

1963

2024

Cherry Valley Sewer District



Annual Report

June 30, 2024

Cherry Valley Sewer District
Annual Meeting
May 23, 2024

COMMISSIONERS REPORT

To the people of the Cherry Valley Sewer District:

Greetings:

Your Board of Sewer Commissioners respectfully submits their 61st Annual Report for the fiscal year ending June 30, 2024.

The Commissioners are pleased to report that 452 homes have connected to the sewer system.

The Cherry Valley Sewer District (District) operates its sewer system by discharging or transporting its sewage through the City of Worcester into the Upper Blackstone Wastewater Treatment Facility for treatment and release into the Blackstone River. This method of operation was proposed, discussed and accepted by the voters of the District in 2001 as the most cost-effective means of transporting and treating the sewage generated by the District. In turn, the City of Worcester assesses a transportation fee for sewage that flows from the District through the City of Worcester to Upper Blackstone. The Upper Blackstone assesses a treatment fee for that same sewage received from the District via the City of Worcester sewerage system.

The FY 2025 Budget reflects a fee increase of \$72,952.62. That is directly attributed to increased costs from vendors and suppliers to maintain the current operation of the sewer district.

The staff is working diligently to address issues within the system that come about. Sewer flows have continued to be a priority in monitoring and addressing the system for several years. Staff works constantly to monitor and make changes to the system to control flows that are not part of the normal sewer system operations. The district has been working in connection with the Leicester DPW to make sewer manhole repairs that coincide with paving projects. Furthermore, manhole repairs are being conducted in areas where poor conditions and obvious signs of inflow and infiltration are occurring. The staff has applied for grants to continue to research and monitor flows that will be discussed later in this report.

Daily flow rates into Worcester determine our quarterly bill from the City of Worcester. The flows have been becoming more manageable through on-going inspection and Inflow/ Infiltration (I/I) repairs in the system. (Inflow/Infiltration refers to any non-sewer related water that enters the system that the ratepayers must pay for). To minimize I/I operational staff inspects and repairs manhole structures that are in poor condition.

The Superintendent researched and began to implement a newer technology for sewer manhole rehabilitation that utilizes a recycled plastic material as the risers for the chimney portion of the sewer manholes, that eliminates the need for replacing and patching the traditionally used brick and mortar. Additional technologies are being investigated and the staff continues to prioritize manholes in need of repair and rehabilitation within the means of the operations budget.

District staff continues to work with a USDA funded consultant on many projects to keep overall cost to the district at a minimum. In past years we have worked with RCAP to complete financial assessments of the district history and used that information to petition USDA to reevaluate the Districts Loans. From that point a strong working relationship with RCAP has continued.

A full buildout and implementation of a GIS system was completed and now that work is being utilized to build an Asset list to help lead toward a Capital improvement plan. All this work with RCAP is completed at no cost to the district.

With the assistance of Tata and Howard, the District applied for a grant through the Sanitary Sewer Overflow program at MassDEP and the district has received the full funding for the grant in the amount of \$50,625.00. With these funds the district is upgrading the existing webpage that is shared with CVRWD. With the new website there will be additional information and contact avenues for residents to stay informed in the event of a Sanitary Sewer Overflow notification needing to be made. Additionally, with the grant funds there will be upgrades to flow meters and to SCADA control access are being completed at the Towtaid and McCarthy Ave sewer stations.

The district began working with DPC Engineering to apply for a MassDEP grant dedicated to asset management of the Sewer Collection System, that is much more involved than the asset listing completed with RCAP. With DPC the District will be investigating the piping and manhole assets of the system. The goal is to use this as Inflow and Infiltration research and to make sure our buried assets are in proper working order. The district was successful in receiving this funding which totaled \$112,060.14. Of which roughly \$60,000 is grant funded and the remainder is a financial contribution from the district and in-kind services (assistance of District staff). To keep the costs down the district will be using the \$25,000.00 we received from the Town of Leicester ARPA grant to cover any financial contribution of the district. The ability to utilize the ARPA grant came down to the scope of work under the two grants to be similar with the inclusion of smoke testing of the Sewer System. It is the district's plan to begin this work in June of 2024.

Please know that the Commissioners and the District Staff take the issues facing the district very seriously and are continuously seeking viable solutions for the ratepayers. Future growth of the sewer system could potentially assist the current ratepayers. If you have any questions on this matter or anything else regarding the Sewer District, contact the district office and Staff will be able to assist you.

Respectfully submitted on behalf of the Commissioner's,

Benjamin Morris
Superintendent

**CHERRY VALLEY SEWER DISTRICT
P.O. BOX 138
ROCHDALE, MA 01542
ANNUAL MEETING
WARRANT**

To: Cheryl Balkus, District Clerk
Cherry Valley Sewer District

Greetings:

You are hereby directed to notify the Voters of the Cherry Valley Sewer District to meet in the Town Hall Auditorium, 3 Washburn Square, Leicester, Massachusetts Thursday, and the 23rd day of May 2024 at 7:00 P.M. then and there to act on the following:

ARTICLE 1: MODERATOR

To elect a Moderator to preside at said meeting and for a period of one (1) year thereafter.

PROPOSED MOTION:

I move that the clerk of the District declare that the polls are open to cast ballots for the election of moderator for a term of one (1) year.

DESCRIPTION:

This article is an annual procedural article as the Moderator is the individual that will preside over tonight's meeting as well as the beginning of the 2025 Annual Meeting at which time the process is repeated.

ARTICLE 2: REPORTS

To act on reports of the District.

PROPOSED MOTION:

I move that the District vote to accept the Reports of the District as printed in the 2024 Annual Report, which is in the hands of the voters present.

DESCRIPTION:

The printed report of the Commissioners provides the District members with an annual update of the District's activities during fiscal year 2024 and the report of the District Treasurer provides the District members with an update of the District's audited activity during fiscal year ending 2022 and 2023, respectively.

ARTICLE 3: COMMISSIONER

To elect a Sewer Commissioner for a term of three (3) years.

PROPOSED MOTION:

I move that the Clerk of the District declare that the polls are open to cast ballots for the election of Commissioner for a term of three (3) years.

DESCRIPTION:

The Board of Sewer Commissioners has three members each serving a three year term.

The winner of the election will take effect when annual meeting closed. Absent any directive in bylaw or enabling act.

ARTICLE 4: BUDGET

To see if the District will vote to raise and appropriate transfer from available funds, or otherwise provide a sum of money from any available means, for the operating budget for Fiscal Year 2025, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance, construction and other items related thereto: to execute any instruments or documents necessary or appropriate to accomplish said purposes: and to take any other action thereon.

PROPOSED MOTION:

I move that the District vote to appropriate from available funds, the sum of \$794,116.41 (Seven hundred ninety four thousand one hundred sixteen dollars and forty one cents), for the operating budget of Fiscal Year 2025, to provide for

the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance and construction.

DESCRIPTION:

This article funds the fiscal year 2025 operating budget, which includes funding all operations of the District, debt service payments, transportation costs (City of Worcester and Upper Blackstone).

ARTICLE 5: REVOLVING FUND FOR CONSTRUCTION

To see if the District will vote to authorize the Board of Sewer Commissioners to establish a fund to receive and deposit fee paid pursuant to Chapter 33 of the Acts of 1998, and, from which expenditures may be made by the Board of Sewer Commissioners for legal services, administrative services and engineering services, (including but not limited to, design, plan review, and inspection of the project being constructed) in connection with any sewer system design, review, and construction, or take any action thereon.

PROPOSED MOTION:

I move that the District vote to authorize the Board of Sewer Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 33 of the Acts of 1998, and, from which expenditures may be made by the Board of Sewer Commissioners for legal services, administrative services and engineering services (including but not limited to, design, plan review, and inspection of the project being constructed) in connection with any sewer system design, review, and construction.

DESCRIPTION:

This article establishes a "revolving account for review of new construction projects within the service area of the district". It provides the means for the District to collect funds from the proposer of the new construction project to pay costs including but not limited to, design, plan review, and inspection of the project being constructed and associated with new construction projects with no impact to the FY25 operating budget and no expense to the district rate payers.

For Example, if a new development came into the district our engineer has to review the plans to make sure it will allow us to supply sewer connections to the new development. This warrant article allows us to collect the fees from the new development in order to pay our engineering fees so the cost is not absorbed by the district subscribers.

ARTICLE 6: Sewage Notification Assistance Grant

To see if the District will vote to raise and appropriate transfer from available funds, or otherwise provide a sum of money from any available means to fund the expenditures associated with the Sewage Notification Assistance Grant.

PROPOSED MOTION:

I move that the District vote to raise and appropriate transfer from available fund the sum of \$50,625 (Fifty thousand six hundred twenty five dollars) to pay out expenditures associated with the Sewage Notification Assistance Grant.

DESCRIPTION:

The District has received a grant for \$50,625 as part of the Sewage Notification Assistance Grant program through MassDEP. This grant will update the Districts webpage, install flow meters in two sewer pumping stations and update pump controls at the stations as well. This grant is on a cost reimbursement basis, meaning that the grantees will be reimbursed for funds already expended. The District needs an account in order to pay the expenditure of this project in order to be reimbursed.

This is a non-money article. This is a housekeeping article.

ARTICLE 7: Authorize the Sewer System Asset Management Project

To see if the District will vote to appropriate the sum of \$123,359.15 for the Cherry Valley Sewer District Asset Management Project which was submitted to be on the Massachusetts 2024 Clean Water Asset Management Project List.

PROPOSED MOTION:

I move that the District vote to raise and appropriate transfer from available fund the sum of \$123,359.30 in order to pay expenditures associated with the Sewer System Asset Management Project.

DESCRIPTION:

The District has applied for an Asset Management Grant through the Clean Water Asset Management Project list. The total project cost of \$123,359.30 is comprised of \$67,236.09 Grant (55% project cost) which the District will be reimbursed for during the project. The balance of the project will be comprised of in-kind services provided by District staff and equipment valued at \$31,123.21 and a cash contribution valued at \$25,000. Since this project overlaps with the ARPA grant funds the District received, the cash contribution will be funded with the ARPA funding the District was awarded. Local approval is needed in order the project to begin.

ARTICLE 8: ACCEPT GENERAL LAW CHAPTER 40 SECTION 58

To see if the District with vote to accept chapter 40 section 58 of the Mass General Law.

PROPOSED MOTION:

I move that the District vote to accept chapter 40 Section 58 of the Mass General Law.

DESCRIPTION:

This article pertains to the District sending Liens up to the Town to be placed on Tax bills. The District already accepts chapter 83 which allows the District to place Liens on properties . This is a house keeping article.

ARTICLE 9: GENERAL LAW CHAPTER 83 SECTION 16A-16F

PROPOSED MOTION:

I move that the District vote to accept the provisions of General Law Chapter 83 Section 16A through 16F, or to take any other action relative thereto.

DESCRIPTION:

This article is already part of the district enabling acts but needs to be voted on to file with the registry of deeds.

You are hereby directed to give notice of this Warrant by posting attested copies thereof at two public places within the limits of the Cherry Valley Sewer District and with the Clerk of the Town of Leicester seven days before time of said meeting.

Given under our hands this 11th day of April 2024.

A TRUE COPY ATTEST:

Donald G. Manseau, Chairman

Cheryl Balkus
Clerk-Cherry Valley Sewer District

Robert H. Lemioux, Sr. Commissioner

(SEAL)

Peter Cusolito, Commissioner

**Cherry Valley Sewer District
Statement of Net Position
Period Ending June 30, 2023**

2023

CURRENT ASSETS

Cash and Cash Equivalents	\$1,386,803
Accounts Receivable	95,711
Interest Receivable – betterments	17,438
Intergovernmental receivable	29,024
Prepaid Expenses	6,852
Total Current Assets	1,535,828

NON-CURRENT ASSETS

Sewer Betterments Receivable	299,863
Interest receivable, noncurrent	57,518
Capital assets, net	3,357,342
Total Non-Current Assets	3,714,723

TOTAL ASSETS

5,250,551

DEFERRED OUTFLOWS OF RESOURCES

Related to pensions	148
Total Deferred Outflows of Resources	148

Current Portion of Long-Term Debt

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

5,250,699

CURRENT LIABILITIES

Account payable	\$589
Account interest	14,186
Accrued expenses	57,261
Notes payable, current portion	113,647
Total Current Liabilities	185,683

NONCURRENT LIABILITIES

Notes payable	2,156,083
TOTAL LIABILITIES	2,341,766

DEFERRED INFLOWS OF RESOURCES

Related to pension	8,097
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NET POSITION

Net investment in capital assets	1,087,612
Restricted net position	0
Unrestricted net position	1,813,224
Total Net Position	2,900,836

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

\$5,250,699

**Cherry Valley Sewer District
Statement of Revenues, Expenses, and changes in Net Position
Period ending June 30, 2023**

2023

OPERATING REVENUES

Sewer User and Connection Fees	688,787
Other operating revenue	39,600
Total Operating Revenues	728,387

OPERATING EXPENSES

City of Worcester transport and treatment expense	195,491
Payroll and related expenses	104,518
Depreciation	408,505
Insurance	13,351
Pension expense	7,949
Professional services	31,193
Utilities	11,317
Supplies	1,622
UBWPAD assessment	75,099
Office expense	6,903
Outside services	18,987
Service expenses	14,072
Other operating expenses	13,939
TOTAL OPERATING EXPENSES	902,946

OPERATING INCOME (LOSS)	(174,559)
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NON-OPERATING REVENUES (EXPENSES)

Betterments	51,663
Interest income	24,941
Other income	8,708
Interest expense	(29,775)
TOTAL NON-OPERATING EXPENSES	55,537

INCREASE (DECREASE) NET POSITION	(119,022)
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NET POSITION, BEGINNING OF YEAR	3,019,858
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NET POSITION, END OF YEAR	2,900,836
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**CHERRY VALLEY SEWER DISTRICT
FY'25 PROPOSED BUDGET**

OPERATING EXPENSES	FY 24 APPROVED		FY 25 PROPOSED
Accounting	\$13,845.00		\$15,000.00
Allowance	\$7,500.00		\$7,500.00
Bank Fees	\$200.00		\$200.00
Consulting Fees	\$3,000.00		\$3,000.00
Electricity	\$7,000.00		\$7,000.00
Field Supplies	\$3,514.50		\$3,619.94
Heat	\$1,320.00		\$1,320.00
Office Electricity	\$8,055.11		\$8,055.11
Insurance	\$17,692.40		\$18,000.00
Health Insurance	\$20,897.82		\$22,051.44
Workers Comp	\$1,578.06		\$1,683.47
Legal	\$7,000.00		\$7,000.00
Miscellaneous	\$200.00		\$200.00
Mission / SCADA	\$4,327.00		\$4,327.00
Motor Vehicle Expense	\$5,400.00		\$5,400.00
Office Supply	\$6,060.00		\$7,050.00
Officers' Salary	\$5,143.00		\$5,143.00
Payroll	\$83,630.55		\$84,152.65
Pipes	\$2,449.50		\$0.00
Postage	\$3,105.00		\$3,240.00
Repair/Maintenance	\$15,000.00		\$17,449.50
Sub Contracts	\$23,000.00		\$23,000.00
Technology	\$19,514.50		\$27,900.00
Telephone	\$1,560.00		\$1,635.00
Transport./Treatment Expenses	\$226,000.00		\$270,994.30
UBWPAD	\$73,625.00		\$76,176.00
	\$560,617.44		\$621,097.41
Reserve Account	\$20,000.00		\$20,000.00
Billing software reimbursement to Sewer District			\$11,000.00
Debt Service	\$142,019.00		\$142,019.00
Total with Debt Service	\$722,636.44		\$794,116.41

CHERRY VALLEY SEWER DISTRICT

RECORD OF VOTE ANNUAL MEETING May 25, 2023

A meeting of the Cherry Valley Sewer District was held at the Leicester Town Hall Auditorium, 3 Washburn Square, Leicester, Massachusetts, ten (10) were in attendance, all of whom were eligible voters.

The meeting was called to order at 7:26 P.M. by Mr. Kevin Bergin, Moderator. A motion was made and seconded that the District vote to waive the reading of the Annual Warrant, which was in the hands of the voters.

Voted: Unanimously. All in favor. Approved.

ARTICLE 1 – MODERATOR

A motion was made and seconded that the District vote to nominate Mr. Kevin M. Bergin as moderator to preside at tonight's meeting and for a period of one (1) year hereafter.

Voted: Unanimously. Approved.

ARTICLE 2 – REPORTS

A motion was made and seconded that the District vote to accept the Reports of the District as printed in the 2023 Annual Report, which was in the hands of the voter's present.

Voted: Unanimously. Approved.

ARTICLE 3 – ELECTION OF OFFICERS

A motion was made and seconded that the District vote to nominate Donald Manseau, for the office of Commissioner for a term of three (3) years.

Voted: Unanimously. Approved.

ARTICLE 4– FY 2024 BUDGET

A motion was made and seconded that the District vote to appropriate from available funds, the sum of \$722,636.44, for the operating budget of Fiscal Year 2024, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance and construction.

Voted: Unanimously. Approved

ARTICLE 5 – REVOLVING FUND FOR CONSTRUCTION

A motion was made and seconded that the District vote to authorize the Board of Sewer Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 33 of the Acts of 1998, and, from which expenditures may be made by the Board of Sewer Commissioners for legal services, administrative services and engineering services (including but not limited to, design, plan review, and inspection of the project being constructed) in connection with any sewer system design, review, and construction.

Voted: Unanimously. Approved.

A motion was made and seconded that the District vote to adjourn the meeting.

Voted: Unanimously. All in favor. Approved.

The meeting adjourned at 7:38 P.M.

I, Cheryl Balkus, hereby certify that this is a true and accurate record of the votes taken by the votes of the Cherry Valley Sewer District at the Annual Meeting, May 25, 2023.

A TRUE COPY ATTEST:

CHERYL BALKUS, CLERK

(SEAL)