

District
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ANNUAL REPORT
LANESBOROUGH VILLAGE
FIRE AND WATER DISTRICT
PUBLISHED SPRING 2016



THE NEW FACE OF LANESBOROUGH VILLAGE

SUPERINTENDENT'S REPORT

January 1, 2015 – December 31, 2015

The Water District consists of 2 full-time employees. Their primary duties are to operate and maintain the Town's two well sites, watersheds, water tank, and the water distribution system; collect water meter data, oversee the security of the watershed lands, collect water samples and have the water tested monthly to insure that our District water conforms to State and Federal drinking water regulations.

From January 1, to December 31, the Water District pumped 62 Million Gallons of water from the District's two well sites which are located in Lanesborough. The District has installed a SCADA (supervisory control and Data Acquisition) system which runs and monitors the two well sits plus the water tank remotely. The Department also fielded numerous questions about our water quality.

The Water District with the help of the Highway department installed a mile of new 8" water main on Orebed Road and added 7 new fire hydrants to the district.

January thru April the district dealt with numerus frozen house service lines, to help the homeowners with this problem the district gave bought water and gave the water to the effective households.

This year the Department had four water breaks on side streets.

The DEP requires community public water suppliers to produce for its users, an Annual Consumer Confidence Report on local drinking water quality. This report will help consumers become more educated about their water supply and make practical decisions about health and water consumption. This Report was prepared and sent out in the April 2012 billing.

History of Water Consumption which may be of interest (gallons per year)

2013: 65,273,587 2014: 52,000,000 2015 62,000,000

Kevin Swail

District Superintendent

WATER COMMISSION REPORT SPRING 2016

This has been another eventful and busy year for the Water District with some significant changes and accomplishments, and some economic challenges. Changes and accomplishments are:

- New Superintendent. Our superintendent, Dan Gaylord, made a career change decision last spring and announced his intent to resign his position with the District. We instituted the search for a replacement and were fortunate to find an extremely well qualified water system operator who was working for the Pittsfield Water Department, Kevin Swail. Kevin has been on board and in charge since late last summer, and we are extremely pleased with his capabilities and performance. He has all the training and credentials needed, and also has the work ethic and personality essential for this very multi-faceted position. We thank Dan for his years of service and his flexibility and cooperation in staying on to help us during the transition period.
- New Assistant Superintendent. The District decided we needed to reverse the decision made two years ago of using a part time assistant superintendent, and go back to a full-time assistant. There has been more work than could be done by 1 ½ people these past years, and we had to hire additional help. We have planned projects for the future which will continue that need. Again we were fortunate to find a capable applicant for the position, Tom Barrett. Tom had been working for us as a seasonal on the Ore Bed Road and Sunrise Street projects and has proven to be extremely hard working and talented addition to our staff. He transitioned to a full-time permanent employee early this year. Tom is working on obtaining the credentials to be a licensed water system operator. Dave Santolin has continued to be a valuable resource for us since his retirement two years ago and we will continue to depend on his help and expertise on a part-time, as-needed basis.
- Ore Bed Rd Waterline extension. A major accomplishment this past year was the extension of the water distribution system to serve residents of Ore Bed Road. This was a cooperative venture between the Town and the Water District. The line was installed by a combination of Water District and Highway Department workers, and the one-mile extension was successfully completed on time and on budget despite problems with ledge which made the work more difficult than expected. This work was entirely funded by the Town. The Water District was reimbursed for all out-of-pocket expenses. This project has several benefits;
 - It provides residents of Ore bed Road with the opportunity to have our safe and high-quality water.
 - It gives the Water District a larger customer base across wish to spread fixed costs.
 - And it saves money for the Town on testing and providing water to those whose wells have been contaminated by the old Town landfill.
- Water line Freeze-up Prevention. Corrective action is being taken to avoid the problems encountered in the late winter of 2014-15 with waterline freeze-ups. A freeze-up policy has been developed and is posted on the District website. The policy clarifies responsibilities of the homeowner to keep their waterline open beyond the District watermain. The other action which must be taken is to lower our waterlines where they are not below the frost line so that the main does not freeze and so that our customers can make their connection keeping their entire service line deep enough to avoid freezing. We have identified the sections of our watermain which are in need of this work and will begin undertaking the effort to bury them deeper starting this spring. Most of the areas affected are along and above Narragansett Avenue. Completion of this work will ensure continuous water availability during our most severe winters and will avoid the necessity of wasting water by running faucets to prevent the freeze up. We will do this work with our own equipment and personnel, and pay for it as we go. This will take priority over other planned infrastructure improvements, and will be included in the annual budgets going forward.
- Gas Pipeline. The gas pipeline being installed by Kinder Morgan to provide natural gas from Pennsylvania wells to the East Coast will traverse Lanesborough, crossing right through the recharge area for the aquifer which supplies both of our wells. This is obviously a great concern to us and we are taking all actions that we can to ensure the protection of our water source. We have joined with other impacted communities in a consortium organized by the Berkshire Regional Planning

Commission (BRPC). This is costing us money but joining with his group gives us strength of numbers and enables all of us to share the cost rather than each entity taking whatever action is necessary. At this point we have provided all the allowed inputs to the Federal Energy Regulatory Commission (FERC) outlining our concerns. We have had no feedback from those inputs to reassure us that we are being heard. This remains a major concern and will probably continue to be an expensive proposition for us but one which we must invest in to protect the Water District.

- Completion of Ongoing Projects. We had several ongoing projects which have been wrapped up during this year. The refurbishment of the Bridge Street well is complete including upgrades of the electronics controlling the well. It is operational now at full pumping capacity and the control upgrades will enable us to operate it taking advantage of the significantly less expensive off-peak electric rate. The Miner Road well is currently operating off-peak. The Bridge Street well will be able to take advantage of the off-peak electric rate once a soon to be completed electrical service upgrade allows for the installation of time-of-use electric meters. The anticipated savings is reflected in our FY 17 budget request. Work on the Ore Bed Road project and on the Sunrise Street project has also been completed and four new customers have been connected on the new Ore Bed Road waterline.

Budget Status: We have experienced several cost increases in the past two years which have put a severe crimp in our finances;

- Bridge Street well refurbishment and water-line freeze-ups. As we reported last year the failure and refurbishment of the Bridge Street well, and the water-line freeze-up costs forced us to borrow \$50,000 and \$40,000 respectively, each for 5 years. This has increased our bond repayment expense by over \$20,000. Also, these two projects depleted our available funds and stabilization accounts.
- Health Insurance cost. The transition from Dan to Kevin and the addition of Tom to our staff has increased our health insurance costs by about \$15,000.
- Pipeline costs. We have had to budget over \$10,000 to pay our share of the BRPC assessment, and to cover anticipated legal costs.
- Watermain upgrades. Our ancient infrastructure requires that we annually continue the work to upgrade and replace deteriorating equipment. This summer we will focus on the lines susceptible to freezing, and there are plenty of other needs when that is done. We estimate that \$25,000 will be required annually.
- Power savings. The transition to operating the pumps on off-peak power rate will provide some savings to offset these cost increases, but the estimated \$12,000 in savings will fall far short of covering all these increases.
- Decreased usage by metered customers. The amount of water used by our metered customers has declined by about 200,000 cubic feet per year which results in an income loss of about \$12,000.

The net impact of all these changes is about \$70,000. Every \$1,000 of cost increase requires that we raise the water rates for a customer by about one dollar per year. Therefore, an unusually high rate increase is unavoidable this year. We try to hold rate increases to a modest inflation rate and have been able to do this for the last several years, but the above events have combined against us this year. So even though we have cut corners wherever we can, the rate for a single family house next year will have to rise by \$60, from \$536 to \$586, a 9% increase.

The long range outlook is somewhat better. The \$90,000 borrowing for the Bridge St well and waterline freeze-up emergencies will be paid in 2020 (no payment due in FY2021), and the final payment to the SRF for the 2002 watermain replacement will be made in 2021 (\$167,000 reduction in bond payment in FY2022). For the next 5 years there will be continued demands on our finances, but we will try to hold further increases to the rate of inflation.

Lee Hauge
William Prendergast
Aaron Williams

ANNUAL DISTRICT MEETING

**LANESBOROUGH VILLAGE FIRE AND WATER DISTRICT
FY 2017**

BERKSHIRE SS:

To any officer resident within the Lanesborough Village Fire and Water District:

GREETINGS: In the name of the Commonwealth of Massachusetts you are hereby directed to notify and warn the inhabitants of said District, qualified to vote in district affairs, to meet at the Newton Memorial Town Hall in said Lanesborough, on Monday, May 2, 2016 at 7:30p.m., then and there to act on the following articles:

ARTICLE 1: To choose a Moderator to preside at this meeting.

ARTICLE 2: To elect the following officers by ballot:

One Water Commissioner for three (3) years

ARTICLE 3: To see if the district will vote to authorize the District Treasurer, with the approval of the Water Commissioners, to borrow money in anticipation of the revenue for the twelve month period beginning July 1, 2016, in accordance with the General Laws, Chapter 849 of the Acts of 1969, as amended, and to renew any not or notes as may be given for a period of less than one year, in accordance with the General Laws, Chapter 44, Section 17.

ARTICLE 4: To see if the District will vote to Raise and Appropriate and/or transfer from available fund in the Treasury the sum of \$327,341 for the following:

Maintenance and Operation

ARTICLE 5: To see if the District will vote to raise and appropriate and/or transfer from available funds in the Treasury the sum of \$15,000 to the Water Main Upgrade Fund or take any other action relative thereto.

ARTICLE 6: To see if the District will vote to raise and appropriate and/or transfer from available funds in the Treasury, the sum of \$15,000 to the Reserve Fund or take any other action relative thereto.

ARTICLE 7: To see if the District will vote to raise and appropriate and/or transfer from available funds in the Treasury, the sum of \$15,000 to the Equipment Upgrade Fund or take any other action relative thereto.

ARTICLE 8: To see if the District will vote to Raise and Appropriate and/or transfer from available funds in the Treasury the sum of \$236,461 for payment to the Massachusetts Drinking Water State Revolving Fund and US Department of Agriculture Rural Development, and the Massachusetts State House note program, or take any other action relative thereto.

You are directed to serve this Warrant by posting true and attested copies thereof in two public places in the District seven days at least before the time of holding said meeting. Whereof fail not and make due return of this Warrant with your doings thereon to the District Clerk at the time and place of said meeting.

Lee J Hauge

Lee J. Hauge, Chairman

William Prendergast

William Prendergast

Aaron M. Williams

Aaron Williams

BOARD OF WATER COMMISSIONERS

Date April 15, 2016

This is to certify that I have posted true and attested copies of this Warrant within the Lanesborough Village Fire and Water District, namely the Lanesborough Post Office and the Lanesborough Town Hall.

Posted: April 15 2016 Police Officer Officer James A. Pratt

Posted Town hall 1251 hrs

Post office 1300 hrs

LANESBOROUGH VILLAGE FIRE AND WATER DISTRICT
TREASURER'S REPORT
 July 1, 2014 - June 30, 2015

RESERVE ACCOUNT TRANSERS:

APPROPRIATED:

Balance June 30, 2015 \$15,000.00

STABILIZATION FUND FY2015

Balance June 30, 2014:		
District Improvement Stabilization		\$9,199.50
District Stabilization Fund		\$17,161.49
Deduct: FY15 Annual Meeting art.#10 Equipment Upgrade		-\$17,000.00
Interest income FY15		\$18.42
Balance June 30, 2015:		
District Improvement Stabilization		\$9,217.92
District Stabilization Fund		\$161.49

RECEIPTS AND EXPENDITURES

July 1, 2014 - June 30, 2015

RECEIPTS:

Collections	\$ 554,346.25
Interest Income	\$ 64.67

District Equipment Loan FY15	\$ 90,000.00
TOTAL REVENUE	\$ 644,410.92

EXPENDITURES:

MODERATOR'S SALARY	
COMMISSIONER SALARIES	2,700.00
COMMISSIONER EXPENSE	447.00
TREASURER SALARY	11,220.00
DISTRICT CLERK SALARY	2,040.00
COLLECTOR SALARY	10,200.00
COMPUTER/OFFICE EXPENSE	16,141.00
LAW ACCOUNT	3,100.00
LIGHT, HEAT, AND POWER	34,770.00
TELEPHONE	2,493.00
PROFESSIONAL & TESTING FEES	1,775.00
BUILDINGS, REPAIR & MAINTENANCE	3,652.00
SUPERINTENDENT SALARY	43,676.00
ASSIST. SUPERINTENDENT SALARY	40,621.00
OVERTIME	122.00
SUPERINTENDENT EXPENSE	1,642.00
EQUIPMENT EXPENSE	22,841.00

SUBTOTAL	197,440.00
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LANESBOROUGH VILLAGE FIRE AND WATER DISTRICT
TREASURER'S REPORT
JULY 1, 2014 - June 30, 2015

cont.

WATER MAIN, HYDRANTS & REPAIR	77,305.00
INSURANCE - LIABILITY	19,791.00
GROUP HEALTH & LIFE INSURANCE	27,394.00
BERKSHIRE COUNTY RETIREMENT CONTRI	23,995.00
PAYROLL TAXES	1,796.00
DEP ASSESSMENTS	654.42
INTEREST ON TEMP LOANS	326.96
LOAN REPAYMENT DWSRF #811	213,261.00
WATER PAYMENTS PASS THRU	9,889.00
Payment Back Flow Testing	1,275.00
Pump Bridge St Upgrade	57,587.00
Water Main Replacement Project	90,734.00
TRANSITION EXPENSE FY15	17,965.00
SUBTOTAL	541,973.38
BEG. BAL JULY 1, 2013	\$ 138,186.40
TOTAL DEPOSITS AND TRANSFERS FY15	\$ 644,411.00
DISBURSEMENTS AND TRANSFERS FY15	\$ (739,413.00)
ENDING BAL. CHECKING & SAVINGS JUNE 30 2015	\$ 43,184.40


Kathleen Borden
District Treasurer

APPROPRIATIONS AND RECEIPTS

	Appropriated FY14	SPENT FY14	Appropriated FY15	Request FY16	Request FY17
GENERAL ADMINISTRATION:					
Moderators Salary	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	25.00
Commissioners Salaries	\$ 2,700.00	\$ 2,700.00	\$ 2,700.00	\$ 2,700.00	2,700.00
Commissioners Expense	\$ 500.00	\$ 300.00	\$ 500.00	\$ 7,500.00	7,500.00
Clerk Salary	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 12,040.00	12,040.00
Treasurer Salary	\$ 11,220.00	\$ 11,220.00	\$ 11,220.00	\$ 11,220.00	12,040.00
Town Hall Collection Service	\$ -	\$ -	\$ -	\$ 3,950.00	5,500.00
Collector Salary	\$ 10,200.00	\$ 10,200.00	\$ 10,200.00	\$ -	
Computer/Office Supplies Expense	\$ 9,427.00	\$ 9,426.00	\$ 9,427.00	\$ 5,500.00	4,500.00
Office Supplies Expense	\$ 3,000.00	\$ 5,003.00	\$ 3,000.00	\$ 1,500.00	1,500.00
Law Account	\$ 2,500.00	\$ 73.00	\$ 2,500.00	\$ 5,000.00	6,000.00
Light, Heat, Power	\$ 35,000.00	\$ 33,926.00	\$ 35,000.00	\$ 40,000.00	28,000.00
Telephone	\$ 3,500.00	\$ 2,794.00	\$ 3,500.00	\$ 3,000.00	3,000.00
Buildings Maint and Repair	\$ 3,500.00	\$ 1,129.00	\$ 3,500.00	\$ 10,000.00	5,000.00
Professional and Testing Fees	\$ 3,000.00	\$ 3,865.00	\$ 3,000.00	\$ 3,000.00	6,000.00
Total General Administration	\$ 86,612.00	\$ 82,701.00	\$ 86,612.00	\$ 105,435.00	93,805.00
OPERATING EXPENSE:					
Superintendent Salary	\$ 58,402.00	\$ 58,402.00	\$ 49,000.00	\$ 50,000.00	60,000.00
Assistant Superintendent Salary	\$ 45,596.00	\$ 45,596.00	\$ 40,000.00	\$ 35,000.00	41,600.00
Overtime	\$ 900.00	\$ -	\$ 900.00	\$ 900.00	900.00
Superintendent Expense	\$ 800.00	\$ 1,290.00	\$ 800.00	\$ 1,500.00	1,000.00
Equipment Repair/Upkeep	\$ 9,000.00	\$ 13,059.00	\$ 10,000.00	\$ 10,000.00	10,000.00
Water Mains and Hydrant Repair	\$ 35,000.00	\$ 32,320.00	\$ 30,000.00	\$ 30,000.00	30,000.00
Total Operating Expenses:	\$ 149,698.00	\$ 150,667.00	\$ 130,700.00	\$ 127,400.00	143,500.00
OTHER EXPENSES:					
Audit		\$ 1,000.00			
Liability Insurance	\$ 14,400.00	\$ 16,825.00	\$ 20,000.00	\$ 23,000.00	24,000.00
Group Health and Life Insurance	\$ 37,000.00	\$ 30,000.00	\$ 28,000.00	\$ 30,000.00	44,700.00
Berkshire County Retirement	\$ 23,645.00	\$ 23,645.00	\$ 23,995.00	\$ 23,459.00	18,436.00
Employment Taxes	\$ 2,100.00	\$ 2,036.00	\$ 2,300.00	\$ 2,100.00	2,100.00
DEP Assessments	\$ 800.00	\$ 654.00	\$ 800.00	\$ 800.00	800.00
Interest on Temporary Loans					
Total Other Expenses	\$ 77,945.00	\$ 74,160.00	\$ 75,095.00	\$ 79,359.00	90,036.00
TOTAL MAINT AND OPERATIONS	\$ 314,255.00	\$ 307,528.00	\$ 292,407.00	\$ 312,194.00	327,341.00
OTHER ARTICLES IN WARRANT	\$ 418,246.00	\$ 365,429.00	\$ 399,285.00	\$ 269,865.00	281,461.00
Reserve Fund	\$ 15,000.00		\$ 15,000.00	\$ 15,000.00	15,000.00
Equipment Upgrade	\$ 90,000.00	\$ 66,800.00	\$ 153,059.00	\$ 23,000.00	15,000.00
Bond Payments	\$ 213,246.00	\$ 210,529.00	\$ 213,261.00	\$ 231,865.00	236,461.00
Water Main Upgrade	\$ 100,000.00	\$ 88,013.00			15,000.00
Stabilization Funding					
Transition Expense (SANTOLIN)			\$ 17,965.00		
Tank Project		\$ 87.00			
District Improv Stabilization					
Total Appropriations	\$ 732,501.00	\$ 672,957.00	\$ 691,692.00	\$ 582,059.00	608,802.00
ESTIMATED RECEIPTS					
Water Rates	\$ 545,501.00	\$ 549,836.00	\$ 553,633.00	\$ 573,319.00	608,802.00
Hydrant Service	\$ 2,000.00		\$ 2,000.00	\$ 2,000.00	
Available Funds	\$ 32,000.00			\$ 6,740.00	
District Improv Stabil	\$ 83,000.00				
Stabilization Fund	\$ 70,000.00		\$ 17,000.00		
Closed Projects			\$ 69,059.00		
Borrowed Funds			\$ 50,000.00		
Total Estimated Receipts	\$ 732,501.00		\$ 691,692.00	\$ 582,059.00	