

13 November 2012

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 23 OCTOBER 2012**

The Board of Trustees convened at 1900 hrs. In attendance: Trustee Pinkham, Boothbay Harbor, (Chair); Trustee Marston, At-Large, (Treasurer); Trustee MacPhee, Boothbay, (Vice Chair); Trustee Reed, Boothbay Harbor; Jon Ziegra, Manager. Guest: None. Absent: Trustee Carter, Boothbay (Clerk).

1. The minutes of the 9 October 2012 trustees meeting were approved.  
*Trustee MacPhee motioned, Trustee Marston second, vote: unanimous*
2. The **Payroll** for 9 October 2012, and 16 October 2012 were approved.  
*Trustee MacPhee motioned, Trustee Marston second, vote: unanimous*
3. The **Transactions** for the period of 8 October 2012 through 19 October 2012 were approved.  
*Trustee MacPhee motioned, Trustee Marston second, vote: unanimous*
4. Then manager provided the board a **Financial Update** and September's budget report. The board noticed that the annual bond payments had been expensed during September at least on paper depleting much of the district's cash accounts. The manager explained that on paper, from a profit and loss perspective for the month it appeared that September showed a substantial loss, but in looking at the larger picture the manager was comfortable with the district's cash position. . Total income for September totaled \$43,573.87 with total expenses being booked at \$351,995.26 for a net loss of \$308,421.39. However for the year through September total revenue is \$1,686,846.89 with total expenses equaling \$1,627,968.17 for a net profit of \$58,878.72. With the district's liquidity sufficient the manager asked the board to note that on 1 November 2012 the district would bill \$337,340.00, not including the final number for seasonal overage.
5. The manager next reported on the district's **Watershed Protection** program. The Boothbay planning board acted on 17 October 2012 on the request of Mr. Jim McLeod, property located within the 1,000 foot zone of the Knickerbocker Lake intake, granting a building permit allowing Mr. McLeod to enclose his deck to create more living space as well as change the roofline of the structure. Upon questions by the board the manager reported that the house would not change use and that the previous year the owner had voluntarily allowed the town to inspect his septic system which was in compliance. Additionally the manager reported that in talks with the Boothbay code enforcement officer (CEO), reported that Mr. Ronald Thomas, 208 Back River Road, whose septic tank was either cracked or the pump was leaking. The CEO, the plumbing inspector and Pat Farrin Dirtworks were very responsive to correcting the problem which was close to being resolved. The manager explained that the tank was currently empty and posed no threat to water quality.

6. The manager next reported on **Safety and Training**. No injuries or violations were reported during the previous period. The safety review was on-going and all inspections were up-to-date.
7. The manager provided the board with an update as to **Treatment Division** operations. Electrical Installations Inc. (EII) had been on-site and completed work on the last programming glitch associated with the new SCADA system. The manager went on to explain that only one last housekeeping issue remained with the SCADA system which was covered under the warranty and had no effect on plant operation or performance. For the previous seven days district output has dropped to an average 278,500 gpd. The board was made aware that the aluminum sulfate and sodium hydroxide use remained elevated per unit of finished water processed. This condition continued to be the result of turnover in Adams Pond. The board requested a follow-up on the transfer pump for the ammonium sulfate day tank which had been previously reported to be out of commission and for which the manager reported to have been replaced, with the treatment system back in optimum configuration. Lastly the manager reported that staff was continuing to competitively shop chemicals with Monson regaining district's business by undercutting Harcros prices.
8. The manager next briefed the board on **Distribution Division** activities. On 18 October 2012 the seasonal shutdown began. As of the trustees meeting 87% of the meters had been collected, read and put into winter storage. The manager cautioned the board, reminding the board that retrieving the meters was only the first phase of seasonal shutdown, with blowing down the mains and overage billing still needing to be completed.
9. The manager reported he was now actively working on the **Cross-Connection Control Policy Change**.
10. The manager provided the board with an update on the **Southport Merger** which remained very busy. The public hearing for Southport was held on 10 October 2012, the Southport commissioners, trustee Marston and the manager conducted the required public hearing in Southport. I guess it went alright, especially at the end when it became apparent that the folks for the merger actually outnumbered the vocal minority. That said we got run through the paces with questions, mostly from a positive perspective. I have drafted a letter to the editor which has gone through review of the board and the town of Southport. I will have a smooth prepared later this week and will get everyone's signature so I can get it into the Register for next week's edition.
11. The manger next reported as to the status of the **Southport Interconnection and Tank Replacement Project**. The manager reported that much effort had been undertaken in completing requirements for the United States Department of Agriculture, Rural Development (RD0 which had consumed a great deal of time. The manager reported that he had had to conduct a minor property accounting of district property which he reported he was surprised at the net sum value being approximately \$654,590.00. Trustee Marston inquired if the district's insurance policy was sufficient to reimburse the district with a loss considering the magnitude of district property. The manager reported that earlier in the year it was discovered that the district was significantly underinsured but that situation had been corrected and that it was his educated opinion that the district was sufficiently insured.

Next the manager informed the board that the engineering cost estimate was now complete for the project. The district was applying to RD for \$3,446,100.00 in federal aid. The completed package was mailed that day with the amended draft master plan being forwarded to the state engineer at RD.

12. The manager reported to the board as to the status of the **Mt. Pisgah Mixing System and Interior Recoating Project**. Wright-Pierce was still working on the model. As part of Wright-Pierce's Engineering's contract an analysis of how the system would operate with the Mt. Pisgah Standpipe out of service. A preliminary plan operating the system solely off of the Kenniston Hill Standpipe was the leading contender as the most plausible solution. Trustee MacPhee questioned that plan in that the town of Boothbay Harbor would be fed strictly via a pressure reducing valve (PRV) located in Boothbay that would need tight monitoring and calibration because of the possibility of providing significantly higher pressure than now normally experienced. The manager added that reprogramming the booster pumps would also be necessary or completely bypassing the booster pumps would need to be evaluated, significantly increasing the power consumption at the treatment plant. The board instructed the manager to keep the board in the loop as to any decision with temporary operating configurations associated with this project.
13. The manager briefly updated the board on his activities with **the Maine Water Utilities Association (MWUA)**. The manager reported that the last weeks had been very busy. The main focus of the MWUA was to get the bond package passed. The manager provided the board with a letter he had co-written with Mr. Jeff McBurnie that would be appearing in the larger newspapers in the state. The board had no objection to the article.

Conversation next revolved around the MWUA bi-monthly meeting that was held in Boothbay Harbor on 11 October 2012 which the manager reported was very successful from both a financial perspective as well as receiving plentiful positive feedback. All at the meeting acknowledged the food provided by Mr. Ralph Smith, McSeagulls was outstanding as well as providing an excellent venue. The manger thanked the board for supporting this effort.

14. Then manager reported no activity regarding the **NRPA Study** update.
15. The manager reported next on the **Boothbay Comprehensive Plan Review Committee**. The manager reported no real activity.
16. The manager next reported as to the status of the **Gilead Street Water Main Replacement**. The project was complete with the final expense to the district totaling \$77,178.06. The board was very happy with the end product and acknowledged that the final out-of-pocket cost was significantly below engineering, and budget, estimates which were \$88,000.00.

The manager then reported that the project had, earlier that day, received its sole complaint which alleged the project had caused cracks in a cellar floor. The manager reported that he had handed this problem over to N.A. Reny Construction who had mobilized their blasting sub-contractor's insurance company, which had already made contact with the home owner and were on-site. The manager reported that a pre-blast video survey existed which would easily determine the extent, if any, of a problem. Lastly the manager reported that the only punch-list item was to remove the temporary piping (left to water the grass) and to properly paint the newly installed fire hydrant and associated bollards.

17. The manger reported he had made no further headway with the **Submerged Land Leases**.
18. The board took up the question of a **Conflict of Interest Policy**. The manager provided the board with the conflict of interest policy currently enforced by the town of Boothbay. The board instructed the manager to obtain a copy of the conflict of interest policy by the Maine

Water Company, blend the two and provide the board with a rough draft for the 13 November 2012 meeting for board consideration.

19. The manager updated the board as to the **Truck Procurement** process. The one-ton dump truck was on-site, lettered with registration in process. The manager anticipated the truck to be in service the following week.

The board reaffirmed with the manager that the truck that would be excessed would be done so by sealed bid.

20. The manager presented the board a report, completed by the customer services representative, addressing the previous questions the board had concerning the establishment of a **Credit Card** policy. The report included:

*As directed staff completed a thorough review of two credit card systems designed for municipalities and it is the recommendation that the district go with Payport over Municipay. The reasoning is follows:*

- a. Both systems will cost the district no additional expense on a recurring basis after a scan reader is installed.*
- b. Both systems have municipalities using their service but Payport has many more entities and virtually all water district work in Maine (Wiscasset, Bath, Brunswick/Topsham, Great Slat Bay all of which interviewed by Ruth with positive return);*
- c. Payport is administered through Maine Municipal while Municipay is for profit.*
- d. Payport will deposit payments received into the district account that same day whereas Municipay has a two-day lag time.*
- e. Being able to take credit cards is more the norm than the exception; and*
- f. Credit card payment option will greatly improve customer service, reduce paperwork*

After lengthy discussion the board unanimously approved a plan for the district to accept credit cards with Municipay.

*Trustee Marston motioned, Trustee Reed second, vote: unanimous*

21. The manager reported on a new item entitled **Proposed Regional Coalition**. The manager described the regional superintendents meetings, which had been being conducted for the previous two-years, had begun to explore the possibility of formalizing the group into a regional coalition as permitted by Maine statute. By forming a coalition the district could be able to enter into group contracts for goods and services as well as provide a political voice for the water districts of the mid-coast. The manager informed the board that the other boards in the area were generally in support of exploring the concept. The manager stated that he would be proceeding with this effort with a few of the superintendents going board to board to present formal proposals. The board was in favor of further exploration of the concept and informed the manager to keep them up-to-speed.
22. The manager presented to the board a petition delivered to the district from Pottle Realty asking the
23. The manager informed the board that the process for the **2013 Budget** was in full swing, was very much organized and was moving forward. The next budget meeting was scheduled for the following Friday at Osman Page (OP). It was the manager's intent to begin finalizing

the framework of the budget and to begin bringing in staff to plan 2013 capital expenditures. The manager stated that he would begin the integration of Southport once the results of the 6 November 2012, which will be a busy month.

24. The meeting was adjourned at 2018 hr.

*Trustee Reed motioned, Trustee Marston second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler  
Manager