

11 December 2012

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 27 NOVEMBER 2012**

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

1. The minutes of the 13 November 2012 trustees meeting were approved.
Trustee Gamage motioned, Trustee Climo second, vote: unanimous
2. The **Payroll** for 13 November 2012, 20 October 2012 and 27 November 2012 were approved.
Trustee Gamage motioned, Trustee Climo second, vote: unanimous
3. The **Transactions** for the period of 12 November 2012 through 23 November 2012 were approved.
Trustee Gamage motioned, Trustee Climo second, vote: unanimous
4. The manager provided the board a **Financial Update**. For the month of October the district's total income was reported to be \$68,602.75 while total expenses equaled \$160,105.37 for a net deficit of \$91,502.62. The manager stated that this was normal for the month, clearing the remaining debt repayments. For the year up until to 31 October 2012, the district revenues had equaled \$1,916,445.20 with expenses totaling \$1,674,984.55 leaving a net profit of \$241,460.65. The manager stated that these numbers were encouraging because October is traditionally the "low water mark" and to have this much liquidity, especially when the November billing cycle would gross \$617,189.30, left the district in an excellent cash position. The manager provided the board a report of the annual budget through the end of October. Overall, even with all of the unexpected costs, and mishaps, the manager was confident that the annual final numbers would be reasonably close.
5. The manager next reported on the district's **Watershed Protection** program. The manager provided the board members with an educational package provided to the district by the town of Boothbay. The information was concerned with proper septic design and maintenance as well as new technology.
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. The treatment plant continued to operate at excellent efficiency. The manager reported that for

the previous seven days, the district's average production had been 0.2571 MGD with 0.2522 MGD produced during the same period the previous year. Aluminum Sulfate consumption had returned to normal, averaging 7.54 lbs. /day and 37 lbs. /day of sodium hydroxide. In order to meet the high water quality standards in East Boothbay the two- bleeders had been started, moving 2.5 ft³/minute or nearly 19 gal. /minute and on Lobster Cove Road in Boothbay Harbor one bleeder is moving water at a rate of 1 ft³/minute or 7.5 gallons per minute. The manager informed that board that this equated to the intentional non-revenue dumping of approximately 37,800 gallons per day.

In other news, the manager updated board members by informing them that the Knickerbocker Lake and Adams Pond floats have been removed and properly stored for winter.

The manager concluded the treatment report by informing the board EII was scheduled to finish the very last of the SCADA punch list items on 10 December 2012. Additionally, as directed, EII is the leading contender for the installation of night vision security cameras with a cost estimate forthcoming to be included in the 2013 budget.

8. The manager next briefed the board on **Distribution Division** activities. The distribution division was exclusively working only three points, those being: job orders, winterizing fire hydrants & the Cross Road project in Southport.
9. The manager provided the board with an update on the **Southport Merger**. The report opened with the manager attaining a clear understanding of what property will be transferred from the town of Southport to the district with regard to the existing tank site. This was courtesy of a meeting the manager had recently had with Trustee Gamage. The manager reiterated that his instructions from the trustees were to have no part of ownership of shore land associated with the Southport Pond and to accumulate only the property necessary for construction and maintenance of a new standpipe at the height of the land. The manager stated that this information had been relayed to attorney Griffin and to Leighton and Associates so that the proper subdivision work could proceed.

The manager then reports that Osman - Page and the Customer Services Representative had met with Southport staff twice with great progress made transferring records and financials. The manager informed the board that it appeared that the integration of the Southport historical files and billing history into the current billing system would cost of only \$500.00 when done by Northern Data Systems. The manager informed the board that he had authorized this because of the work savings for staff this winter, which would equal this number many times over, if done by staff manually. The manager concluded this portion of his report by stating the financial portion of the project was moving along well.

The manager then updated the board on the Cross Road project which was moving along well. As of that day 535 feet installed and the first hydrant tee laid been placed with 2,400 feet of pipe, or approximately 30% of the stock, fused. The manager then informed he board that the district would soon be losing the free use of the EJ Prescott fusing machine.

The manager then discussed with the board a change in philosophy with regard to the upgrade of seasonal main, district-wide, to year round main. The manager stated that he was convinced that the organizational model, public/private design build work project, now being deployed

in Southport for the conversion of seasonal water main to year-round was the most economical way to accomplish the task.

To accomplish this, the district would need to upgrade its existing fusing machine to a used 12" tracked machine for an estimated cost of \$35,000 to \$38,000. The manager requested authorization by board action to acquire a non-appropriated 12" track machine. The manager also proposed that the old machine be liquidated and that the Southport Water System and the district equally split the balance. The manager stated that he had already discussed this matter with trustee MacPhee (not present) who had no opposition to this plan. After considerable discussion the board approved then manager's request.

Trustee Gamage motioned, Trustee Reed second, vote: unanimous

Lastly the manager informed the board the district had completed a permit by rule for the project which had been completed and submitted with a copy being retained by the district and the Town of Southport.

10. The manager next reported no change in status for the **Southport Interconnection and Tank Replacement Project**.
11. The manager reported to the board as to the status of the **Mt. Pisgah Mixing System and Interior Recoating Project**. The manager provided the formal report as to the fitness of the PAX mixing system. Wright-Pierce was now working on completing the bid documents, cost estimate and shut down plan. The next target date was arranging funding in late- January or early-February, bidding in February with bid-opening in March and completion by 30 May 2013. The board concurred with the proposed time-table.
12. The manager briefly updated the board on his activities with **the Maine Water Utilities Association (MWUA)**. The manager reported that he had been working with the Maine Waste Water Control Association with the intent of meeting with the administration to release the bonds for the SRF. The manager expected to be called upon to meet with the governor to discuss the issue which at that the board asked to be informed. The manager also informed the board that his term was closing and that he would revert into "chill mode" as just a director, a far less time demand.
13. Then manager reported no activity regarding the **NRPA Study** update. The manager informed the board that Ms. Lauren Stockwell would be making a presentation at the next trustee meeting to discuss the health of Knickerbocker Lake with respect to the littoral zone plant communities. The manager went on to describe that he had begun compiling analytical data as far as water level and wetted surface was concerned and would be updating the board with partial findings as well.
14. The manager reported next on the **Boothbay Comprehensive Plan Review Committee**. The manager reported no real activity.
15. The manager reported that he had met with Wright-Pierce with regard to the **Submerged Land Leases** and the project was well on its way
16. Trustee Pinkham reminded the board members to refer all comments to Trustee MacPhee with regards to the draft **Conflict of Interest Policy (CIP)**. Trustee Pinkham stated that he had met with Trustee MacPhee and was satisfied an acceptable draft was close at hand.

17. The manager updated the board as to the **Truck Procurement** process. The manager had no change in status.
18. The manager reported no change in status with regard to the **Credit Card** policy.
19. The manager reported on a new item entitled **Proposed Regional Coalition**. The manager reported that he had met, earlier that day, with Mr. Roger Crouse, Director of the Maine Drinking Water Program and found that the state was very much behind the coalition effort. The conversation revolved around many things including structural procedures and the availability of grant money. There are significant funds available for studies and projects once the coalition is formed, some matching grants up to \$15,000.00.

The next step will be the superintendents meeting with Mr. Jim Cohen the following week to get an idea of how to put together by-laws and form a legal entity. The manager stressed that there were a lot of questions that needed to be answered before a formal proposal would be presented to the board.

20. The manager informed the board that the **2013 Budget** was progressing within the specified timetable.
21. The board voted to go into Executive Session pursuant to 1 M.R.S.A. §405 (6) (A) & (E) at 2006 hr.
Trustee Reed motioned, Trustee Marston second, vote: unanimous
22. The board came out of Executive session at 2010 hr.
Trustee Climo motioned, Trustee Marston second, vote: unanimous
23. The meeting was adjourned at 2014 hr.
Trustee Gamage motioned, Trustee Climo second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler
Manager