

MILFORD WATER COMPANY MANAGER'S OPERATIONS UPDATE

October 31, 2014

OPERATIONS UPDATE;

1. Water supply conditions have continued to decline over the past few months with the severe lack of precipitation this summer compounded by September being the lowest amount in over twenty (20) years at 0.77inches. At this time Godfrey Brook Well Field, Dilla Street Wells and Echo Lake and the Charles River are supplying the demand needs for the system. We are moving forward with the second horizontal well at Clark's Island and currently the work is scheduled to begin in November. We anticipate this well will provide us with another 300 GPM once developed bringing our total 620 GPM combined from the two new sources. This will allow us to withdraw approx. 900,000 gallons per day year round greatly reducing the demand on Echo Lake during the winter months. Currently the level at Echo Lake sits at 108 (39.7% Capacity) inches **below** the spillway with all flash boards in place. The system is experiencing withdrawal amounts on average of 2.4 to 2.6 million gallons per day which is normal pumping for this time of year based on past records. Rainfall total amount to date is 38.96 inches, which is approx. 3.11 inches **more** than the same time period in 2013 current total for the month is 6.22 inches as of **10/31/14**.
2. Source Management – As we enter into our second summer season with the new treatment facility on-line we are finally beginning to realize the efficiencies that we gained in our management of our water sources. The new plant has given us the capability of utilizing the Charles River source on a regular basis provided the levels are not too low. So far we have used the source every month. This is a big change from past years where we would be limited to just a few short months in the Spring provided there was enough water to do so. With the ability to treat all of the sources more effectively we are able to reduce increased demands normally placed on Echo Lake during the normal course of the year. Additionally with the two new horizontal wells at Clark's Island we will be able to further reduce demands on the lake during the winter months allowing for potential increases in recharge.
3. Public Relations – The Farmers Market Inc. had 18 very successful weeks here at the Company property and I am pleased to say that all parties involved were very happy with the venue and have asked if we would be interested hosting them again

next year. With all of the positive feedback we received from the partnership with the market the Company has agreed to be the host for the 2015 season pending approval from the Planning Board and proper renewal of their insurances. 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. The Market's last day for the season was October 4th. Additionally on October 25th President White and I attended a ribbon cutting ceremony (copy of invitation attached) for the Milford Upper Charles – Phase III portion of the bike trail. With the completion of this section the Town of Milford has 6.5 miles of trails from Holliston to Hopkinton to enjoy either by foot or by bike. The Company donated \$500.00 dollars towards the maintenance of the trail.

4. General Business – Renovations have begun on the tenant space with the painting of all the interior walls and the replacement of the carpet in the two training areas up stairs and down stairs. We also removed the carpet from the break area down stairs and replaced it with vinyl flooring. On September 22nd five members of the service crew were given hands on training and instruction on the proper use of the new electric crane mounted to the new service truck. The 6hr class provided them with a certificate of completion and the training needed to take the State exam to become a licensed operator of that particular rated crane all are currently awaiting notification of their exam date. The crew has replaced approx. 450ft of old 1inch pipe that was servicing six homes on Lawrence Street with 2inch PE pipe. Additionally during the project the relocated an old hydrant which was feed by a 4inch CI main and connected it to a 6inch main providing better fire protection in the area. On a bit of a sad note MWC has two employees retiring with over 28 years of dedicated service. On October 31st Ray Lessard will be retiring as our Meter Reader, Ray started with the Company in October of 1984 as the meter reader and has done so ever since. Herbie Joyce will be retiring on November 28th, Herbie started in October of 1986 and was the Machine Operator/Foreman. The Company has recently hired a replacement for Ray Ms. Courtney Dagnese who started on the 14th of this month. In addition we have taken on an Entry Level employee on a temporary basis to see if he and the MWC are a good fit. Thomas O'Loughlin has work for us in the past during the summer months while he was attending college.

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 – Nov. (dead ends only) |
| E. Annual Hydrant Maintenance | 385 Hydrants Serviced. |
| F. Annual Gate Maintenance | 132 Gates Exercised. |
| G. Annual Tank Inspections | Sanitary – Fall.
Inspect/clean - Highland
Street. |
| H. Annual ERP Training | November |