

23 June 2009

MEMORANDUM

From: Manager

To: Board of Trustees

Subj: **MANAGER REPORT AND MINUTES FOR THE TRUSTEE MEETING 9 JUNE 2009**

The Board of Trustees convened at 1900 hrs. In attendance: Trustee Pinkham (Chair), Trustee MacPhee, (Vice Chair), Trustee Curtis (Treasurer), Trustee Marston, Trustee Carter (Clerk), Jon Ziegler, Manager, Bob Raudenbush, Administrative Manager (AM). Guest: Mr. Hank Farrah CPA, Runyon Kersteen and Ouellete (RKO); Ms. A. J. Brown CPA, RKO; Mr. Geoff Hole JD Bernstein, Shur, Sawyer & Nelson; Ms. Nell Tharpe, East Boothbay; Ms. Sue Mello, Boothbay Register. Absent: None.

1. The minutes of the 26 May 2009 trustees meeting were approved with revisions.
Trustee Curtis motioned, Trustee Marston second, vote: unanimous
2. Warrants 31, 32 & 33 were approved.
Trustee Marston motioned, Trustee MacPhee second, vote: unanimous
3. Representatives from RKO provided the board with an oral review of district finances stating “no red flags” concerning the status of the district finances and that they were in good order. Recurring deficiencies noted concerned delegation of duties and a posting error during the preceding year which required reconciliation during the year. A new significant deficiency regarding not having the financials assembled and reviewed by a disinterested third party before the auditors began their review. Trustee Curtis was not impressed with this provision and stated functionally it was a non-issue. Overall the board was satisfied with the current audit report.
4. Trustee Pinkham opened the bid for the Adams Pond Dam Rehabilitation project. The low and only bidder for the project was Newman Construction of Richmond, Maine for the sum of \$85,000.00. The manager reported to the board that this was significantly over the cost estimate and that he would forward the materials to Dirigo to investigate. The board withheld judgment until the 23 June 2009 meeting on whether to accept or reject the bid pending the manager’s investigation.
5. The board went into executive session with attorney Hole pursuant to 1 MRSA §450(6) (E) at 1917 hr.
Trustee Curtis motioned, Trustee Marston second, vote: unanimous
6. The board came out of executive session at 1952 hr.
Trustee Curtis motioned, Trustee Marston second, vote: unanimous
7. The board voted to accept funding from the United States Department of Agriculture, Rural Development for the East Boothbay Water Main Replacement project consisting of a loan of \$1,440,000 with an interest rate not to exceed 3.75% and accept a grant of \$1,160,000.
Trustee Curtis motioned, Trustee Carter second, vote: unanimous

8. The board voted to amend the indemnification portion of the Boothbay Region Water District By-Laws with the language provided by staff.
Trustee Curtis motioned, Trustee Marston second, vote: unanimous
9. The AM reported revenue was 8% over expected for this time of year with expenses running 15% below expected. The AM cautioned that this will not last because the district was beginning summer projects.
10. The AM reported EJ Prescott is expected back with various GIS proposals within a month's time.
11. The AM reported the safety program is rapidly gearing up with just a few more tweaks.
12. The manager informed the board that he had met with the town manager of Boothbay Harbor who had rewritten the road opening permits of the town of Boothbay Harbor. The manager stated that the new permits are now fair to underground utilities. The manager stated the town manager of Boothbay Harbor was taking a proactive approach to road work and that he was very appreciative. As a result the "green light" for Montgomery Road project had been given to the distribution crew and contractor. The district is scheduled to begin construction using Reny construction within the week. The manager reported the preliminary work completed by Reny Construction to dry the field and repair the drainage for Rt. 96 was successful. Lastly the manager explained the majority of the total work will be completed with little disturbance to town and state roads.
13. The manager had no new information concerning Country Club Road.
14. The manager reported that the gravel shoulders for the Sea Street project was completed 3 June 2009. The district used town of Boothbay equipment and all went very smooth. The manager went on to explain that the project was essentially complete.
15. The manager provided the board with an update of treatment issues.
 - a. Sodium Hypochlorite Pilot Project –The preliminary memorandum from Wright-Pierce concerning the pilot study was not authorized to move forward. The manager reported he had met with Sullivan and Associates and as a result of that meeting, the pilot program will base out of the first bay of the garage. Additionally staff had meetings with Monson Chemical. Sodium hypochlorite is shipped weekly in a variety of quantities and methods adding flexibility.
 - b. LT2 Monitoring – The manager explained the district had missed the beginning of the E-Coli monitoring due to an administrative problem with the district and the state. However the manager went on to inform the board that the district was now compliant and there is no violation. The manager then went on a diatribe telling the board that this was a "big deal" because if the E-Coli counts average above ten (10) the district would be forced to alternative treatment (i.e. ultraviolet disinfection). The regulators are not after the E-Coli, they are after the cryptosporidium for which E-Coli is an indicator.
16. The distribution was next discussed. Summer business was in full swing. The manger reported the normal high volume of job orders, cross-connection control work and the hydrants were now receiving attention.

17. The manager updated the board on Knickerkane Bridge. He informed the board that he had met with Mike Tomacelli and who was working a price out for the special hanging tubes required of the district to provide the DOT for the project. No suspense date was given.
18. The manager had nothing new to report concerning the outstanding Department of Labor complaint. The manager iterated the district was current with all requests.
19. The manager reported he was awaiting a proposal from a local professional who was interested in freelance work to update the district's Surface Water Assessment Plan (SWAP) as required by rule. The manger told the board that normally he does not entertain these requests but because of the outstanding credentials and the need, the district may have a very cost effective opportunity. The board concurred.
20. The manager reported the water resources were generally in good condition. However the treatment plant operators have located over twenty outfalls into Knickerbocker Lake which have been turned over to the town for investigation.
21. The manager informed the board that the tri-annual sanitary survey of the district would be conducted by the Maine Drinking Water Program on 17 June 2009.
22. The meeting was adjourned at 2030 hr
Trustee Curtis motioned, Trustee Marston second, vote: unanimous

END OF MINUTES

Respectfully Submitted,
Jonathan E. Ziegler
Manager