

12 May 2015

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 28 APRIL 2015**

The Board of Trustees convened at 1900 hrs. In attendance: Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Lewis, Boothbay (Treasurer); Trustee Climo, Southport; Trustee Marston, At-Large; : Trustee Higgins, Boothbay; Jonathan Ziegler, Manager. Guest: Ms. Susan Mello, Natural Resources Manager. Absent: Trustee Reed, Boothbay Harbor (Clerk).

1. The minutes of the 14 April 2015 trustees meeting were approved.
Trustee Gamage motioned, Trustee Lewis second, vote unanimous
2. The **Payroll** for weeks ending 14 April 2015 & 21 April 2015 were approved.
Trustee Gamage motioned, Trustee Lewis second, vote unanimous
3. The **Transactions** for 13 April 2015 through 24 April 2015 were approved.
Trustee Gamage motioned, Trustee Lewis second, vote: unanimous
4. **FINANCIAL** – The manager provided the board with a Budget Performance Summary through 31 March 2015.

	<u>Mar 15</u>	<u>Budget</u>	<u>Jan - Mar 15</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense					
Income					
414-Gain on Sale-Misc Inc.	0.00	0.00	25,000.00	0.00	0.00
415 - Jobbing	8,336.74	3,789.75	19,099.41	13,076.27	100,000.00
419 - Interest Income	84.81	42.73	259.10	117.71	750.00
461 - Revenue Accounts	<u>44,888.55</u>	<u>45,181.21</u>	<u>400,382.17</u>	<u>414,499.38</u>	<u>2,452,994.00</u>
Total Income	<u>53,310.10</u>	<u>49,013.69</u>	<u>444,740.68</u>	<u>427,693.36</u>	<u>2,553,744.00</u>
Gross Profit	53,310.10	49,013.69	444,740.68	427,693.36	2,553,744.00
Expense					
403-Depreciation Expense	43,500.00	41,666.66	130,500.00	124,999.98	520,770.65
407-Amoritzation Expense	0.00	0.00	0.00	0.00	0.00
408 -- Taxes other than Income	3,443.83	3,496.82	11,137.94	10,525.84	46,000.00
427-Interest Expense	18,145.84	4,599.14	53,416.98	13,797.42	206,949.14
601 - Wages	40,563.30	37,856.93	125,645.62	116,456.40	508,123.20
603 - Trustee Fees	0.00	0.00	0.00	0.00	9,703.68
604 - Employee Pen. & Benefits	25,288.45	27,524.06	101,308.16	107,922.16	368,673.89
615 - Electricity	5,143.60	4,885.11	15,350.35	15,375.53	62,750.00
616 - Generator Fuel	0.00	0.00	516.32	564.41	750.00
618 - Chemicals	3,257.44	3,108.10	3,653.44	7,860.54	47,800.00

620 - Materials & Supplies	15,185.83	30,532.26	43,663.22	63,882.95	328,001.00
620.7 - Postage	171.57	0.00	171.57	0.00	0.00
631 - Contr.-Engineering	1,726.13	682.56	5,615.29	3,367.96	12,500.00
632 - Contr. Accounting	16,442.50	5,696.81	23,442.50	27,797.60	73,000.00
633 - Contr. Legal	-419.00	0.00	0.00	1,569.77	20,000.00
634 - Other Professional Fees	1,948.87	1,042.40	8,743.83	3,509.22	20,000.00
635 - Contr-Other	7,718.58	35,767.45	28,609.21	61,636.63	170,250.00
642 - Rental of Equipment	0.00	1,058.82	0.00	1,058.82	2,000.00
650 - Transportation	529.91	6,116.49	3,317.33	14,106.86	46,000.00
656 - Insurance-Vehicles	0.00	0.00	2,414.50	0.00	0.00
657 - Insurance - Gen. Liab.	0.00	0.00	12,342.50	10,966.48	22,000.00
658 - Insurance-Workers Comp.	0.00	-268.79	4,140.40	3,239.74	6,000.00
660 - Advertising	0.00	0.00	0.00	0.00	0.00
667 - Regulatory Expense	0.00	62.99	0.00	62.99	20,000.00
675 - Misc. Expenses	254.53	-48.45	5,728.05	3,682.31	8,250.00
Total Expense	182,901.38	203,779.36	579,717.21	592,383.61	2,499,521.56
Net Ordinary Income	-129,591.28	-154,765.67	-134,976.53	-164,690.25	54,222.44
Net Income - Depreciation (Cash)	-86,091.28	-113,099.01	-4,476.53	-39,690.27	
	-129,591.28	-154,765.67	-134,976.53	-164,690.25	54,222.44

Billing for May 2015, which will be launched by the end of the week will total \$292,471.43

- a. **Audit** – Still awaiting the report
 - b. **Water Rate Review** –Nothing new to report.
5. **WATERSHED REPORT** - The Natural Resources Program Manager (NRPM) provided a detailed report on issues and upcoming milestones with regard to work within the Adams Pond and Knickerbocker Lake watersheds.
- a. **NPS Landscaping Grants** – The manager and NRPM presented a proposal to the trustees to provide landscaping grants by the district in situations for a portion of matching funds with regard to the district’s *Adams Pond and Knickerbocker Lake Watershed Protection Plan, March 2015*:

Residential

The survey found nine NPS sites associated with residences. Two were high impact, four medium impact and three were low impact. Common problems observed were surface and ditch erosion, bare soils, shoreline erosion and roof runoff erosion. Recommendations proposed to address these include installing runoff diverters, defining foot paths, vegetating or mulching bare soils and creating buffers. The plan proposes to remediate one high impact and one medium impact residential NPS site as part of the 319 grant process. BRWD will provide financial and technical assistance to encourage homeowners to address three medium and three low impact sites. The remaining high impact site was due to construction without proper use of BMPs and has been addressed.

After much discussion the board agreed with the concept and asked the manager to provide a budget and methodology to administer the grant program.

- b. **Public Use of District Land** – The board discussed at great length the possibility of trail system and other public use of district properties. The board stated they would ponder the question.
 - c. **Clifford Park Expansion** – The NRPM informed the trustees of a planned expansion of Clifford Park as well as ramifications and requests of adjoining district property and raw water quality. After much discussion, including a trail system with on adjoining district property, the board delayed any action to ponder the question.
6. **SAFETY, TRAINING & EMERGENCY RESPONSE UPDATE** – The manager reported no injuries, violations or missed inspections during the previous period.
- a. **Human Resources** – Minor paperwork and are now moving into maintenance mode as well as drafting personnel policy manual. .
 - b. **Fire Hydrant Operations Training** – Unscheduled but to be done with the local fire departments sponsored by the district.
 - c. **Fire Chiefs Meeting** – The manager informed the board that he would be presenting a state of the system overview to the regions fire chiefs on 7 May 2014 and would be going over district projects, plans and potential expanded capabilities. Chairman Pinkham stated he would officiate the meeting
7. **TREATMENT DIVISION** – The manager reported that as expected, raw water turbidity was up as was the pH of the pond since the 16 April 2015 “ice-out”. All raw water parameters were reported to remain within normal limits. The district was now on two filter operation and would remain in that configuration for the remainder of the season. Kenniston Hill Booster Pump #2 had been found with a bad bearing originating from stray current. There was discussion amongst the trustees as to limiting stray current and were satisfied every strategy was being employed by the district.

District personnel removed the pump/motor assembly per preference of Stultz Electric and delivered it to Stultz for repair and tuning. The motor was repaired with the pump remounted and reported delivered to the district. The manager reported that district personnel reinstalled the pump the previous weekend and ran it through required tests with the repaired motor/pump assembly found in excellent working order. Production levels were reported to be around 0.7000 MGD with obvious leakage in Southport and in the Squirrel Island main.

8. **DISTRIBUTION DIVISION (DD)** - The manager reported the following:
- a. **Seasonal Water Service Turn-on Status Report** – He was particularly impressed with both the distribution and treatment divisions working together for a smooth and on-time start-up under very trying conditions. In short the two divisions made all of the distribution commitments within two-weeks, half the normal time.

Trustee Gamage went on to praise the Chief Treatment Plant Operator for his redesign of seasonal blow-offs on Southport and the distribution divisions very clever way of preparing the seasonal water main in a Department of Transportation (DOT) work area Hendricks Hill Road which will ensure system service to all customers when the seasonal water main will have to be temporarily removed later in 2015. The board passed along their appreciation as well. The manager stated he would pass those wishes on.

- b. **Crest Avenue Booster Pump Variable Frequency Drive (VFD)** - Upon start-up of this station it was found that the VFD was dead. We had a replacement of a new, older model on the shelf and installed it but needed assistance from Stultz in programming it. The job was completed in two-days and was now up and running.
- c. **Squirrel Island Main (SIM)** - Upon start-up it was found that the SIM was hemorrhaging severely. Fuller Marine Services inspected the water main and found it severely damaged during winter storms. Originally the SIM had been in a bed in sand on the Squirrel Island side but now the sand was gone and the main was chaffing on the bedrock. Fuller Marine repaired three holes and unfortunately one of the holes could not be completely repaired. After discussion with Fuller Marine Services the manager informed the board that he was going to replace the first 100 yards of main on the Squirrel Island side, sleeve it and pin it to the now existing ledge. In addition Fuller Marine Services would re-pin the Spruce Point side as well because many of the hangers were found to be damaged. This work will take place the second or third week in June.
- d. **My Way Water Main** – the manager reported minor movement of the main was required and the 12 new seasonal services to be installed over the next few weeks.
- e. **Meter Upgrade Project Phase I** – This effort will restart next week at a reduced pace due to other operational responsibilities.
- f. **Cross-Connection Control** –The letter was still in process.

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

- a. **Contract #1 – Tank Site Prep, Road & Water Main** – Complete.
- b. **Contract #2 – Water Main Installation Project** – Since the previous meeting the water main has been buried from the high water mark to the low water mark on both sides of Townsend Gut. Approximately 300 feet of water main had been installed on Hendricks Hill Road from Plummer Road, easterly to Beacon Hill Road. The water main above the high water mark in Southport still needs to be installed but will require additional blasting. Lastly the fire hydrant on the corner of Plummer Road and Hendricks Hill Road had been removed only to be reinstalled once the Plummer Road crew resumes work. The next Progress Meeting was scheduled to be in the Conference Room, 29 April 2015 at 0900 hr.
- c. **Contract #3 – Tank Installation Project** – The manager reminded the board that the Pre-Construction Meeting would be in the Conference Room, 29 April 2015 at 1000 hr.

10. **CAMPBELL STREET LOOPING PROJECT** – Since the last meeting, the pre-blast survey had been completed. Reny Construction was mobilizing with an exploratory dig on the Pisgah Line adjacent to the studio to verify current condition. It was unclear if a shut down for that main would be required to install a valve or if a tap and sleeving valve would be required. The manager stated that all of the temporary water would be completed by 1 May 2015 with construction slated to begin on Monday, 3 May 2015.
11. **FIVE RIVERS** – The manager reported that Five-Rivers received a capacity development grant for \$30,000 to assess future expansion and water resources. The manager reported that he had a managers meeting later that week and would provide a more detailed picture at the next meeting.
12. **GIS** --- The manager stated that he was meeting with Wright-Pierce on 30 April 2015 and vented his frustration with Wright-Pierce in direction of the product and lack of milestones. The board eagerly would be awaiting the results of his meeting. The manager provided status report from Wright-Pierce with regard to progress to-date.
13. **LAND ACQUISITION PROPOSAL** –
 1. Farrin Property –Nothing new to report.
 2. Hamrin Property - Nothing new to report.
14. **BOOTHBAY HARBOR COUNTRY CLUB (BHCC)** – Nothing new to report.
15. The meeting was adjourned at 2000 hr.
Trustee Marston motioned, Trustee Lewis second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler
Manager