

MILFORD WATER COMPANY MANAGER'S OPERATIONS UPDATE

July 27, 2015

OPERATIONS UPDATE;

1. Water supply conditions have been slowly declining over the past few weeks with the occasional rain event offering little to no relief. We are prepared to increase our level of water restrictions from a Stage II to Stage III if needed, this change would limit water usage to hand held hoses for 1 hour only between the hours of 7pm to 7am. At this time the Echo Lake is supplying most of the demand needs for the system with the Charles River supplying another 250gpm, Clarks Island supplying 500gpm and Godfrey Brook supplying 200gpm. Currently the level at Echo Lake sits at 44.5(63.4% Capacity, *last year at this time we were at 67.5%*) inches **below** the spillway with all flash boards in place. The system is experiencing withdrawal amounts on average of 2.5 to 3.3 million gallons per day which is normal pumping for this time of year based on past records. Rainfall total amount for the year is 20.36 inches, which is approx. 2.26 inches **less** than the total for the same time period in 2014. Current total for the month is 2.70 inches as of **07/27/15**.
2. Source Management – Currently Echo Lake, Charles River, Clark's Island and Godfrey Brook are available and pumping to their current capacities with Echo Lake providing 59.5% of the demand. The second horizontal well at Clark's Island was activated and we are getting a combined flow of 500gpm from the two horizontal wells. During the pump tests for each of the wells they were able to sustain 300 – 320gpm and were permitted for those volumes by MassDEP. We have however found that when pumping both wells simultaneously that the flows drop by approximately 50gpm from each well primarily as a result of the overall capacity of the well field itself. Overall the two wells are performing very well and will be a major benefit come the winter months. Godfrey Brook upgrades were completed and the well field has been running at its current capacity of 200gpm or 288,000 gallons per day. However the well field is under producing by approx. 470,000 per day based on its permitted volume. The drop off in production appears to be the result of hydraulic issues within the well field. Further investigation will be needed involving a qualified engineer to provide us with the best possible solution to improving the capacity and hopefully bring the volume back to the approved 760gpm. Dilla Street wells have become very costly to use because of their poor water quality and very low pumping capacity. These wells are currently not in use and will only be used in an emergency.

3. Public Relations – On May 5th in Gloucester MA during Drinking Water Day 2015 the Company received special recognition from the MassDEP Central Region for our “outstanding performance in 2014 as a public water system”. The award is handed out annually by each region to those systems who have shown improvement and a level of excellence during the year. We have work very hard since 2009 to ensure our customers and the regulators that we are committed to providing great service and the best quality of water and this award shows that we have been recognized by the State of doing just that. Additionally the Company remains very active in its support of local events and charities. The Farmers Market Inc. have started their second season here at the office and all has been going very well for both. This partnership with the market has really proven to be a positive step in improving our public relations with our customers and the residence of Milford.

4. General Business – The Company has a new Operations Manager, Vin Farese, who has been with the Company since 2006 and has worked hard to obtain the required licenses needed to operate the system. He was the Primary Treatment Plant Operator prior to being moved up to the Operations Manager Position. I believe he is the best fit for the Company at this time. We have also transitioned one of our seasonal temporary employees Alex Hall to a Full-time permanent position filling the open position left when our Foremen retired at the end of last year. Alex has worked for the Company during the summers for the past 4 years and is a very good fit for the crew. He has already proven himself by taking and passing the D1 Operators test within the first month of working full-time. The replacement water main project on West Fountain Street began the week of July 20th and is scheduled to run through the month of August. The contractor RHW anticipates having substantial complete by the end of August with only final paving and touchup carrying into September.

5. Regulatory Update – In an effort to keep the Board of Directors better informed of where the Company is on a regulatory and compliance basis I have created the following itemized list of our annual filing and compliance requirements and their status.

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| A. Annual Statistical Report | completed |
| B. Annual DPU Report | completed |
| C. Annual Testing Requirements | Ongoing – weekly,
monthly & quarterly. |
| D. Spring and Fall Flushing | Spring – completed
Fall – Oct-Nov |
| E. Annual Hydrant Maintenance | 66 Hydrants Serviced. |
| F. Annual Gate Maintenance | 153 Gates Exercised. |
| G. Annual Tank Inspections | Sanitary – Aug-Sept
Inspect/clean - Congress
Street. |
| H. Annual ERP Training | Nov. |