

28 June 2016

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 14 JUNE 2016**

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 Marston, At-Large; Trustee Climo, Southport; Trustee Higgins, Boothbay; Jonathan Ziegler, Manager. **Guest:** None. **Absent:** None.

1. The board approved the minutes for 10 May 2016 without revision.
Trustee Gamage motioned, Trustee Marston second, vote unanimous
2. The **Payroll** for weeks ending 10 May 2016, 17 May 2016, 24 May 2016, 31 May 2016 & 7 June 2016 were approved.
Trustee Marston motioned, Trustee Reed second, vote unanimous
3. The **Transactions** for 9 May 2016 through 20 May 2016 & 23 May 2016 through 10 June 2016 were approved.
Trustee Marston motioned, Trustee Reed second, vote: unanimous
4. **FINANCIAL** – The manager provided the board Table 1. *BRWD Budget Performance Summary as of 30 April 2016*

Table 1

	Apr 16	Budget	Jan - Apr 16	Annual Budget
Ordinary Income/Expense				
Income				
415 - Jobbing	11,562.56	6,393.79	28,436.30	100,000.00
419 - Interest Income	47.80	29.93	286.57	1,000.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	0.00		6,847.65	
461 - Revenue Accounts	613,431.96	628,598.52	1,006,425.55	2,465,082.78
Total Income	625,042.32	635,022.24	1,041,996.07	2,566,082.78
Gross Profit	625,042.32	635,022.24	1,041,996.07	2,566,082.78
Expense				
403-Depreciation Expense	50,000.00	56,666.00	197,500.00	680,000.00
408 -- Taxes other than Income	3,790.83		15,738.85	
427-Interest Expense	22,970.55	24,648.92	92,762.18	288,952.12
601 - Wages	46,521.10	54,883.59	182,408.92	575,173.44
603 - Trustee Fees	8,926.02	0.00	8,926.02	9,723.09
604 - Employee Pen. & Benefits	26,540.13	23,835.80	111,822.96	324,471.34
615 - Electricity	4,604.87	4,480.44	13,034.94	66,523.90
616 - Generator Fuel	0.00	0.00	0.00	750.00
618 - Chemicals	4,679.53	1,601.70	17,326.14	37,171.57

620 - Materials & Supplies	19,937.63	15,100.87	73,114.16	215,250.00
620.7 - Postage	126.67		126.67	
631 - Contr.-Engineering	119.28	4,644.01	3,558.82	15,000.00
632 - Contr. Accounting	3,500.00	2,500.00	24,155.00	70,000.00
633 - Contr. Legal	0.00	0.00	523.50	5,000.00
634 - Other Professional Fees	3,166.09	5,471.05	10,575.73	40,000.00
635 - Contr-Other	15,396.94	13,324.16	41,173.51	197,450.00
642 - Rental of Equipment	0.00	0.00	398.48	1,000.00
650 - Transportation	2,881.41	499.56	9,335.54	32,650.00
656 - Insurance-Vehicles	0.00	0.00	0.00	2,600.00
657 - Insurance - Gen. Liab.	0.00	0.00	15,282.00	30,000.00
658 - Insurance-Workers Comp.	3,594.90	3,175.40	8,388.10	13,000.00
660 - Advertising	0.00	0.00	120.00	500.00
667 - Regulatory Expense	9,331.79	0.00	10,806.16	18,000.00
675 - Misc. Expenses	486.90	1,075.15	3,006.80	13,179.17
680.00 - Uncategorized	0.00		0.00	
Total Expense	226,574.64	211,906.65	840,084.48	2,636,394.63
Net Ordinary Income	398,467.68	423,115.59	201,911.59	-70,311.85
Net Income	398,467.68	423,115.59	201,911.59	-70,311.85

- a. **Rate Review -** The manager provided the board with a copy of the *Draft Boothbay Region Water District System Infrastructure Assessment* to be electronically filed with the Maine Public Utilities Commission (PUC) once representatives from the Maine Water Company (MWC) complete their review. The manager explained that the document was the first requirement for instituting system development surcharges. Additionally, the traditional rate case for fire rate realignment was reported to be moving forward.
 - b. **Vehicle Replacement** – The manager asked the chairman and vice-chairman their availability to visit the dealership to negotiate the purchase of two replacement vehicles under the State of Maine contract pricing. After discussion the manager was instructed to set up an appointment after his upcoming vacation.
5. **NATURAL RESOURCES PROGRAM UPDATE** – The manager discussed with the board the following written report provided by the Natural Resources Program Manager (NRPM):

Watershed report June 14

1) MNRCP grant: We close on the Hamrin property on June 15. We can now move to next phase - permitting/restoration/conservation easement. We expect to complete all work by 10/1 (probably earlier). We will submit for grant reimbursement in pieces. We will be reimbursed for \$64,400 once all closing documents/deed/title insurance are sent in and approved; \$8,100 once work plan is approved (submitted 5/25) and \$13,130 after stream restoration is complete and conservation easement is recorded (expect by 12/16).

2) Pat Farrin has requested an onsite meeting to discuss land acquisition. We are interested in purchasing a 22-acre parcel appraised at \$100,000 in the Adams Pond watershed that includes the Knickerbocker pipeline. Farrin wants to tie this purchase to obtaining water district property next to his gravel pit. Our property he is interested in is in large part a mix of wetland and streams. He has been told that the District does not wish to part with this property but may consider an easement so he can access another parcel he owns on Back River Road.

3) John Peckenham UMaine will be here on June 20 to discuss a research project he is doing on toxic blue green algae and to collect water samples from Adams and Knickerbocker. We have sent him all our water quality data and summary report and hope to have his input on our sampling program. We are also trying to get our water supply included in two other ongoing UMaine research projects.

4) Maya Schwebm, who just finished her first year at College of the Atlantic, is our summer intern this year; she started last week. She will work primarily for watershed program but will also assist with treatment and distribution. In addition to helping with ongoing projects, she will undertake a variety of individual projects, as well, including creating a lake water quality sampling SOP and completing an invasive aquatic plant survey of Knickerbocker Lake.

5) DEP 319 (erosion control grant) will be submitted in the next week. It is due June 28.

6) Revisited the YMCA camp after the 2.2" rain. Erosion control work done last fall under BRWD lake grant looks very good.

7) Still waiting on town to sign proposed contract for CEO support. Will meet with Bryer on a number of issues, including this one, this week.

Susan Mello
Natural Resources Program Manager

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
- a. **Human Resources (HR)** – The summer intern had completed all new employee safety and HR Training and as of now was completing work primarily with the Natural Resources Program and also making tangible contributions within the DD and TD as well.
 - b. **Training Update** – On 11 June 2016 The NRPM and summer intern completed the Maine Volunteer Lake Monitoring Program (VLMP) training and were now qualified to complete water quality sampling on Adams Pond and Knickerbocker Lake in accordance with Maine protocols.
 - c. **Safety Equipment Grant Application** – On 27 May 2016 the manager informed the board that the district had received notification that the district had received a safety equipment grant for \$1,999.97 from the Maine Municipal Association (MMA). The following press release written by MMA was posted on the district's Facebook page and sent to the *Boothbay Register*.

*Municipal Officials are pleased to announce that **Boothbay Region Water District** has received a Safety Enhancement Grant awarded by the Maine Municipal Association for **\$1,999.97**.*

The Safety Enhancement Grant and Scholarship Grant programs offer financial incentives to members of the Maine Municipal Association Workers' Compensation Fund. These grants are used to purchase safety equipment or services that assist in reducing the frequency and severity of workplace injuries. Improving workplace safety for municipal employees saves taxpayers money by reducing lost hours at work, cost of insurance claims and overtime expenses for employees who might have to fill in for injured co-workers.

*The Maine Municipal Association has been awarding safety grants to Members of their Workers' Compensation fund since 1999. The Grant program has assisted municipalities by bestowing more than **\$3.8 million** through funding of **3,070** Safety Enhancement Grants and **424** Scholarship Grants.*

*Loss Control Department for Maine Municipal Association, advises the program received **179** applications for this grant period and **\$153,019** was awarded. Grants are awarded in May and October each year.*

7. **TREATMENT DIVISION (TD)** – The manager reported clarifier and filter efficiency remained at 100% with chemical addition ratios unchanged from the previous report. Trustee Lewis asked the manager to explain the definition of clarifier and filter efficiency. The manager explained that the percentage was calculated on a time in service for a particular run in proportion to the manufacturers rated maximum filter runs. The manager stated that regardless of the head loss on either the clarifier or filter

Average flow for the previous period, as compared to 2015 was analogous, averaging 0.6500 MGD. Key chemical additions remain at the same dosing level as previously reported. Raw water quality remains good, with very slight taste and odor issues.

Adams Pond remains at maximum capacity of 228 MG.

Sampling of Adams Pond and Knickerbocker Lake had commenced with two rounds already completed.

8. **DISTRIBUTION DIVISION (DD)** – The DD had been concentrating on the projects listed below as well as supporting the DOT's paving activities within the region. Currently the DD was completing a repair of the Barters Island feed line, improperly installed previously to get the water main out from under the state road but keeping it in the state right-of-way on Barters Island road directly after the swing bridge. This project required much ledge removal and pipe fabrication but was scheduled to be in service and complete by weeks end, well ahead of the paving schedule.
9. **5 RIVERS REGIONAL WATER COUNCIL** – On 17 May 2016, the manager together with trustees Pinkham, Gamage & Reed, attended the annual trustee dinner at the Kennebec Tavern in Bath. Wright-Pierce presented the Regional Water Assessment Plan and there was much positive discussion among the various trustees. Work on standards continues
10. **LAND ACQUISITION UPDATE** – Vice-Chairman Gamage reported upon a meeting he, as well as the manager and NRPM had attended earlier that evening with Mr. Pat Farrin where the group walked district property adjacent to Mr. Farrin's business, owned by the district, where in Mr. Farrin was interested in receiving some of that property for what he claimed was access for his son's new home. In exchange Mr. Farrin discussed linking this to the possible sale of property owned by Mr. Farrin which was of value for natural resource management and infrastructure security. The NRPM was tasked with preparing an opinion as to course of action and further discussion of this topic was tabled until such time as the report was completed.

On 15 June 2016 at 1300 hr., as previously authorized the manager informed the board that he would be closing on the Hamrin property for approximately \$120,000.00. The NRPM had produced a schedule of milestones and payment to the district for grant funding of \$86,000.00.

11. **CAPE NEWAGEN ROAD WATER MAIN LOOPING PROJECT** – The manager reported that this project was complete including the installation of 940-feet of 8” HDPE water main, 205-feet 12” HDPE, one new hydrant and various valve packages. The construction went very well with the crew enjoying working with Hagar Enterprises. On the Route 27 portion of the project the manager relayed that the contractor exceeded the pay limit for ledge which upon engineering review was verified and would be paid for. Dirigo Engineering had admitted that they underestimated the cost for flaggers which also ended up above estimate and was also eligible for repayment. That said the manager reported that the project ended within budget. The manager provided the board the minutes of the 1 June 2016 pay request meeting.

Although the water mains had been successfully pressure tested they were awaiting results of biological testing and were not yet in service with the new hydrants on Route 238 and Nickerson Road remaining bagged and out-of-service.

12. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** – The manager reported that the previous day he had received a call from Sargent Corporation informing the district that they would like to complete a tap and sleeve and valve on the district’s primary transmission water main at an undisclosed location within the vicinity of the Boothbay Common that day. The manager informed the board that this was the first discussion with any contractor or contract representative since the meeting with Knickerbocker Group on 9 May 2016 as reported at the 10 May 2016 trustee meeting. The manager provided a copy of a rather strongly worded e-mail he had sent to Ms. Danielle Betts P.E. and Mr. Steve Malcolm, Knickerbocker Group making them both aware of the managers thoughts on their inattention to detail and gross failure to meet the water district’s needs as previously promised.

The manager explained that Knickerbocker Group had promised the district a preconstruction meeting with all of the key players and more importantly a final set of drawings for the project. The manager informed the board that Ms. Betts had written him back and did not appreciate the manager’s remarks or tone. However, since that e-mail was sent, the manager reported that Knickerbocker Group had provided the district with most of the materials requested and distribution foreman had reported to the manager the he had been invited to a pre-construction meeting with all of the key players. The manager finished his report by stating he had billed Knickerbocker Group over \$45,000.00 to clear their debt for design services provided by the district.

13. **SYSTEM CONSOLIDATION GRANT AVAILABILITY** – The manager reported that since the previous meeting the design work, budget, contract specifications, environmental review and sign off of the Maine Drinking Water Program (DWP) had been completed. On 1 June 2016 a meeting with all of the key players was held and the minutes of that meeting were provided to the board. At that time, the Chairman made the command decision to move forward with the project.

The project was negotiated with Hagar Enterprises and the price came back within allowable parameters. In addition to the pipe work the district had committed to replacing two Maine Department of Transportation (DOT) catch basins due to the fact that they were deficient and would likely be damaged beyond usefulness during the blasting phase or construction phase of the contract. In return the DOT had waived the fees for the road opening permit and together with a modest contribution from the town of Southport; DOT was making it possible for the district to complete the job correctly.

The manager then reported that the Town of Southport, Board of Selectmen petitioned the DOT to waive the paving schedule for both Route 238 and Route 27 in Southport. The DOT had since granted that request allowing the schedule be modified at the convenience of Hagar Enterprises (state paving contractor). By the town of Southport allowing this, the district now had the flexibility to get all the work completed in entirety which would allow uniform and seamless paving for the state roads of Southport. .

Blasting is set to begin 20 June 2016 with an estimated completion timeframe of about three-weeks.

14. **LINEKIN BAY RESORTS** – No change in status
15. **BIGELOW LABORATORY WATER MAIN EXTENSION** – The manager reported that Bigelow had met all of the district’s requirements, selected an excellent contractor and was current with all fees. I am requesting the board authorize Bigelow Laboratories to complete their proposed 8” HDPE main extension to support the new housing complex. The board granted the managers request.
Trustee Marston motioned, Trustee Gamage second, vote: unanimous
16. **BOOTHBAY BOTANICAL GARDENS EXPANSION** – Nothing new to report.
17. **THOMPSON STANDPIPE** – The manager reported that DN Tanks had returned on 30 May 2016 and had completed the painting of the Thompson Family Standpipe. This had been successfully inspected and a pay request for their retainage had been made to RD.
18. **THOMPSON FAMILY & HARRY L. PINKHAM STANDPIPE MONUMENTS** - The manager stated that as directed, the standpipe monuments had been installed and look very sharp. The board set the dedication for both tanks to take place on 2 July 2016 with the Pinkham Tank at 1000 hr. and the Thompson Tank scheduled for 1100 hr.
19. **METER DOWNSIZE REQUEST** - The manager reported that the district had received a request by Ms. Debra Hallinan, 18 Highland Park Road, Boothbay Harbor to reduce her meter size from 3/4” to 5/8”. The manager presented the board with his analysis concerning this request and his recommendation the board grant the downsizing request. The board reviewed the facts and granted the request.
Trustee Marston motioned, Trustee Gamage second, vote: unanimous
20. **NEW BUSINESS** - Chairman Pinkham requested the board direct the manager to purchase granite steps for the back doors of the administration building and that the back doors get repainted. The board approved this request.
Trustee Pinkham motioned, Trustee Climo second, vote: unanimous
21. The meeting was adjourned at 1935 hr.
Trustee Climo motioned, Trustee Reed second, vote: unanimous

END OF MINUTES