

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

The meeting commenced at 7:41 P.M. at 1 Maple Glen Lane, Leicester.

In attendance: Paul Dufresne

Tommy Lee
Wayne Ridley
Richard Johnston, Clerk
Terence O'Coin, Treasurer

Minutes of Previous Meetings

The previously distributed Minutes of the Management Committee meetings on January 11, 2012 and February 1, 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:

- 8 Thank You notes to recent contributors to the Friends program
- E-mail exchanges with Clark Rowell of UniBank regarding USDA financing
- 2/16 letter from Clerk to new member, Mark Hobson, covering copies of recent newsletters.

Treasurer's Report

Mr. O'Coin presented a Treasurer's Report dated 3/8/12 showing that the District had \$1,214.94 on deposit in the Commerce Bank. There was little activity since the last Management Committee meeting and transactions were limited to service charge entries and a Friends donation. He sought and received approval for Warrant #157, and noted that this Warrant authorized payment of the smallest amount in his experience.

Old Business

Tax Update:

Mr. O'Coin noted that tax bills have been issued by the Tax Collector with due dates of March 5 and May 1. He also discussed a very helpful report sent him recently by the Tax Collector showing taxes billed and owed by District members, along with more detailed information regarding delinquent payments. The Tax Collector's office under the leadership of Deb Kristoff is doing an excellent job of providing information and issuing timely tax receipt checks to the District. Mrs. Kristoff recently reported the only member to owe three years of District taxes, had paid these delinquent taxes and became current.

Draw Down Update:

Mr. Johnston reported that, while the spillway channel and low level outlet have been wide open since September, the lake was down only 31 inches below the spillway elevation as of 3/8. He reported running a piece of pipe across the face of the valve opening to find no obstruction, and noted that the valve can also be completely closed.

Dam Seepage:

Mr. Johnston reported that, there had been no further seepage through the dam near the gatehouse.

Engineering and Dam Repair Plan:

Mr. Johnston reported that he planned to meet with William Fay and his son at the dam on 3/12 to discuss the possibility of receiving services from Fay Engineering, which has extensive experience performing dam inspections and repairs. Their primary business focus is on owning and operating hydro electric facilities on Western Massachusetts rivers. It is hoped that Fay Engineering will be willing to work with far lower overhead hours than projected by Fuss and O'Neill. Mr. Johnston plans to discuss a simple repair to the clay berm to stop leakage through the dam. If a working relationship could be established with Fay Engineering, repair work could commence as early as in early April.

Line-of-credit Update:

As was previously reported, due to the outstanding \$1.7 million judgement against the District, Commerce Bank denied the District's request to extend its line-of-credit. Knowing, based on past contacts with area banks, that a replacement line could not be obtained from another bank through normal channels, Mr. Johnston reached out to member Neil McDonough, CEO of Flex-con in Spencer. About a week after this conversation between Mr. Johnston and Mr. McDonough, Mr. Lee received a call from the President of the Spencer Savings Bank. Mr. Lee and Mr. Johnston met with a Vice President and Senior Vice President of Spencer Savings Bank on 3/8 to formally apply for a \$30,000 line-of-credit. They shared a copy of a letter presented to the bank covering the many documents usually required by a bank when considering a loan approval.

When compiling information for Spencer Savings and for UniBank regarding the make-up of elected District officials, Mr. Johnston was pleased to learn that the current Management Committee, Treasurer and Clerk have been working together for 12 consecutive years.

New Business

Annual Meeting Date and Plan:

It was agreed that the Annual Meeting would be held on 5/16/12 at the Knights of Columbus hall. If the hall is not available on that date, 5/23 was selected as an alternate date.

It was agreed that the up or down vote on whether to pay the full judgement amount should be by ballot. It was further agreed that extraordinary efforts would have to be made to get all members at the meeting in person.

USDA Loan Application:

Mr. Johnston reported several contacts with Clark Rowell of UniBank to get the process of applying for a USDA Rural Development loan going. Clark has a long-standing working relationship with USDA personnel in their Holden office including James Lavin, who will handle the District's request. Mr. Lavin forwarded a number of forms, and made some information requests, through Clark. The first order of business will be to determine the District's eligibility for a loan.

During their meeting with officers of the Spencer Savings Bank, Mr. Lee and Mr. Johnston learned that both Spencer Savings bank and the USDA would insist that any outstanding line-of-credit and balance be wrapped into the USDA loan once approved.

One of the USDA application requirements is the need for a DUNS number from Dun and Bradstreet. Mr. O'Coin has experience with this process and agreed to pursue a DUNS number

on behalf of the District.

Financial Advisor:

When applying for long term financing in substantial amounts, it is recommended, and may be required, that a District or municipality engage the services of a financial advisor. Such action was recommended by the District's legal counsel, Nickless and Phillips. Mr. Johnston had previous good communications with Clark Rowell and UniBank in Northbridge. UniBank serves as financial advisors to several local communities, and is currently working with the Burncoat Pond and Center Pond watershed districts to help secure USDA loans.

Mr. Johnston recommended that the Management Committee approve UniBank as the District's financial advisor. He shared copies of a "Letter Agreement to Provide Financial Advisory Services" with the Management Committee. This agreement calls for providing services at \$150 per hour with total charges not to exceed \$5,000. A motion was made, seconded and voted unanimously to authorize Mr. Johnston to sign this agreement on behalf of the Management Committee

Executive Session

A motion was made, seconded and voted unanimously to recess the meeting to conduct an Executive Session to discuss pending litigation. The meeting was recessed at 8:01 P. M.

The Executive Session commenced at 8:02 P.M. and adjourned at 8:50 P.M..

Regular Session

The regular session of the Management Committee meeting reconvened at 8:50 P.M.

Next Meeting

The next meeting of the Management Committee was scheduled for Wednesday, March 28, 2012 at 1 Maple Glen Lane, Leicester.

Adjournment

A motion was made, seconded and voted unanimously to adjourn the meeting. The meeting adjourned at 8:51 P.M..

A True Copy Attest:

Richard D. Johnston
District Clerk