

REPORTS OF THE OFFICERS
OF THE
DENNIS WATER DISTRICT
FOR THE
CALENDAR AND FISCAL YEAR
2006

DISTRICT OFFICIALS 2006

ELECTED OFFICIALS

WATER COMMISSIONERS

Edward A. Crowell, Chairman, South Dennis
Paul F. Prue, Dennis
Charles F. Crowell, East Dennis

Term Expires

2009
2008
2007

MODERATOR

William E. Crowell, Jr., East Dennis

2009

APPOINTED BY MODERATOR

FINANCE COMMITTEE

Charles E. Chamberlain, Jr.
James R. Julian
Kate Byron
David Talbott
John Shea

2008
2007
2009
2008
2007

EMPLOYEES APPOINTED BY WATER COMMISSIONERS

SUPERINTENDENT

David Larkowski

CLERK & TREASURER

Sheryl A. McMahon

ASSISTANT SUPERINTENDENT

James Ritchie

Administration

Karen Gaumont
Ralph Luedeker
Carole Martino

Water Works & Production

Robert Andrews (left 5/06)
George Avery
Robert Barboza
Edward Blake
Alfred Cataldo (deceased 7/06)
Adam Curtis (hired 5/06)
Kenneth Davis
Franklin Harris
Scott Hollis
Joseph Kraul
Profirio Pina, Jr.
Joshua Majka (hired 7/06)
John Moore
Colin Murtaugh (left 3/06)
Brian Saunders
Anthony Teixeira

COUNSEL

John C. Creney, PC

CONSULTING ENGINEERS

Earth Tech, Inc.

REPORT OF THE BOARD OF WATER COMMISSIONERS 2006

Two Thousand and Six was yet another year of planning while the multi-year well development project wrapped up with the addition of Well #23 adding another one million gallons per day to the production capabilities of the District.

The Board of Water Commissioners is extremely proud of the dedication and enthusiasm of this organization's employees. The New Well Project began in 2001 with a goal of finding and adding new wells that were considerably less in iron and manganese in order to reduce the District's dependency on wells that contributed higher concentrations of these elements to the distribution system. The final cost of the project, which includes *three* new wells, will be less than \$1.8 million. Compared to the average cost of \$1.5 million per well that other municipalities pay to develop a new source, Dennis ratepayers are getting a bargain. To the best of our knowledge, Dennis Water District is the only public water supplier on Cape Cod that acts as it's own general contractor for the development and construction of new wells and pumping stations.

The District continues to support the Comprehensive Wastewater Management Planning (CWMP) with funding for the Massachusetts Estuary Project and administrative support for the CWMP Task Force. This is the third year of the multi-year study. The report and final determination of the total maximum daily limit of nitrogen for the estuaries being studied will not be available for several more years.

As authorized and appropriated by the voters at the April 2006 annual meeting, a Feasibility Study for the Removal of Iron and Manganese was completed and a presentation was made before this Board in December 2006 by Earth Tech, Inc., . The findings and recommendations led the Water Commissioner's to include an appropriation article on the 2007 Annual District Warrant for \$400,000 to pay for the design and engineering of two iron and manganese removal facilities. The project is estimated to cost \$15 million. Over the course of many years, the water being supplied by our system has experienced ever increasing amounts of iron and manganese. The problems associated with these higher concentrations is causing water quality complaints and maintenance issues. The analysis indicates that the problems will only worsen with increased concentrations and as a result of more stringent chlorinating requirements expected to be promulgated in the near future by the Department of Environmental Protection.

BOARD OF WATER COMMISSIONERS

**Edward A. Crowell, Chairman
Paul F. Prue
Charles F. Crowell**

**MINUTES OF THE ANNUAL DISTRICT MEETING
HELD ON APRIL 24 & 25, 2006**

Agreeable to the Warrant, the inhabitants of the Dennis Water District, qualified to vote in District elections met at the following locations on April 24, 2006:

Voters of Precincts 1 & 2 (Dennis and East Dennis)
CARLETON HALL, Old Bass River Rd., Dennis

Voters of Precincts 3, 4, & 5
(Dennisport, West Dennis and South Dennis)
1867 WEST DENNIS GRADED SCHOOL
School St., West Dennis

The polls were declared open at 12:00 noon in each voting area, and were declared closed at 6:00 PM.

The Wardens of each voting area filed reports with the District Clerk, who found the results to be as follows:

	Voting Area		
	North	South	Total
<u>Water Commissioner for 3 years</u>			
Edward A. Crowell	27	28	55
Write Ins	1		1
 <u>Moderator for 3 years</u>			
William E. Crowell, Jr.	27	27	54
Blanks			2
	Total Ballots Cast:		<u>56</u>

SUBSEQUENT MEETING

In further accord with the Warrant, the subsequent meeting was called to order by the Moderator, William E. Crowell, Jr., at 7:03 PM on April 25, 2006, at the Dennis Senior Center, 1045 Route 134, South Dennis, upon having declared a quorum of 25 voters present. The Moderator then proceeded with the reading of the Warrant.

On a motion made by Charles E. Chamberlain Jr., and duly seconded, those present **UNANIMOUSLY VOTED to wave the balance of the reading of the Warrant.**

District Clerk, Sheryl A. McMahon, read the results of the Annual Election held the previous day (ARTICLE 1). The Clerk then declared Edward A. Crowell as Water Commissioner for a term of three years and William E. Crowell, Jr. as Moderator for a term of three years. Ms. McMahon then administered an oath of office to Commissioner Crowell and Moderator Crowell (7:05 PM).

The Moderator then called for:

ARTICLE 2. UNANIMOUSLY VOTED: To accept the reports of the District Officers for the Calendar and Fiscal Year 2005 with the exception of printing errors.

ARTICLE 3. UNANIMOUSLY VOTED: To transfer and appropriate the sum of \$7,956 from the General Water District Revenue of the Fiscal Year 2007 for the salaries of the elected officials of the District as follows:

3 Water Commissioners at \$2,550 each
and 1 Moderator at \$306

ARTICLE 4. UNANIMOUSLY VOTED: To transfer and appropriate the sum of \$2,492,500 from the General Water District Revenues for the Fiscal Year 2007 Operating and Maintenance Budget.

ARTICLE 5. UNANIMOUSLY VOTED: To transfer and appropriate the sum of \$502,380 from the FY 2007 General Water District Revenues for the General Expenses as listed in the warrant:

Reserve Fund	\$ 50,000
Fiscal Audit FY 2006	12,000
Safe Drinking Water Act Assessment	1,500
Cleaning Wells & Pump Repairs	80,000
Water Services	65,000
Land Acquisition Expenses	10,000
Insurance Expense	84,000
Household Hazardous Waste Collection	10,000
Leak Detection Survey	3,000
Principal and Interest on Bond Anticipation Notes	186,880

ARTICLE 6. UNANIMOUSLY VOTED: To transfer and appropriate \$81,492 from “Free Cash” for the payment of principal and interest on a bond anticipation note issued October 28, 2005, at a rate of 3.39% due May 16, 2006.

ARTICLE 7. UNANIMOUSLY VOTED: To transfer and appropriate \$406 from “Free Cash” for the payment of unpaid bills of prior fiscal years.

ARTICLE 8. UNANIMOUSLY VOTED: To transfer and appropriate \$22,000 from “Free Cash” to be used with and in addition to funds previously authorized for the Operating & Maintenance Budget for the Fiscal Year 2006.

Article 9 begins on next page)

ARTICLE 9. UNANIMOUSLY VOTED: To transfer and appropriate \$212,107 from “Free Cash” for the following Capital Expenditures:

Miscellaneous Equipment	\$ 10,000
New Wells Project	50,000
Feasibility Study for Iron Removal	50,000
Painting Exterior of 6-million gallon tank	102,107

AND to transfer and appropriate \$347,893 from the FY 2007 General Water District Revenues; \$150,000 for Water Main Rehabilitation and \$197,893 also for Painting the Exterior of the 6-million gallon tank for a total Capital Expenditure Budget of \$560,000.

ARTICLE 10. UNANIMOUSLY VOTED: To authorize the Board of Water Commissioners to acquire by eminent domain or otherwise, a parcel of land for well protection purposes containing 6.584 acres, more or less, located on Hokum Rock Road, East Dennis and shown on a plan of land entitled “Plan of Land in East Dennis, Massachusetts for P.J. Nyberg, Trustee, Scale 1" = 40', dated August 13, 1985, R.J. O’Hearn, Inc.,” and identified on the Town of Dennis Assessor’s Map 313, Parcels 25, 26 & 27, and that the District appropriate the sum of \$2,010,000 to pay for the costs of this acquisition, and that to meet this appropriation, the Treasurer, with the approval of the Board of Water Commissioners, is hereby authorized to borrow said amount under and pursuant to Chapter 44, Section 7(3) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the District therefore; provided, however, that no sums shall be borrowed or expended hereunder unless and until the Board of Water Commissioners have determined to their satisfaction that the District expects to receive a private donation in the amount of at least \$510,000 on account of the acquisition of this land, and further, that the amount authorized to be borrowed hereunder shall be reduced to the extent of gifts received by the District on account of this project.

ARTICLE 11. UNANIMOUSLY VOTED: That the sum of \$1,000,000 is hereby appropriated by the District to pay costs of purchasing a watershed conservation restriction and easements on a parcel of property located in the Town of Brewster, and more particularly described as follows:

Tract One: Registered Land – Being all the land shown as Lots 1, 2, 3, 4, 5 and 6 on Land Court Plan 37208A and Lot 1 and 2 on Plan 37207A.

Tract Two: Unregistered Land – Including a parcel of woodland located west of Slough Road in Brewster, assessed formerly to Edmund H. Sears, bounded on the North by woodland, now or formerly, of Louisa M. Crowell aka Louisa M. Crowell, woodland, now or formerly, of Arthur S. Hall and woodland, nor or formerly, of Howard Sears; On the South by woodland, now or formerly, of Joseph P. Ellis; on the West by parties unknown. Supposed to contain 8.5 acres.

and that to meet this appropriation, the Treasurer, with the approval of the Commissioners, is hereby authorized to borrow said sum under and pursuant to Chapter 44, Section 7(3) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the

District therefore, and further that the Commissioners of the District are hereby authorized to enter into an intermunicipal agreement in accordance with Chapter 40, Section 4A of the General Laws, with the Town of Brewster, which will, among other things, provide the District with the authority to incur debt to acquire the interest in land described above, which acquisition is to be done in concert with the Town of Brewster's acquisition of complementary rights in the same vicinity.

ARTICLE 12. UNANIMOUSLY VOTED: To set a Watershed Preservation Fee of not more than \$10 to be billed semi-annually to each metered account of the District for the purpose of recovering the costs of acquiring a parcel of land containing approximately 6.584 acres on Hokum Rock Road and watershed conservation restrictions and easements on approximately 59 acres in the Town of Brewster, including, but not limited to, principal, interest, and bond issuance costs, and further, that revenues collected by the setting of this fee will become part of the general fund.

ARTICLE 13. UNANIMOUSLY VOTED: To transfer and appropriate \$20,000 from "Free Cash" for the purchase of a watershed conservation restriction and easement on a parcel of land containing 4.23 acres located in the Town of Brewster, bound and described in the warrant, and further, to authorize the Commissioners of the District to enter into an intermunicipal agreement in accordance with Chapter 40, Section 4A of the General Laws, with the Town of Brewster, which will provide the District with the authority to acquire the interest in land described above, which acquisition is to be done in concert with the Town of Brewster's acquisition of complementary rights in the same vicinity.

Description under Article 13 in the Warrant:

NORTHERLY	by Pine Pond, a great pond, about six hundred ninety-nine (699) feet;
EASTERLY	by land of Centerville Realty Trust about two hundred ninety-seven (297) feet;
SOUTHERLY	by the centerline of Pine Pond Road and land of the heirs of Louisa M. Crowell, about eight hundred forty-seven (847) feet;
WESTERLY	by land formerly of United Cape Cod Cranberry Co., two hundred forty (240) feet; and
NORTHWESTERLY	by said land formerly of United Cape Cod Cranberry Co., about 100 (100) feet.

All as shown on a plan of land entitled: "Plan of Land in Brewster and Dennis, Mass., as surveyed for John O. Niles," dated June 1971, drawn by Schofield Bros. Associates, Inc. and recorded in the Barnstable County Registry of Deeds in Plan Book 275, Page 26, excepting therefrom the parcel of land in the Town of Dennis shown as Parcel 3A (0.85 acres) on a plan entitled, "Plan of Land in Dennis, Mass., as prepared for Dennis Water District, January 21, 1987, S.R. Sweetser, Engineer, 97 Sea Street, Dennisport, Mass., Scale: 1" = 200'" and recorded in the Barnstable County Registry of Deeds in Plan Book 436, Page 55 (Sheet 1) and conveyed to the Dennis Water District in an Order of Taking dated July 16, 1987, Book 5846, Page 310

ARTICLE 14. BY 2/3 MAJORITY (18 yeah, 4 nay): To authorize the Board of Water Commissioners to convey a parcel of land to the Town of Dennis for road improvements, located on the northerly corner of Airline Road and Route 134, containing 1.08 acres, more or less, and shown on a plan of land entitled "Plan Showing Discontinuance and Land Taken for the Widening and Relocation of a Section of Airline Road South Dennis, MA, Prepared for the Town of Dennis, Scale: 1" = 40', dated December 14, 2005, Prepared by Fay, Spofford & Thorndike, LLC," and further, to authorize the Board of Water Commissioners to request that special legislation be filed with the Massachusetts Great and General Court in accordance with Article 97 of the Massachusetts Constitution for the purpose of the article.

ARTICLE 15. UNANIMOUSLY VOTED: To authorize the Board of Water Commissioners to convey a parcel of land located off Old Chatham Road, containing 2.877 acres, more or less, and shown on a plan of land entitled "Easement Plan of Land in Dennis, Mass" as further described in the warrant, and to accept in return a parcel of land off Old Chatham Road, containing 6.00 acres, more or less, and shown as Lot 2 on a plan of land entitled "Plan of Land Prepared For MHC Old Chatham, LLC," as further described in the warrant, and to authorize the Board of Water Commissioners, in accordance with General Law Chapter 40, Section 15B, to first offer the 2.877 acre parcel to the Town of Dennis in exchange for a 6.00 acre vacant parcel of Town-owned land located adjacent to land currently held by the District and within the Zone II of contribution for Well #23, and further to authorize the Board of Water Commissioners to request that special legislation be filed with the Massachusetts Great and General Court in accordance with Article 97 of the Massachusetts Constitution for the purpose of the article.

ARTICLE 16. UNANIMOUSLY VOTED: To authorize the Board of Water Commissioners to continue with their investigation as to the need to construct a municipal wastewater facility or facilities within the District and to transfer and appropriate \$100,000 from "Free Cash," for the purpose of conducting wastewater management and appurtenant environmental studies and further, that the Water Commissioners report their findings to the voters at the next Annual District Meeting.

At the conclusion of the business called for in the Warrant, Moderator Crowell then recognized Peter Norton, Selectman from the Town of Brewster. Mr. Norton stood and thanked the voters of the Dennis Water District for their support in assisting the Town of Brewster in acquiring more than sixty acres of open space. The project was also supported by the Massachusetts Department of Environmental Protection and the Brewster Conservation Trust with technical and coordination assistance provided by The Compact of Cape Cod Conservation Trusts, Inc.

With no further business before the Meeting and on a motion made by Diane Chamberlain, and duly seconded, the meeting was dissolved at 8:12 PM.

Respectfully submitted,

Sheryl A. McMahon
District Clerk

DENNIS WATER DISTRICT
Balance Sheet as of
June 30, 2006

		<i>Debit</i>	<i>Credit</i>
CASH ITEMS:			
1020 · Petty Cash Advance	100.00		
1040 · Cash - Unrestricted	1,342,105.87		
1050 · Cash - Restricted	4,972.85		
1120 · Investments - Unrestricted	1,236,746.81		
1130 · Investments - Restricted	<u>392,540.02</u>		
		2,976,465.55	
ACCOUNTS RECEIVABLE:			
1410 · Water Receivables		46,442.79	
1415-02 · FY 2002 Water Liens	2,269.06		
1415-03 · FY 2003 Water Liens	684.39		
1415-05 · FY 2005 Water Liens	1,198.46		
1415-06 · FY 2006 Water Liens	327.33		
1415-94 · FY 1994 Water Liens	774.97		
1415-95 · FY 1995 Water Liens	82.95		
1415-96 · FY 1996 Water Liens	57.77		
1415-98 · FY 1998 Water Liens	<u>722.43</u>		
		6,117.36	
1450 · Water Liens in Tax Title		5,862.72	
PAYROLL LIABILITIES:			
2100-08 · Short Term Disability Premiums	-871.80		
2100-10 · Accident Insurance	-130.83		
2100-11 · AFLAC - Accident Insurance	-113.02		
2100-12 · AFLAC - Short Term Disability	-383.64		
2100-50 · Health Insurance - Active	-6,232.80		
2100-51 · Dental Premiums	-567.00		
2100-53 · Life Insurance Premiums	<u>-66.01</u>		
			8,365.10
LOANS:			
2950 · Loans Authorized		1,900,000.00	
2955 · Loans Authorized & Unissed		1,240,000.00	
2980-20 · Land Purchase of 11 acres			640,000.00
2980-30 · Land & Watershd Consrv Purchase			2,500,000.00
RESERVES AND SURPLUS ACCOUNTS:			
3167 · FY 2006 Accruals			44,643.71
3241 · Reserve for Mass Sales Tax			1,349.56
3294 · Reserve for SDWA			8,543.64
3293 · Accured Sick Leave Buy Back			47,604.18
3245 · Stabilization Fund			395,556.87
3250 · Reserve for Petty Cash Advance			100.00
3590 · Surplus Revenue			741,626.67

BALANCE SHEET AS OF June 30, 2006

FISCAL CONTROL ACCOUNTS:

3807 · Revenue Control FY 2007	3,350,819.00	
3857 · Appropriation Control FY 2007		3,350,819.00

REVENUE ACCOUNTS:

4210 · Water Revenue		46,442.79
4215 · Water Lien Revenue		11,980.08

APPROPRIATION ACCOUNTS

5240 · Cleaning Wells & Pump Repairs	106,443.79
5610 · Land Acquisition Expenses	261.81
5642 · Watershed Protection-Brewster	500,000.00
5750 · Household Hazardous Waste Day	2,010.16
5780 · Leak Detection Survey	8,852.40
5785 · Monitoring Wells Hokum Rock Rd	4,750.65
5790 · Ground Water Study	20,000.00
5831 · Hydro Study Whites Pond	2,761.08
5833 · Misc Equipment - 4/25/06	8,912.63
5834 · SCADA System	27,002.51
5835 · Security Upgrades	55,397.51
5837 · Chlorine Analyzers & Recorders	15,937.81
5846 · Water Main Rehabilitation	211,615.90
5850 · New Well Project	105,636.86
5860 · Painting Exterior Rte 134 Tank	302,107.00
5870 · Feasibility Study Iron Removal	50,000.00
6500 · Wastewater Studies	306,985.71

TOTALS:	9,525,707.42	9,525,707.42
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**DENNIS WATER DISTRICT
FISCAL YEAR 2006
REPORT OF RECEIPTS AND EXPENDITURES**

CASH

1020 · Petty Cash Advance	100.00	
1040 · Cash - Unrestricted	1,311,268.84	
1050 · Cash - Restricted	15,776.00	
1120 · Investments - Unrestricted	715,313.46	
1130 · Investments - Restricted	131,047.22	
BALANCES AS OF JUNE 30, 2005		2,173,505.52

RECEIPTS

RECEIVABLES

1410 · Water Receivables		3,486,932.85
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PAYROLL AGENCIES

2100-01 · Federal Income Tax Withheld	113,568.00	
2100-02 · FICA/Medicare Taxes Withheld	11,892.99	
2100-03 · State Income Tax Withheld	52,141.33	
2100-04 · County Retirement Withholdings	92,003.78	
2100-06 · Employee Direct Deposits	571,070.42	
2100-07 · Employee Garnishments	1,560.00	
2100-08 · Short Term Disability Premiums	4,858.88	
2100-09 · Deferred Compensation	62,599.36	
2100-10 · Accident Insurance	564.20	
2100-11 · AFLAC - Accident Insurance	1,028.88	
2100-12 · AFLAC - Short Term Disability	1,690.98	
2100-50 · Health Insurance - Active	73,301.58	
2100-51 · Dental Premiums	6,048.00	
2100-52 · Health Premiums - Retirees	1,971.00	
2100-53 · Life Insurance Premiums	383.48	
		994,682.88

RESERVES AND TAILINGS

2520 · Tailings - Unclaimed Property	1.00	
3167-01 · Payroll Accruals for FY 2006	20,985.60	
3167-02 · Accounts Payable Accruals FY 2006	15,046.86	
3167-03 · Reserve for Worker's Comp Audit FY 2006	4,353.25	
3167-04 · Reserve for Unemployment Benefits FY 20	4,258.00	
3241 · Reserve for Mass Sales Tax	3.75	
3244 · Property & Casualty Claims	22,578.97	
3245 · Stabilization Fund	6,777.65	
3293 · Reserve for Accrued Sick Leave Buy Back	13,793.65	
		87,798.73

REVENUES

4240 · Income on Available Funds	56,629.90	
4640 · Tank Rental Fees	220,980.06	
4840 · Miscellaneous Receipts	4,716.57	
		282,326.53

PROCEEDS FROM BORROWINGS

4980 · Proceeds from BAN		2,500,000.00
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GIFTS AND DONATIONS

5641		510,000.00
TOTAL RECEIPTS AND CASH BALANCES AS OF JUNE 30, 2006:		<u><u>10,035,246.51</u></u>

EXPENDITURES & ENCUMBRANCES

RECEIVABLES - Refunds

1410 · Water Receivables		3,276.70
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PAYROLL AGENCIES

2100-01 · Federal Income Tax Withheld	113,568.00	
2100-02 · FICA/Medicare Taxes Withheld	11,892.99	
2100-03 · State Income Tax Withheld	52,141.33	
2100-04 · County Retirement Withholdings	92,003.78	
2100-06 · Employee Direct Deposits	571,070.42	
2100-07 · Employee Garnishments	1,560.00	
2100-08 · Short Term Disability Premiums	4,484.88	
2100-09 · Deferred Compensation	62,599.36	
2100-10 · Accident Insurance	520.56	
2100-11 · AFLAC - Accident Insurance	934.56	
2100-12 · AFLAC - Short Term Disability	1,329.40	
2100-50 · Health Insurance - Active	80,478.98	
2100-51 · Dental Premiums	6,384.00	
2100-52 · Health Premiums - Retirees	1,971.00	
2100-53 · Life Insurance Premiums	349.88	
		1,001,289.14

EXPENDITURES CONTINUED....

RESERVES AND TAILINGS

2520 · Tailings - Unclaimed Property	1,098.93
3160-01 · Payroll Accrual for FY 05	17,985.40
3160-02 · Accounts Payable Accrual FY 05	1,228.09
3160-03 · Reserve for Workers' Comp Audit FY 05	2,586.00
3241 · Reserve for Mass Sales Tax	3,028.36
3244 · Property & Casualty Claims	17,847.46
3294 · Reserve for SDWA	7,895.03

51,669.27

OPERATING & MAINTENANCE

5000-01 · Gasoline	25,431.85
5000-02 · Tractor Expense	3,350.90
5000-03 · Truck Maintenance & Repairs	13,935.51
5000-04 · Misc Equip Repairs & Mainten	3,056.08
5000-05 · Electricity	208,520.05
5000-06 · Diesel Fuel	12,134.37
5000-07 · Heating - Main Station	2,775.43
5000-08 · Heating - Booster Station	2,208.46
5000-09 · Sick Leave Buy-Back	21,000.00
5000-10 · Repairs & Maintenance Stations	81,486.38
5000-11 · Treatment Chemicals	114,442.01
5000-12 · Propane Gas	17,453.86
5000-13 · Treasurer's Expense	1,213.39
5000-14 · Technical Services	980.00
5000-15 · Mains & Hydrants	4,285.68
5000-16 · Legal Services	1,490.48
5000-17 · Postage Expenses	17,376.66
5000-18 · Printing & Advertising	9,534.20
5000-19 · Office Expenses	7,032.80
5000-20 · Tool Expense	4,649.71
5000-21 · Meters & Parts	63,053.95
5000-23 · Superintendent's Expense	440.89
5000-24 · Licenses, Dues & Training	3,755.03
5000-26 · Safety Equipment & Supplies	1,936.58
5000-27 · Substance Abuse Free Workplace	1,055.00
5000-28 · Communication Expenses	14,526.03
5000-29 · FICA/Medicare & UHI Tax Expense	12,604.09
5000-30 · Group Insurance Costs	228,672.34
5000-31 · County Retirement Assessment	147,920.00
5000-34 · Computer Expenses	13,161.51
5000-35 · Uniforms, Rugs Rentals	16,516.93
5000-36 · Rubbish Removal	1,450.00
5000-37 · General Supplies	2,927.29
5000-38 · Other Necessary Expenses	228.60
5000-40 · Water Quality Expenses	19,107.85
5000-60 · Payroll - Office & Admin	324,993.68
5000-61 · Payroll - Water Works	702,890.66
5000-62 · Payroll - On Call Duty	28,561.26
5000-63 · Payroll - Station Duty	30,163.36
5000-64 · Payroll - Overtime	31,398.99
5000-65 · Payroll - Bonuses & Regrades	24,357.50
5000-66 · Payroll - Def Comp DWD share	18,771.78
5000-67 · Payroll - Longevity	7,200.00

2,248,051.14

EXPENDITURES CONTINUED....

APPROPRIATIONS

5130 · Elected Officials Salaries	7,956.00	
5140 · Principal on Debt	503,338.00	
5150 · Interest on Debt	42,110.48	
5240 · Cleaning Wells & Pump Repairs	39,167.30	
5385 · Unpaid Bills of Prior Fiscal Years	406.00	
5410 · Safe Drinking Water Act Assess	191.02	
5530 · Water Services	51,512.78	
5610 · Land Acquisition Expenses	8,950.97	
5641 · Land Acquisition - 6 acres	2,010,000.00	
5642 · Brewster Conservation Restriction	500,000.00	
5643 · Brewster Conservaton Restriction	20,000.00	
5645 · Land Acquisition - 22 acres (expenses)	10.00	
5740 · Insurance Expense	72,000.00	
5750 · Houshold Hazardous Waste Day	9,200.00	
5825 · Folder Repairs	2,620.42	
5833 · Miscellaneous Equipment - 4/25/06	1,087.37	
5834 · SCADA System	25,219.98	
5835 · Security Upgrades	38,053.74	
5840 · Repairs to Utility Poles	24,268.00	
5842 · Construction Equipment - 4/26/05	39,032.00	
5843 · Miscellaneous Equipment 4/26/05	12,263.20	
5845 · New Trucks w/equipment - 4/26/05	34,418.75	
5846 · Water Main Rehabilitation	49,160.67	
5850 · New Well Project	225,058.55	
6500 · Wastewater Studies	<u>38,469.48</u>	
		3,754,494.71

CASH

1020 · Petty Cash Advance	100.00	
1040 · Cash - Unrestricted	1,342,105.87	
1050 · Cash - Restricted	4,972.85	
1120 · Investments - Unrestricted	1,236,746.81	
1130 · Investments - Restricted	<u>392,540.02</u>	
BALANCES AS OF JUNE 30, 2006		<u>2,976,465.55</u>
TOTAL EXPENDITURES AND CASH BALANCES:		<u>10,035,246.51</u>

**DENNIS WATER DISTRICT
FISCAL YEAR 2006 PAYROLL**

<i>Regular Employees</i>	<i>Position</i>	<i>Regular</i>	<i>Overtime</i>	<i>Longevity</i>	<i>Bonus</i>	<i>Total</i>
Andrews, Robert J	Meter Technician	40,319.33	103.81			40,423.14
Avery, George A	Station Maintenance	56,356.80	714.51	900.00		57,971.31
Barboza, Robert J	System Maintenance	55,472.72	17,156.73	100.00		72,729.45
Blake, Edward S	Meter Technician	41,959.29				41,959.29
Cataldo, Alfred J	System Maintenance	41,751.81	139.05	900.00		42,790.86
Curtis, Adam L	Laborer	4,760.00	17.00			4,777.00
Davis, Kenneth J	System Maintenance	44,479.04	4,285.36			48,764.40
Gaumont, Karen	Administrative Assistant	46,641.60			1,500.00	48,141.60
Griffin, David W	System Maintenance	47,839.44	19,744.36	500.00		68,083.80
Harris, Franklin L	Meter Technician	47,885.52	17,052.60	800.00		65,738.12
Hollis, Scott	System Maint/Mechanic	39,447.05	3,959.67			43,406.72
Kraul, Joseph D	Electrician	37,315.37	1,551.38		5,000.00	43,866.75
Lang, Elsie M	Administrative Assistant	11,305.12				11,305.12
Larkowski, David A	Superintendent	98,511.40	296.53	1,100.00	10,000.00	109,907.93
Luedeker, Ralph H	Administrative Assistant	52,306.30	73.22	1,000.00		53,379.52
Martino, Carole J	Administrative Assistant	24,294.00				24,294.00
McMahon, Sheryl A	Clerk & Treasurer	93,319.13		900.00	10,000.00	104,219.13
Moore, Jonanthan C	Laborer	32,760.00	1,412.63			34,172.63
Murtaugh, Colin	Laborer	13,634.00	1,071.00			14,705.00
Pina, Jr., Profirio J	Machine Operator	56,744.97	3,644.57	100.00		60,489.54
Ritchie, James E	Assistant Superintendent	77,926.02	5,690.14	300.00	2,500.00	86,416.16
Saunders, Brian J	Station Maintenance	56,356.80	13,748.53	600.00		70,705.33
Teixeira, Anthony	Backflow Device Inspector	5,387.98				5,387.98
		<u>\$ 1,026,773.69</u>	<u>\$ 90,661.09</u>	<u>\$ 7,200.00</u>	<u>\$29,000.00</u>	<u>\$ 1,153,634.78</u>

Elected Officials

Crowell, Edward A	Water Commission Chairman	2,550.00
Prue, Paul F	Water Commissioner	2,550.00
Crowell, Charles F	Water Commissioner	2,550.00
Crowell, Jr., William E	Moderator	306.00
		<u>\$ 7,956.00</u>

Election Workers

Devine, Virginia		63.00
Durgin, Cynda		63.00
Ellis, Barbara		63.00
Kraus, Marie A		63.00
Lang, Elsie		63.00
Lawler, Teresa		63.00
Luedeker, Rose		63.00
McCarthy, Esther L		63.00
McInnis, Louise M		48.82
Monteiro, Grayce K		63.00
Myles, Mary	Warden	77.00
Parker, Betty Sue	Warden	77.00
Roderick, Jennie		63.00
Shea, Claire A		63.00
Tivnan, Mary		63.00
		<u>\$ 958.82</u>

SUPERINTENDENT'S REPORT

2006

While 2006 proved to be a productive year, we were all saddened by the passing of District employee Alfred "Skip" Cataldo who passed away suddenly in July. Skip began his employment with the District in 1987. Skip loved his music, fishing and politics but, more than anything he loved his children. We will miss him.

The Massachusetts Estuaries Project rolled in to its second year; the water sample collections program went according to plan. Seven teams made up of District and Town employees and several dedicated volunteers made their way out into Swan River, Bass River, Quivet Creek, and Sesuit Harbor to collect the samples. Samples were also taken from some of the small streams that feed into these estuaries. Samples were collected and delivered to School of Marine Science and Technology/UMass Dartmouth for analysis. One more year of sampling is planned for the summer of 2007. The three years of sampling data will create a baseline of study for the project, which will ultimately result in the determination of the Total Maximum Daily Limits for Nitrogen in these water bodies.

As authorized by the voters at the Annual District Meeting, the Board acquired interest in several significant tracts of land for the protection of water resource areas. In July, the District purchased the site of the old Dennis Drive-In on Hokum Rock Road. The 6.58 acres is zoned commercial and is up gradient of Well #18. Well #18 is a high producing well and this purchase will help protect it by eliminating future commercial activities in this immediate area. Two other important parcels were secured by means of watershed protection restrictions on more than fifty-acres of land in in Brewster. The restrictions were acquired through a cooperative agreement with the Town of Brewster and the Brewster Conservation Trust. The land is adjacent to the town line and abuts more than 100 acres of watershed property owned by the District in Dennis. The joint project is scheduled in two phases. This year, 26 acres were reserved by the Town of Brewster's conservation purchase and the District's watershed restriction which immediately protected the properties by eliminating the possibility of development. The remaining acreage is scheduled to be acquired in the Spring of 2007. By working cooperatively with the Brewster Conservation Trust, the District also secured watershed restrictions on 4.23 acres in Brewster. All of the restricted parcels lie within the Zones of Contribution for several public supply wells.

The goal of the Dennis Water District is to provide the residents of Dennis with a good and ready supply of water for fire protection and domestic use at a reasonable cost. For the past twenty years, the District voters have been supportive of our efforts to continue the development of additional resources to meet the needs of the citizens and business. The effort to develop additional resources was two fold. One was to increase the pumping capacity and two, was to find resources that would provide a better quality of water than what was being produced in some existing wells. Our strategy was to develop wells that produced negligible amounts of iron and manganese in order to reduce dependency on wells that have seen significant increases in these two elements. The iron and manganese levels have increased over the past ten years and this is having an adverse impact on the quality of water in the distribution system. The Feasibility Study for Iron and Manganese Removal provided an analysis of the historical data, calculated the trends and provided conclusions and recommendations for the District's consideration. As Superintendent, it is my responsibility to bring forward recommendations that I consider to be in the best interest of the system, the ratepayers and the consumers of the District. Iron and Manganese are becoming more and more detrimental to our water quality and troublesome to manage. The cost of mitigation is not cheap. I believe that constructing the two treatment facilities for approximately \$15 million will greatly improve the water quality in Dennis and lessen ever-increasing system maintenance issues.

Respectfully,

David Larkowski
Superintendent

Pumping Equipment Operations 2006

	<i># of days</i>		<i># of days</i>
Main Station – Old Bass River Road 5 submersible electric pumps with a total capacity of 700 gpm pump	213	Sub-Station 15 – Baker’s Pond Road 75 hp electric motor w/700 gpm pump 7.0 liter lp gas engine w/right angle drive	151 12 hrs
Sub-Station 1 – Old Chatham Road 40 hp electric motor w/350 gpm pump	210	Sub-Station 16 – Timber Lane 40 hp electric motor w/ 450 gpm pump	180
Sub-Station 2 – Old Chatham Road 20 hp electric motor w/200 gpm pump	208	Sub-Station 18 – Hokum Rock Road 75 hp electric motor w/ 700 gpm pump 7.0 liter lp gas engine w/right angle drive	196
Sub-Station 3 – Old Chatham Road 20 hp electric motor w/250 gpm pump	209	Sub-Station 19 – Setucket Road 75 hp electric motor w/700 gpm pump 4.9 liter lp gas engine w/right angle drive	176 10 hrs
Sub-Station 4 – Old Bass River Road 30 hp electric motor w/350 gpm pump 60 hp lp gas engine w/right angle drive	119 11 hrs	Sub-Station 20 – Setucket Road 75 hp electric motor w/700 gpm pump	170
Sub-Station 5 – Route 134 30 hp electric motor w/450 gpm pump 60 hp lp gas engine w/right angle drive	183 10 hrs	Sub-Station 21 – Route 134 75 hp electric motor w/700 gpm pump	182
Sub-Station 6 – Old Bass River Road 30 hp electric motor w/150 gpm pump 60 hp lp gas engine w/right angle drive	125 12 hrs	Sub-Station 22– Route 134 75 hp electric motor w/700 gpm pump	191
Sub-Station 7 – Airline Road 40 hp electric motor w/450 gpm pump 60 hp lp gas engine w/right angle drive	180 12 hrs	Sub-Station 23– Old Chatham Road 75 hp electric motor w/700 gpm pump	63
Sub-Station 8 – Airline Road 40 hp electric motor w/350 gpm pump 60 hp lp gas engine w/right angle drive	189 11 hrs	Booster Station – Route 134 2 – 345 hp caterpillar diesel engines w/3,500 gpm pump on each motor (manual)	12 hrs
Sub-Station 9 – Grassy Pond Drive 75 hp electric motor w/650 gpm pump 150 hp lp gas engine w/right angle drive	185 12 hrs		
Sub-Station 10 – Airline Road 75 hp electric motor w/700 gpm pump 150 hp lp gas engine w/right angle drive	156 12 hrs		
Sub-Station 11 – Old Bass River Road 60 hp electric motor w/500 gpm pump	141		
Sub-Station 12 – Old Chatham Road 75 hp electric motor w/700 gpm pump	186		
Sub-Station 13 – Center Street Decommissioned December 1999			
Sub-Station 14 – Baker’s Pond Road 60 hp electric motor w/ 450 gpm pump	169		

VEHICLE & EQUIPMENT OPERATIONS 2006

Truck #		Miles
2	2000 GMC ¾-ton pickup	10,193
4	2003 Chevrolet ¾-ton pickup	12,252
6	2003 Chevrolet ¾-ton pickup	9,065
8	2000 Chevrolet ½-ton pickup	5,177
10	2002 Chevrolet ½-ton pickup	5,625
12	1998 Chevrolet ½-ton pickup	5,374
14	2002 Chevrolet ½-ton pickup	11,040
16	2003 GMC cargo van	9,792
18	2001 Chevrolet ½-ton pickup	14,040
20	2001 Chevrolet dump truck	1,812
22	1999 GMC dump truck	1,945
24	2001 Chevrolet ½-ton pickup	9,123
26	2001 Chevrolet ½-ton pickup	8,304
28	1996 Chevrolet 1-ton service truck	6,104
30	2002 Chevrolet Cargo Van	5,421
32	2000 Chevrolet 1-ton service truck	4,020
<i>TOTAL MILEAGE</i>		<i>119,287</i>

	Equipment	Hours
1988	Main Station Auxiliary Generator	0
1993	Gravely (estimated)	307
1993	Sullivan Air Compressor	47
2000	Ingersol Rand Air Compressor	15
2000	Kobelco Excavator	108
2001	John Deere Backhoe Loader	162
2003	John Deere Backhoe Loader	283
2005	John Deere Backhoe Loader	185
2005	John Deere Mini-excavator	185
2005	Gravely	122

CUSTOMER TRANSACTIONS – FY 2006

Meter Replacements	909
Seasonal Meter Removal/Re-install	3,866
Final Readings	421
Backflow Prevention Device Tests	189
Demand Letters Processed	446
Demand Shut-Off Processed	46
Frozen Meters	26
Meter Tampering	0
Service Calls/Repairs	435
Fire Sprinkler Standby	77
Renewal and Relocation of Water Services	29
Curbstop Repairs	29
Payments Processed	29,515

NEW SERVICES FY 2006

Dennis	8
East Dennis	8
Dennisport	6
West Dennis	2
South Dennis	8
<i>TOTAL</i>	32

WATER PUMPED IN 2006 In Gallons

January	41,932,900
February	37,777,300
March	42,974,200
April	55,663,200
May	89,014,400
June	112,148,600
July	170,072,400
August	181,014,100
September	104,886,600
October	62,286,000
November	38,678,000
December	36,708,400
<i>Total</i>	973,156,100

MAIN LINE GATES
as of December 31, 2006

Year	20"	16"	12"	10"	8"	6"	2"	Total	Hydrants
All Previous	14	10	187	137	565	2377	203	3493	1494
1997			4		2	9	-2	13	5
1998			3	3	1	19		26	5
1999				2	6	14	-1	21	12
2000					8	16		24	11
2001					3	15	-16	2	11
2002					7	25	-15	17	7
2003				1	2	10		13	12
2004					5	15	-3	17	12
2005				1		16	-3	14	8
2006					5	12	-1	16	7
Totals	14	10	194	144	604	2528	162	3656	1584

WATER MAINS
as of December 31, 2006

Year	24"	16"	12"	10"	8"	6"	4"	2"	Total
Previous	15,998	10,978	134,651	90,932	409,222	438,663	359	79,324	1,180,127
1997			2,110		645	3,182		-2,662	3,275
1998			472	14		7,438		-2,305	5,619
1999				314	1,372	3,127		-860	3,953
2000					1,944	3,514		-2,891	2,567
2001					980	3,519		-3,707	792
2002					1,914	5,997		-3,890	4,021
2003				392	2,634				3,026
2004					2,464	4,008		-1,899	4,573
2005				242		3,780		-846	3,176
2006					1,013	1,321	14	-39	2,309
039.	15,998	10,978	137,233	91,894	422,188	474,549	373	60,225	1,213,438

229.82 Miles of Water Main
All Cast/Ductile Iron - Cement Lined Pipe

PRODUCTION DEMAND STATISTICS

Calendar Year 2006

Largest Day	August 2	8,242,500
Smallest Day	November 30 ²	691,400
2 nd Largest Day	July 29	8,212,300
2 nd Smallest Day	December 5	734,900
Largest Week	July 30—August 5	48,091,500
Smallest Week	November 26 — December 2	8,322,000
2 nd Largest Week	July 23 — July 29	40,989,300
2 nd Smallest Week	February 5 — February 11	9,188,700
Largest Month	August	181,014,100
Smallest Month	December	36,708,400
2 nd Largest Month	July	170,072,400
2 nd Smallest Month	February	37,771,300

SYSTEM STATISTICS

Calendar Year 2006

Pumping Capacity of Main Station and 22 Sub Stations	11,600 Gallons Per Minute
Chemical Feed Pumping Stations	13
Storage Capacity of Three Standpipes and One Elevated Tank	10,550,000 Gallons
Maximum Permitted Withdrawal from all wells Per Year	1.189 Billion Gallons

LAND OWNED BY DISTRICT (acres)

Land Owned as of 1/01/06 991.70

Art. 10, ADM 04/25/06 6.58

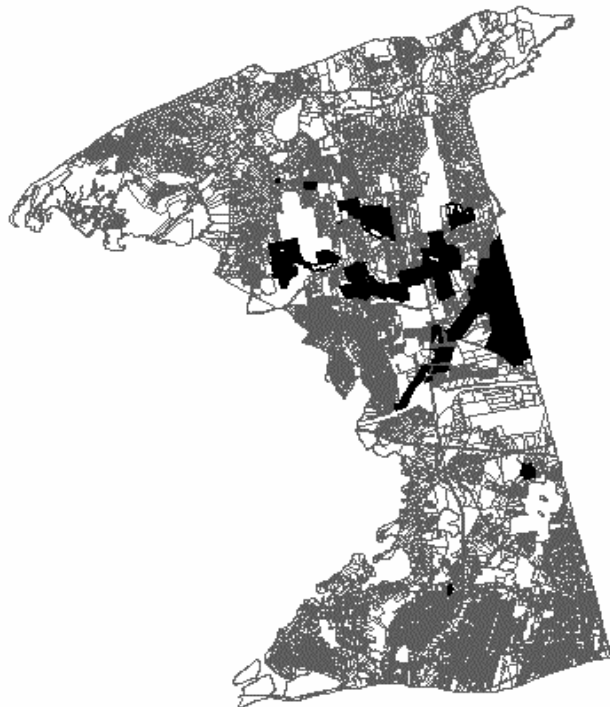
Total Land Owned: 998.28

Watershed Conservation Restrictions:

Art. 11, ADM 04/25/06 26.00

Art. 13, ADM 04/25/06 4.23

Total Restrictions Held: 30.23



WATER RATES & CHARGES

DISTRICT PROPERTY TAX RATE

In Fiscal Year 1989, the District's tax rate was set at "zero." Although the District retains its authority to assess a property tax, it has consistently set a "zero" rate.

ACCOUNT CHARGE

Formerly known as the *Minimum Charge*, which provided an "*allowance*" of 15,000 gallons for each six-month billing cycle, this charge now represents a basic semiannual fee regardless of the amount of water used, if any, during each six-month billing cycle.

7/1/91 - 6/30/92 - Minimum Charge \$30 with an allowance of 15,000

7/1/92 - 6/30/93 - Account Charge \$25 - no allowance

7/1/93 - 6/30/98 - Account Charge \$20 - no allowance

7/1/98 - 6/30/05- Account Charge \$25 - no allowance

CONSUMPTION

Rates for water used during each six-month billing cycle are per one thousand gallons.

7/1/92 - 6/30/94 - \$1.50 - no allowance

7/1/94 - 6/30/00 - First 50,000 gallons - \$1.50

51,000 and over - \$1.75

7/1/00 - 12/31/04 - First 50,000 gallons - \$1.50

Next 50,000 gallons - \$2.00

101,000 gallons and up - \$2.50

1/1/05 - 6/30/06— First 50,000 gallons - \$2.00

Next 50,000 gallons - \$2.50

101,000 gallons and up - \$3.00

SAFE DRINKING WATER ACT ASSESSMENT

This is a pass through fee set by the Department of Environmental Protection. This revenue subsidizes DEP's oversight of public water suppliers and the enforcement of EPA compliance. The rate includes a five percent administrative fee.

7/1/95 - 6/30/03 - \$0.0084 per thousand gallons

7/1/03 - 6/30/04 - \$0.0090 per thousand gallons

LAND ACQUISITION FEE

At the Annual District Meeting, held April 24, 2001, the voters approved the purchase of 22 acres of land for wellhead and watershed protection. The article approved the cost at \$1,492,500. In order to pay for the acquisition, the voters also approved a new fee. The fee is set at \$10 per customer every six months until the total cost is recovered.