

25 September 2012

MEMORANDUM

From: Manager

To: Board of Trustees

Subj: **MANAGER REPORT AND MINUTES FOR THE TRUSTEE MEETING 11
SEPTEMBER 2012**

The Board of Trustees convened at 1900 hrs. In attendance: Trustee Pinkham, Boothbay Harbor, (Chair); Trustee MacPhee, Boothbay, (Vice Chair); Trustee Marston, At-Large, (Treasurer); Trustee Reed, Boothbay Harbor; Jon Ziegler, Manager. Guest: Mr. Win Mitchell, Vintage House, Boothbay. Absent: Trustee Carter, Boothbay (Clerk).

1. The minutes of the 28 August 2012 trustees meeting were approved.
Trustee Reed motioned, Trustee Marston second, vote: unanimous
2. The **Payroll** for 28 August 2012, and 4 September 2012 were approved.
Trustee MacPhee motioned, Trustee Reed second, vote: unanimous
3. The **Transactions** for the period of 27 August 2012 through 7 September 2012 were approved.
Trustee Reed motioned, Trustee Marston second, vote: unanimous
4. The manager provided the board with a brief **Financial Update**. The manager informed the board that he would begin work on the 2013 budget, meeting with Osman – Page (OP) on 21 September 2012. The manager explained that this was necessary because it was found that the accounting line items had not been correctly adjusted in the past and the budget needed to be realigned to meet standard accounting practices as well as fully meet Maine Public Utilities Commission (PUC) rules. The manager cautioned the board that some of the specific line items may be either deleted and melded into other existing line items, or expanded into currently non-existent accounting classes. The board was generally pleased with this approach but to meet the accepted format of the district, the manager was instructed to break out funds expended in 2012 for newly created or condensed accounting line items so that the board could compare actual expended in 2012 in the 2013 proposed budget.

The manager went on to report that the cash [position of the district remained good with all funds remaining in the sweep account until after the fall debt payments were made. The manager stated that he had met with (OP) the previous week and was confident that meeting the 50% replenishment goal for the district's sinking funds was an achievable goal for 2012. The manager reminded the board that the district had an outstanding liability that would be due at the end of the year related to closing of a non-union labor contract that was calculated in the district's year-end liabilities.

5. The manager next reported on the district's **Watershed Protection** program. Documentation of four significant occurrences provided by the town of Boothbay within the watersheds of Knickerbocker Lake and Adams Pond over the previous period was provided to the trustees. Of note, the manager reported on logging activities on the 60 acres owned by Hamerin adjacent to Adams Pond Road within the resource protection district. The manger reported that the town of Boothbay had been keeping the district well informed of operations

and was monitoring the operations closely to ensure all applicable regulations were being followed. The manager also informed the board that he had been in contact with the Maine Department of Natural Resources and had spoken to the state forester, who, because of the sensitive area for which the trees were being legally harvested, would be visiting to ensure all best management practices (BMP) were in place properly.

Additionally the manager relayed that the town of Boothbay had served Mr. Ronald Thomas of 208 Back River Road a notice of violation (NOV) for a failing septic system. The manager reported that the town was taking a very proactive role in enforcing state law and the situation was well on its way to being legal, and environmentally resolved.

The manager reported that Mr. Sewell Maddox Sr. had filed a complaint with the district and the Maine Department of Health and Human Services, Center for Disease Control, the district's prime regulator, concerning a failed septic system in the area of the district's well field. The manager reported he had spoken with regulator Ms. Denise Douin of the Maine Drinking Water Program who was seeking a status report, for which the manager was able to answer after discussions with the town. Again the manager reported that the town had the situation well under control in that they had identified the leach field on the property as failed, put the property on a consent order to have the septic tank pumped a minimum of every 14-days, arranged a \$7,500 grant from United States Department of Agriculture (USDA) to replace the leach field, and required the family to use a Porta-Potty, supplied by the town, until the matter was resolved.

6. The manager next reported on **Safety and Training**. The manager reported no injuries or safety violations to report during the previous period. The manager reported that he was also arranging flu shots for the troops as well.
7. The manager provided the board with an update as to **Treatment Division** operations. The manager stated that operations were proceeding smoothly and that the water quality of Knickerbocker Lake was "mellowing" in that it was becoming more chemically stable, allowing for more consistent treatment operations. As of that morning it was reported that the district had withdrawn 36,686,000 gallons from Knickerbocker Lake, with operations at Knickerbocker Lake scheduled to be suspended 18 September 2012. Adams Pond was reported to be at 100% capacity leaving the district "good shape" for the winter as far as sufficient water reserves was concerned. The manager reported that he was in the process of renegotiating our lease of telephones with Verizon and as a result had traded in the former administrative manager's telephone for 4G modem to be used with the on-call SCADA computer. The board asked the manager to keep them informed as to this effort.
8. The manager next briefed the board on **Distribution Division** activities. The manager stated that normal summer activities were progressing with no water main breaks or unusual occurrences noted within the previous week.

The manager was reminded to investigate an insurance rider protecting the district in the event seasonal water equipment froze in October.

9. The manager reported he had done nothing more with the **Cross-Connection Control Policy Change**.

10. The manager provided the board with an update on the **Southport Merger**. The manager reported that he had expended a great deal of effort with the merger during the previous period. Since the last meeting he had met with the Southport Board of Selectmen and the Boothbay Harbor Board of Selectmen, both of whom were well within the timelines necessary to getting the public hearings completed legally allowing the merger to be put on the ballot. The manager then reported that both Boothbay and Boothbay Harbor's public hearings would occur on 24 September 2012 an hour apart. The board stated that they would be present at these meetings to support. The manager then stated that Southport would hold its public hearing 10 October 2012. The manager thanked the trustees for their support particularly with the meetings with the various boards of selectmen.

A discussion concerning enhancing public awareness then was taken up by the board. Trustee Marston led the discussion and it was decided that the manager would post a PowerPoint on the website as well as prepare a presentation for Chanel 7. Trustee Marston would investigate what would be necessary for airing on channel 7.

Lastly, the manager reported that on 29 August, as authorized, he released a request for proposal (RFP) for engineering services for the Southport Interconnection and Water Tank Replacement project. The manager presented the board with a copy of the RFP. The manager stated the RFP's were due 21 September 2012, which would be immediately presented to the board for review and the manager would prepare an analysis for completeness so that the board, if it chose, would consider and award the engineering contract on 25 September 2012.

11. The manager then presented to the board the **Mt Pisgah Mixing System and Interior Recoating Project Engineering Proposals**. The manager reported that the district had submitted a state revolving fund (SRF) application and Wright Pierce had begun modeling for the mixing system as part of the due diligence package the district had requested to ensure the proposed PAX mixing system was going to work. Presently the manager reported that he was looking into how the tank was going to be taken out of service for four weeks. The main concern was the district customers that were on limited service agreements located in the higher elevations. The manager stated that he was leaning towards the use of booster pumps in the low pressure areas and operating the remainder of the district off the West Harbor standpipe.
12. The manager briefly updated the board on his activities with **the Maine Water Utilities Association (MWUA)**. The manager provided the board with an advance copy of his editorial for the upcoming issue of the MWUA newsletter. The editorial dealt with the emergence of Food and Water Watch and their efforts to socialize ground water in the state as well as hampering Nestlé's abilities to do business in Maine.

Next the manager stated that he had been meeting with the waste water professionals and will be getting a letter campaign, to be written jointly with water folks, to local newspapers in support of the clean water referendum to be decided 6 November 2012.

The manager reminded the board of the 11 October bi-monthly meeting to be held in Boothbay Harbor. Mr. Tom Woodin, town manager, Boothbay Harbor would give a welcome from the town and that the manager would be presenting on the merger status. attend.

Lastly the manager informed the board that the PUC was investigating whether it should deregulate the water industry. There manager stated that there were definite pros and cons to the question. As current president of the MWUA the manager stated he was calling for a statutory solution, allowing home rule while providing hard and fast rules for operation. The board agreed with the manager's stance.

13. Then manager reported no activity regarding the **NRPA Study** update.
14. The manager reported next on the **Boothbay Comprehensive Plan Review Committee**. The manager reported no activity in that the past two meetings had been cancelled.
15. The manager next reported as to the status of the **Gilead Street Water Main Replacement** project. The temporary main was installed the week prior to the project and all of the houses were on temporary water as of 29 August 2012. On 30 August 2012 the district led an informational meeting which was well attended by district staff and received well by the public that had attended. The manager then reported that the town of Boothbay Harbor released intentions of a greatly modified and increased drainage plan without consulting with the district, sewer district or contractor. The manager stated that this action created a change order before the project began because the proposed plan would severely hamper the prime contractor by disrupting his work plan and incur extra costs to the contractor who had already agreed to a firm fixed price below estimate. The manager expanded his line of thought by informing the board that he was concerned with multiple contractors (i.e. the district and the town) working in such close proximity and the liability and warranty issues that would arise in the future if defective work was detected.

On 4 September the manager met town manager of Boothbay Harbor quickly resolved the issue. It was agreed that the district would install the change order with the town paying for the materials necessary. This resolution cleaned up any potential warranty issues and put the work plan back on schedule.

Simultaneously on 4 September the detour of traffic supporting the Union Street closure went off very well with the district easily accomplishing the tap and sleeve and valve installation as well as installing piping across Union Street. The project then moved to the end of Gilead Street starting at the fire hydrant working back towards Union. As of the meeting the manager reported that 140 feet installed and production had ceased due to unforeseen ledge. As of that day residual blasting was been completed with water main installation to resume on 12 September.

16. The manger reported he had made no further headway with the **Submerged Land Leases**.
17. The manager updated the board as to the **Truck Procurement** process. The $\frac{3}{4}$ -ton was purchased from Bill Dodge on 10 September and both trucks were reported to be at Messer's being outfitted for service.
18. The manager reported the **Conflict of Interest Policy** was in process.

19. Trustee Pinkham then recognized **Mr. Win Mitchell** who addressed the board over the appropriateness of signs around Adams Pond as not being friendly, apparently denying his customers fishing privileges on Adams Pond. Mr. Mitchell was looking for a relaxation of the signs message for Adams Pond making it friendlier. In addition he discussed activities that would raise awareness of Adams Pond as a drinking water source and the need to protect its water quality. The board instructed the manager to investigate the signage issue with the district's attorney and indefinitely tabled the request.

20. The meeting was adjourned at 2015 hr.

Trustee Reed motioned, Trustee MacPhee second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
Manager