to Attorney Phillips regarding needed documentation
- 7/10 e-mail from Clerk to Attorney Phillips covering drafts of portions of Annual Meeting Minutes and Vote Certification
- 7/10 e-mail to Clark Rowell providing update regarding Annual Meeting minutes and Vote Certification
- 7/10 e-mail from Clerk to USDA providing updates on needed documentation and the timing of loan distribution
- 7/10 proposal from Lenard Engineering to District for Phase 1 dam inspection update
- 7/17 note from Clerk to Management Committee providing updates regarding Annual Meeting minutes and scuba dive dam inspection by member Mike Dupuis
- 7/17 e-mail from Clerk to Lenard Engineering providing scuba dive report on the condition of low level outlet and trash rack along with seepage update

- 7/17 letter from Clerk to Attorney Phillips covering Annual Meeting minutes and Vote Certification
- 7/17 letter from Clerk to Clark Rowell covering Annual Meeting minutes and Vote Certification
- 7/17 e-mail from Clerk to Clark Rowell advising that loan related documents were en route and instructing him to handle all future communications with the USDA and bond counsel
- 7/17 e-mail from Clerk to Attorney Phillips advising the Clark Rowell would handle all future communications with the USDA and bond counsel
- 7/26 copy of letter from Conservation Commission to member John Halpin citing complaint that area in front of 1 Lakeview Drive was being filed in
- 8/5 letter from members Corby, Moisan and Reis seeking relief from alleged disproportionate share of judgement

Treasurer's Report

Mr. O'Coin sought and received approval to transfer \$670.24 from the Reserve Account to the Administration Account, and the \$4,829.76 balance in the Reserve Account to the Dam Repair and Maintenance Account to provide the ability to pay for current a future dam engineering expenses performed by Lenard Engineering.

Mr. O'Coin presented a Treasurer's Report dated 8/8/12 showing that the District had \$14,783.23 on deposit in the Spencer Saving Bank and the Commerce Bank. He described the highlights of his report including the receipt of a tax payment check from the Tax Collector's office in the amount of \$12,695.05, the payment of an invoices in the amount of \$5,299.05 to Lenard Engineering and \$1,195.00 to Braley and Wellington Insurance for liability insurance coverage, and the payment of Clerk's Expenses for the second half of FY12 in the amount of \$776.91. The report also included the payment of \$6,829.76 to Lenard Engineering and \$10,550.60 to David Nickless, Esq. in anticipation of future invoices. The payments described in this report closed out FY12 expense payments. He sought and received approval for Warrant #161.

Mr. O'Coin stated that, although it was his intention to close the Commerce Bank account, he was unable to do so due to an outstanding check payable to the Office of Dam Safety. The processing of this check was delayed when the ODS asked for additional reports as a condition of dam repair permit approval. Now that the books have been closed out, Mr. O'Coin stated his intention of seeking an earlier than usual audit of the Districts books by auditor Dan Haynes.

He also presented a summary of tax payment receipts for FY12. He stated that, as off May 31, \$45,629.25, or 94%, of \$48,107.28 in FY12 District taxes had been paid. Of the 92 bills sent, 79 were paid in full, 7 were one-half paid, and only 7 remained totally unpaid. This did not include an additional \$1,000 just received from the Tax Collector's office, bringing the total paid to 97%.

Old Business

Website:

Mr. O'Coin reported that he had posted all minutes of Management Committee meetings as well as the minutes to the Annual Meeting on the District website.

Low Level Outlet Examination:

Member Mike Dupuis dove with his scuba gear at the low level outlet on 7/14 to find that the trash rack was installed too close to the face of the low level outlet. While there was plenty of free area between the top of the trash rack and valve opening, the bottom of the trash rack nearly touched the bottom of the valve. When plugged with weeds and other debris, the trash rack limited the flow through the low level outlet. With Mr. Dupuis assistance, the trash rack was removed and was cleaned by Mr. Ridley and Mr. Johnston. Once cleaned and reinstalled the outflow of the low level outlet increased appreciably. Mr. Dupuis also determined that the low level outlet valve operated correctly and moved from a fully closed to a fully open position.

The trash rack will be relocated or repositioned during the Fall draw down to avoid future low level outlet capacity reductions. It was agreed that the trash rack would be lifted out of the way during the upcoming Fall draw down.

Draw Down and Seepage Update:

Mr. Johnston reported that the top flash board had been removed and the low level outlet left open until the water level dropped 6 inches below the spillway elevation at the recommendation of Lenard Engineering to minimize the flow of water through the leak in the dam near the gatehouse. Since then the lake level has maintained levels between 6 and 8 inches below the spillway elevation. He and Mr. Ridley discussed a new leak that was discovered by Lenard Engineering's Roger Hurlbut on the west side of the spillway. Water can be heard moving under the spillway and can be seen exiting the dam structure below the spillway channel. Mr. Johnston's previous speculation that the source of this leak was cracks in the spillway cap proved untrue as the seepage continued after the water level dropped below the spillway cap. He stated that, although this leak would have to be addressed soon it would not, in the opinion of Lenard Engineering, be of great concern to the Office of Dam safety because it was in an area that had previously been pressure grouted and no longer contained any material that could be carried out of the dam structure.

Member Mike Dupuis scuba dived on 7/14 in front of the dam from the spillway to near the west end and, using a spray bottle, could not find any suction points on the upstream dam surface or in the lake bottom in close proximity to the dam. The leak in the vicinity of the spillway will be observed closely when the lake level is dropped in the Fall to determine the lake level at which flow stops. This information will be helpful when planning repair work.

Dam Repair Planning:

In the interest of keeping engineering cost to a minimum, Lenard Engineering has stopped all work pending receipt of information that will allow them to complete a hydraulic and hydronic (H&H) survey requested by the Office of Dam Safety.

Phase 1 Dam Inspection Proposal:

The District's Phase 1 dam inspection is due for a five year update this year. Mr. Johnston described a proposal received from Lenard Engineering to perform this work. Lenard, at Mr. Johnston's request, packaged this inspection with similar inspections of the Burncoat and Sargent Pond dams. The Management Committee authorized Mr. Johnston to contract with Lenard Engineering to have the inspection performed.

USDA Loan Application:

UniBank's Clark Rowell has been provided the minutes of the Annual Meeting and a document prepared and signed by the District Clerk certifying that the District voted to pay the judgement and to secure financing to pay the judgement. He will forward this and other information to Bond Counsel and the USDA Rural Development office.

Legislative Update:

Representative John Binienda filed the necessary legislation to allow the district to bill betterments to repay the USDA loan over a period as long as 40 years rather than the statutorily limited 20 year period. The language of this bill was approved at the Annual Meeting of the District in May. Representative Binienda's Research Director, John Murphy, has been very helpful and, as of 8/6, reported that the Joint Committee on Revenue reported the bill out favorably and the House referred the bill to the Steering and Policy committee. From there, the bill will be placed on the House calendar, and then to the 3rd Reading Committee. Mr. Murphy expects that the bill will be engrossed by the House by 8/8. The bill will then be sent to the Senate where it is expected to be engrossed without opposition. The bill will then come back to, first, the House and, then, the Senate for enactment. Once both branches enact the bill, it then goes to the governor. Mr. Murphy expected all this to happen quickly.

Water Sampling:

Mr. Ridley advised that he gathered water samples in mid-July and testing by member Mike Dupuis revealed that total phosphorus levels, at 40 - 60 ppb were well within the acceptable range. He also reported very good clarity, PH readings in the 6.7 - 6.8 range, and water temperatures between 80 and 82 degrees.

Tax Deductibility of Betterments:

Mr. Johnston shared a 6/21 memo sent to Donald Maloney, Jr. of the accounting firm O'Connor and Maloney in which he laid out several reasons why it appears that betterment payments by District members should be Federal income tax deductible. Mr. Maloney researched the issue to find that there were several references in IRS publications that would support the tax deductibility of betterments if paid over time. He also found enough language that could be construed to say that these betterments were not deductible. He, consequently concluded that he could not offer an opinion on the subject and recommended that each member consult with their own tax expert/accountant.

Newsletter:

Mr. Johnston shared a draft of an August newsletter for approval by the Management Committee. This newsletter, which contained a report on the Annual Meeting would ordinarily have been published in June, was held pending receipt of up-to-date information regarding dam repairs, legislative progress on approval of a Bill to allow betterments to be collected over 40 years, and the tax deductibility of betterments. The draft was approved with minor editing and Mr. Johnston was instructed to distribute the newsletter to District members and to Friends of Cedar Meadow Lake.

New Business

Lake Depth Survey:

To complete an H&H study, Lenard Engineering needs to know the water depths of the lake to calculate the volume of water behind the dam. These depth will be collected by volunteers in a format acceptable to Lenard. Two devices are necessary. A depth gauge or finder, and a GPS unit that provides latitude and longitude to five decimal points. Mr. Johnston stated that he checked with several members to find that they had fish finders that read depths, but none were equipped with location coordinates. Mr. Johnston purchased an inexpensive depth and fish finder on behalf of the District that displays and records depth and location data. Mr. O'Coin is currently researching software that will translate this data into a topographical map of the lake bottom.

Weed Survey:

The 2012-2013 Action plan calls for a survey of the weed population in the lake. It is expected that preliminary data will be collected by volunteers while collecting lake depth information.

Mr. Johnston presented photos a sketches depicting the Najas weed that is floating up on shorelines this season in greater than average quantities. He also presented photos depicting Eurasian Milfoil and Fanwort. Fanwort, also known as Cabomba, is prevalent and spreading in the two coves on the north end of the lake

Fairview Drive Letter:

Mr. Johnston shared copies of a letter presented to him earlier in the day from member Mike Reis on behalf of the Reis, Corby and Moisan families at the end of Fairview Drive. This letter, addressed to the Management Committee, seeks relief from the alleged disproportionate share of the settlement being borne by these families, and suggested that the judgement be allocated on the basis of property values at the time of the land taking, rather than at the time of the court judgement. This matter, not included in the pre-posted agenda for this meeting, was tabled for consideration at a later meeting.

Next Meeting

The next meeting of the Management Committee was schedule for Wednesday, September 12, 2012, at the Leicester Police Department community room unless notified otherwise.

Adjournment

A motion was made, seconded and voted unanimously to adjourn the meeting. The meeting adjourned at 9:05 P.M..

A True Copy Attest:

Richard D. Johnston
District Clerk