

14 April 2015

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 24 MARCH 2015**

The Board of Trustees convened at 1900 hrs. In attendance: Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Reed, Boothbay Harbor (Clerk); Trustee Lewis, Boothbay (Treasurer); Trustee Climo, Southport; Trustee Marston, At-Large; : Trustee Higgins, Boothbay; Jonathan Ziegra, Manager. Guest: None. Absent: None.

1. The minutes of the 10 March 2015 trustees meeting were approved.  
*Trustee Gamage motioned, Trustee Climo second, vote unanimous*
2. The **Payroll** for weeks ending 10 March 2015 & 17 March 2015 were approved.  
*Trustee Gamage motioned, Trustee Climo second, vote unanimous*
3. The **Transactions** for 9 March 2015 through 20 March 2015 were approved.  
*Trustee Gamage motioned, Trustee Reed second, vote: unanimous*
4. **FINANCIAL** – The manager provided the board with a status report of district’s budget performance as of 28 February 2015 (see Table 1) and reported nothing appeared to be of great concern for the first two months of the fiscal year.

Table 1.

	<u>Feb 15</u>	<u>Budget</u>	<u>Jan - Feb 15</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
414-Gain on Sale-Misc Inc.	25000	0	25000	0	0
415 - Jobbing	6527.16	5487.05	10762.67	9286.52	100000
419 - Interest Income	78.49	37.53	174.29	74.98	750
461 - Revenue Accounts	301414.58	311121.31	355493.62	369318.17	2452994
<b>Total Income</b>	<u>333020.23</u>	<u>316645.89</u>	<u>391430.58</u>	<u>378679.67</u>	<u>2553744</u>
<b>Gross Profit</b>	333020.23	316645.89	391430.58	378679.67	2553744
<b>Expense</b>					
403-Depreciation Expense	43500	41666.66	87000	83333.32	520770.65
407-Amoritzation Expense	0	0	0	0	0
408 -- Taxes other than Income	3460.6	3262.72	7694.11	7029.02	46000
427-Interest Expense	18098.92	4599.14	35271.14	9198.28	206949.14
601 - Wages	40206.79	35867.15	85082.32	78599.47	508123.2
603 - Trustee Fees	0	0	0	0	9703.68
604 - Employee Pen. & Benefits	28726.68	34791.5	76019.71	80398.1	368673.89
615 - Electricity	5052.11	5167.82	10206.75	10490.42	62750

616 - Generator Fuel	516.32	564.41	516.32	564.41	750
618 - Chemicals	396	0	396	4752.44	47800
620 - Materials & Supplies	15523.96	16642.04	36030.35	33350.69	328001
620.7 - Postage	0	0	0	0	0
631 - Contr.-Engineering	5505.12	255.46	6765.52	2685.4	12500
632 - Contr. Accounting	3500	17609.56	7000	22100.79	73000
633 - Contr. Legal	0	762.5	419	1569.77	20000
634 - Other Professional Fees	5885.72	1888.47	6794.96	2466.82	20000
635 - Contr-Other	12572.38	10319.94	20890.63	25869.18	170250
642 - Rental of Equipment	0	0	0	0	2000
650 - Transportation	429.52	1301.49	2787.42	7990.37	46000
656 - Insurance-Vehicles	0	0	2414.5	0	0
657 - Insurance - Gen. Liab.	0	0	12342.5	10966.48	22000
658 - Insurance-Workers Comp.	0	0	4140.4	3508.53	6000
660 - Advertising	0	0	0	0	0
667 - Regulatory Expense	0	0	0	0	20000
675 - Misc. Expenses	1104.32	250.4	5473.52	3730.76	8250
<b>Total Expense</b>	<b>184478.44</b>	<b>174949.26</b>	<b>407245.15</b>	<b>388604.25</b>	<b>2499521.56</b>
<b>Net Ordinary Income</b>	<b>148541.79</b>	<b>141696.63</b>	<b>-15814.57</b>	<b>-9924.58</b>	<b>54222.44</b>
<b>Net Income</b>	<b>148541.79</b>	<b>141696.63</b>	<b>-15814.57</b>	<b>-9924.58</b>	<b>54222.44</b>

- a. **Audit** – The manager reported that he was working on the post audit responses to findings and formulation of the 2014 Maine Public Utilities Commission Annual Report. Additionally he stated that he, Osman Page and the Runyon, Kersteen and Ouellette (RKO) were completing the final portions of the audit with a presentation still planned for early May.
  - b. **Water Rate Review** – The manager reported that all financial and planning information had been forwarded to the Maine Water Company with a report forthcoming.
5. **WATERSHED REPORT** - The manager informed the board that on 17 March 2015 the district applied for a 2015 Source Water Protection Grant and provided the board with documentation. The manager informed the board the 319 Grant Application process was moving as planned with the end of May submission still on-target. The manager informed the board that the Natural Resources Manager was doing a fine job in ferreting out available grant funding for raw water quality projects.
6. **SAFETY, TRAINING & EMERGENCY RESPONSE UPDATE** – The manager reported no injuries, violations or missed inspections during the previous period.
- a. **Human Resources** – As of 1 April 2015 all of the health insurance changes were to be completed and on 17 March 2015 all required ergonomic training was completed.

- b. **Fire Hydrant Operations Training** – The manager informed the board that this training was to be completed in the future with the fire departments of Boothbay, Boothbay Harbor, Southport & Edgecomb. The last training offered was over eight-years previously and the consensus, especially with the idiosyncrasies of the district’s hydrants, the distribution division had suggested that this was most likely needed.

- 7. **TREATMENT DIVISION** –The manager reported that the raw water quality remained excellent with corresponding high performance for both filters and clarifiers still being maintained. The raw water turbidity was, however starting to climb up while the pH was beginning to drop requiring more chemical inputs per unit produced.

Much of the maintenance was now complete with annual electrical inspection about to commence. The panel in the Mt. Pisgah Standpipe was reported to be in need of repair/upgrade and would be completed during this year’s maintenance cycle.

On 25 March 2015 the operators were to cross train with the Bath Water District at their plant with the reciprocal scheduled for April at the districts. The manager explained to the board that this was “the first time through” for some district personnel on both sides.

- 8. **DISTRIBUTION DIVISION (DD)** - The manager reported that freeze-ups had subsided and was now the DD was awaiting a break in the weather.

- a. **Seasonal Water Service Turn-on Status Report** – The manager stated that the district was now beginning to field calls requesting seasonal water for “15 April 2015”. The manager stated that he and/or staff was answering each request personally, explaining for the second year in a row, the extreme weather conditions faced by the district. It was the managers hope that the weather looked like it would be changing over the next week which, if there was significant melting and warmer temperatures, The DD could expose the seasonal mains and begin inspection/repairs. The manager stated that it was his hope that he could report significant progress at the next meeting.

9. **SOUTHPORT INTERCONNECTION AND TANK REPLACEMENT PROJECT** -

A. **Contract #1 – Tank Site Prep, Road & Water Main** – Complete.

B. **Contract #2 – Water Main Installation Project** –. As directed on 11 March 2015 the manager reported that he had issued Change Order #4 for \$28,834.00 to cover the additional costs incurred by the district as a direct result of the incompetence of Fairpoint Communication in that the district had to now deviate from the original design drawings and its legally obtained submerged land lease with regard to the Townsend Gut crossing. On 23 March 2015 the contractor restarted the project concentrating on Townsend Gut. The manager reported that blasting was ongoing on the Boothbay Harbor side of Townsend Gut with no-ledge found on the Southport side below the high-tide mark.

The manager then reported that he had received guidance from the Southport Fire Chief as to the placement of the newly installed fire-hydrant located near the Plummer Road and Route 27 intersection within a deeded right of way for a back property. The manager reported that this was a priority once the Plummer Road construction resumed. However, the manager then reported that he had made it very clear to the contractor that the priority was to concentrate first on completing the water main crossing of Townsend Gut and then completing the Rt. 27 portion of the project by Memorial Day. The board concurred with that assessment.

**Contract #3 – Tank Installation Project** – The manager reported that as directed on 11 March 2015 I awarded Contract #3 to DN Tanks for \$977,160.00.

10. **CAMPBELL STREET LOOPING PROJECT** – The manager reported no change in status.
11. **FIVE RIVERS** – The manager stated that he would be attending the next managers meeting on 26 March 2015.
12. **GIS** –nothing new to report.
13. **LAND ACQUISITION PROPOSAL** –
  1. Farrin Property –Nothing new to report.
  2. Hamrin Property - Nothing new to report.
14. **BOOTHBAY HARBOR COUNTRY CLUB (BHCC)** – The manager reported that after several attempts he had a meeting set-up with Wright-Pierce, Knickerbocker Group to discuss requirements for serving domestic water to the proposed complex.
15. The meeting was adjourned at 1946 hr.  
*Trustee Climo motioned, Trustee Gamage second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra  
Manager