

10 April 2018

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 27 MARCH 2018**

The Board of Trustees convened at 1800 hrs. **In attendance:** Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Climo, Southport (Clerk); Trustee Lewis, Boothbay (Treasurer); Trustee Anthony, Boothbay; Trustee Marston, At-Large; Trustee Tibbetts, Boothbay Harbor; Jonathan Ziegler, Manager. **Guest:** None. **Absent:** None.

1. The board approved the minutes for 27 February 2017 without revisions.
Trustee Gamage motioned, Trustee Anthony second, vote unanimous
2. The **Payroll** for weeks ending 27 February 2018, 6 March 2018, 13 March 2018 & 20 March 2018.
Trustee Climo motioned, Trustee Gamage second, vote unanimous
3. The **Transactions** for the period of 26 February 2018 through 9 March 2018.
Trustee Climo motioned, Trustee Gamage second, vote unanimous
4. **FINANCIAL-** The manager presented to the board Table 1 - *Boothbay Region Water District Cash Account Status Report as of 27 March 2018*, Table 2 - *Boothbay Region Water District Budget performance Summary as of 28 February 2018* & Table 3 – *Boothbay Region Water District Capital Improvement & Equity as of 28 February 2018*.
 - a. **2018 Rate Case** – Work remained ongoing with the district’s rate engineer gathering information. Both the district’s accountant and customer service representative were fully engaged with the data gathering phase of the rate case.
 - b. **Seasonal Start-up Status Report** – The annual seasonal start-up matrix was ready to post, which initially would be blank with the manager hopeful it would curb the flood of calls by seasonal customers inquiring when seasonal service for their cottage would be established. The manager stated that he was encouraged by the many telephone calls as of late, knowing the district’s seasonal customers were itching to get back but the calls can be quite disruptive if the district does not get ahead of it putting information as up-to-date out there. The manager then informed the board that seasonal billing would be going out 1 April 2018 and was valued at \$569,921.11.

Lastly the manager reported that as optimistic as he was within his previous report with regard to the weather; as it turned out the weather was not cooperating and once again the district was going into April with a sizable snow load still on the seasonal mains and temperatures not conducive for seasonal start-up. The manager stated that as of that time he felt confident the district would meet the 1 May 2018 seasonal start date, but cautioned the board that the next month would be extremely busy, particularly with the distribution division, strongly augmented by the treatment division.

- c. **Meter Reading Cost of Service Study** – The manager presented the board with a proposal which he had requested from the Maine Rural Water Association (MRWA) for the formulation of developing a meter reading cost rate. The manager reasoned that because this new rate, which would use 2017 as a pro-forma year, would likely be heavily scrutinized by district customers requesting this information and believed an investment of \$2,500.00 to a neutral third party, of which both the Boothbay Region Water District and the Boothbay Harbor Sewer District (the main purchaser of meter readings) were members in good standing and would provide an unimpeachable and accurate meter rate that both entities would be confident were true and actual. The manager formally request board authorization to engage the MRWA for this specific tasking. The board approved the request.

Trustee Gamage motioned, Trustee Anthony second, vote unanimous

5. NATURAL RESOURCES PROGRAM –The following written report was provided by, and delivered by the Natural Resources Program Manager:

1) Water quality summary report and Forrest Bell Environmental Lake Loading Models were completed and posted to the BRWD website and in a press release to the Boothbay Register on March 3. Link to documents here <https://www.bbrwd.org/watershed-and-lake-reports/>

Short synopsis: The reports conclude that while both Adams Pond and Knickerbocker Lake currently meet standards for medium productive lakes, they are at the high end of the productivity scale and any further degradation in water quality would make the lakes more susceptible to algae blooms and necessitate more treatment to serve as public drinking water. Little Knickerbocker Lake appears already to be degraded, with no oxygen in much of the water column through the growing period, elevated chlorophyll-a levels (indicative of algae), poor water clarity and recycling of phosphorus from bottom sediments. Buildout analyses and lake loading models indicate that under current ordinances complete development of the watershed will result in an unacceptable decline in water quality in both lakes, resulting in a situation where algae blooms would be expected, property values would drop, and water would become significantly more expensive to treat. Models also indicate that while protecting as much as one-third of watershed land from development would improve this water quality outcome, this amount of conservation would not be adequate to protect lake water quality under full buildout. The reports suggest that a coordinated approach to watershed land conservation, improved watershed zoning ordinances and remediation of non-point source pollution will be necessary to keep Adams Pond and Knickerbocker Lake healthy.

2) The Board of Selectmen will consider signing the attached consent agreement with CMBG at their meeting on Wednesday, 28 March. Our comments on the consent decree are attached. CMBG gets to keep all the development in the watershed, will place 75 acres (most of which is already protected by ACOE and DEP) under a conservation agreement, and stormwater modeling has been expanded. In our comments, we ask to hold the conservation easement on the 75 acres and clarify that all future development will need to comply with ordinances existing at the time of application.

3) Our 2017 CDC Source Water Protection grant has been approved for \$10,000 reimbursement. We will submit another CDC grant application this week for \$10,000 to cover shoreline and septic surveys, water quality analyses and lake loading model update.

4) We are working on a report on the erosion control work completed from 2015-2017 and on plans for upcoming 319 grant work and field work.

5) Twice monthly meetings with Planning Board on ordinance revision continue.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 27 March 2018	
Account	Balance
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 121,354.65
Liquidity Total	\$ 146,354.65
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,334.39
Land Acquisition Fund	\$ 14.65
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,410.35
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 35,958.61
TOTAL CASH RESERVES	\$ 182,313.26

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
- a. **Human Resources (HR)** – Due to the most recent weather cancellations both the manager and the distribution foreman (aka Teamsters Union #314 Shop Steward) and the district HR contractor have not been able to reconvene and make edits on the rough draft of the personnel policy and therefore a copy of the Draft Boothbay Region Water District Personnel Policy had yet to be completed. The manager reiterated that this was a needed document in that there were policies that needed to be adopted by the district, addressing policies required by federal and Maine law. The manager went on to explain that even though it was a management right to build this document without union input, the manager had no interest in changing the current culture of the BRWD. What the board, management and labor had jointly developed over the past 18-plus years, works and works well. The purpose of the document would be to document the current culture, showing all employees definitively “where the sides of the road are” and complying with the law.
 - b. **Training Update** – The manager reported that with additional \$0.25 per hour for each Class IV license attained, most junior staff had been training hard for their exams. The manager reported that as of that morning, most junior staff began a Class III & Class IV training program administered by the MRWA. The manager again thanked the board for this policy relaying his feelings that if the district should have the majority operators attain the Class IV license level, the real beneficiaries would be the three-towns served as well as the district’s nearly 4,000 customers.
 - c. **New Licenses** – The manager took pleasure in reporting to the board that Mr. Trevor Morin, Assistant Distribution Foreman, attained his Class II Treatment License within the previous period. The manager reported he had been recognized for this accomplishment in the company of staff at a recent weekly staff meeting. The board instructed the manager to pass along their congratulations as well.

Table 2
Boothbay Region Water District Profit & Loss Budget Performance as of 28 February 2018

	Jan - Feb 18	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
414-Gain on Sale-Misc Inc.	4,300.00	0.00	0.00
415 - Jobbing	8,562.75	8,510.68	107,111.79
419 - Interest Income	29.29	58.50	350.00
461 - Revenue Accounts	396,322.01	385,410.91	2,615,650.79
Total Income	409,214.05	393,980.09	2,723,112.58
Gross Profit	409,214.05	393,980.09	2,723,112.58
Expense			
403-Depreciation Expense	110,000.00	110,000.00	660,000.00
408 -- Taxes other than Income	9,444.91	9,294.10	53,000.00
427-Bond and Loan Interest (Long Term Liab. Interest)	48.81	0.00	0.00
427-Interest Expense	48,556.00	45,532.71	271,760.45
601 - Wages	99,653.76	89,544.97	566,057.31
603 - Trustee Fees	0.00	0.00	10,056.40
604 - Employee Pen. & Benefits	67,305.76	58,486.18	386,475.93
615 - Electricity	19,220.12	8,575.54	58,950.00
618 - Chemicals	1,669.50	3,163.26	38,600.00
620 - Materials & Supplies	12,519.12	25,497.52	207,850.00
620.7 - Postage	49.41	0.00	0.00
631 - Contr.-Engineering	0.00	2,000.00	12,000.00
632 - Contr. Accounting	8,000.00	10,333.40	62,000.00
633 - Contr. Legal	1,540.50	4,916.70	29,500.00
634 - Other Professional Fees	2,830.00	1,666.70	10,000.00
635 - Contr-Other	19,021.59	31,288.80	204,750.00
642 - Rental of Equipment	0.00	0.00	250.00
650 - Transportation	7,191.40	6,250.50	38,250.00
657 - Insurance - Gen. Liab.	14,167.91	16,250.00	32,500.00
658 - Insurance-Workers Comp.	4,953.60	3,677.60	13,000.00
660 - Advertising	0.00	0.00	1,500.00
667 - Regulatory Expense	0.00	2,500.00	15,000.00
670 - Uncollectables	0.00	0.00	0.01
675 - Misc. Expenses	1,143.03	1,500.00	9,050.00
680.00 · Uncategorized	143.69	0.00	0.00
Total Expense	427,459.11	430,477.98	2,680,550.10
Net Ordinary Income	-18,245.06	-36,497.89	42,562.48
Net Income	-18,245.06	-36,497.89	42,562.48

Table 3
BRWD Capital Improvement & Equity Report as of 28 February 2018

Accnt #	Description	Jan-Feb 2018	Amount
Capital Improvement Projects			
105.01	Marine Construction	\$ -	\$ 4,500.00
105.02	Engineering & Excavation	\$ -	\$ 22,000.00
105.05	GIS	\$ -	\$ 6,000.00
105.10	Storage Building Project	\$ -	\$ 10,000.00
105.15	Country Club Phase II	\$ -	\$ 5,000.00
105.16	Meter Upgrades	\$ -	\$ 80,000.00
105.21	Natural Resource Projects	\$ -	\$ 15,000.00
105.50	Work in Progress - Other	\$ 2,488.00	\$ 1,500.00
Total Capital Improvements		\$ 2,488.00	\$ 144,000.00
Principal Repayments			
221.31	MBB Highland Park	-	\$ 32,000.00
221.32	MBB Pinkham Standpipe Rehab	-	\$ 5,220.00
221.33	RD Southport Interconnection	\$ -	\$ 31,781.27
221.89	SRF Cape Newagen MMBB	\$ -	\$ 10,600.00
221.92	RD 91-20	\$ -	\$ 23,379.42
221.93	FNB Consolidation	\$ 10,696.33	\$ 11,240.00
221.95	MMBB Sea Street	\$ -	\$ 12,578.00
221.97	FNB Fluoride Bond	\$ -	\$ 7,400.00
221.9	Highland Park	\$ -	\$ -
221.94	Mt Pisgah Tank	\$ -	\$ -
221.99	RD 91-18 (estimate - review after audit)	\$ 6,500.00	\$ 6,295.22
221.993	MMBB Consolidation	\$ -	\$ 332,548.06
Total Principal Repayments		\$ 17,196.33	\$ 473,041.97
Sinking and Reserve Fund Contributions			
131.82	Capital Reinvestment	\$ -	\$ -
131.86	Land Acquisition	\$ -	\$ -
131.87	Southport Interconnection	\$ -	\$ 9,328.00
131.88	RD 91-18	\$ -	\$ 1,995.87
131.89	RD 91-20	\$ -	\$ 6,196.63
Total Sinking & Reserve Fund Contributions		\$ -	\$ 17,520.50
Fixed Asset Budget			
	2019 Chevrolet 3500 Lift Gate	\$ -	55,000.00
	Replacement Compactor	\$ -	8,000.00
	Mcelroy Travel Trailer	\$ -	5,000.00
Total New Fixed Asset Additions		\$ -	\$ 68,000.00

7. **TREATMENT DIVISION (TD)** — The manager reported that filter train efficiency had remained unchanged since the previous report. Filter efficiency remained at 93.3% with clarifier efficiency remaining at 100%. Both sodium hydroxide and aluminum sulfate dosing rates remained well below normal dosing rates for this time of year. Finish water flow remains below average with daily production from 0.2953 MGD as compared to 2017 production for the same period of time equaling .3172 MGD.

- a. **Transfer Switch Problem** – The manager announced somewhat of a breakthrough with regard to eliminating this problem. An appropriate transfer switch had been ordered and received in state with delivery to the treatment plant within 48-hours of the time of report. On 28 March 2018, MidCoast Electric would begin a preliminary survey of the work to be done with this delicate and involved procedure. Power Products Inc. and MidCoast Electric were scheduled for 2 April 2018 at which time a temporary generator would be installed to supply single-phase power so that the district’s administrative functions would remain nearly uninterrupted. Central Maine Power (CMP) would then drop the power to the main campus and stand-by while the new transfer switch was cut in. The manager informed the board that he estimated this would be a six to eight hour work evolution. Upon completion of the installation full three-phase power would be reestablished by CMP and in a perfect world, all would be good.

The manager went on to inform the board that prior to this work evolution all three fire chiefs would be notified that the plant would be disconnected from the system. Prior to dropping the power the TD would work 1 April 2018 to fill the Pinkham, Thompson and Kenniston Hill standpipes to overflow condition to give the region sufficient supply while the plant is taken off-line.

Trustee Gamage added that staff should look at discontinuing the bleeders prior to disconnecting the plant from the system, conserving nearly 100,000 gallons in storage. The manager thanked trustee Gamage in that that had been overlooked, was a great idea and would happen/

- b. **Treatment Plant Operator Training** – The CTPO had concluded this year’s training of swing treatment plant operators with all reporting an excellent learning experience.
- c. **Chamber of Commerce PRV Telemetry Failure** - During the previous period the district lost all SCADA control over this installation. TD staff activated Electrical Installations Inc. (EII) who completed repairs and reestablished control.
- d. **SCADA Back-up Battery** - Since the previous meeting and due to the multitude of power losses recently experienced, it was found that the back-up battery for the SCADA system had failed. Burgess Computers had since replaced the back-up power source with an adequately sized unit.
- e. **Heating System Failure** – the manager reported that since the previous meeting the treatment plant central heating system lost the main circulator pump which had since been replaced without incident. This repair work was completed by Seacoast Energy.

8. **DISTRIBUTION DIVISION (DD)** – Since the previous meeting the DD continued concentrating on correcting “whiteboard projects” and hydrant maintenance in that each hydrant was checked weekly during the winter to ensure the barrel is dry and operating correctly. There were no water main breaks in the previous period.
 - a. **New Building Status Report** –No change in status.
 - b. **Unidirectional Flushing Plan** – The distribution foreman recently spent a day with Dirigo Engineering in Fairfield, Maine, working on the model. Dirigo is now preparing the plan which the manager reported not far from completion.

9. **5 RIVERS REGIONAL WATER COUNCIL** –No change in status.

10. **LAND ACQUISITION UPDATE** – See Natural Resources

11. **CAPITAL IMPROVEMENT PLAN UPDATE** – This effort was reported to be well underway with the distribution foreman meeting with Dirigo Engineering to review DD comments and the matrix developed by the DD. The manager expected that there would be portions of, or in its entirety as a draft, available for trustee review during April.

12. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** – The manager reported that work would resume on this project during the upcoming week The CTPO would attend a meeting tomorrow to be followed by a meeting between the manager and Wright-Pierce allowing time to ensure all materials for the board approval process are completed in a timely manner and ready when the board is asked to take over the infrastructure.

On a separate track the necessary easement was near completion with Griffin Law Offices which was a critical criterion for approval. This portion of the project was moving ahead well and should come together in the very near future.

13. **ANTHONY VS. CMBG APPEAL** – See Natural Resources

14. **SEASCAPE COMMERCIAL DEVELOPMENT** – The manager stated he had turned his attention to pursuing the easement which was reported complete and ready for signature by the developer. The manager stated district policy in that the district would not provide service for this main extension until such time as final grade for the roadway was completed, allowing for acceptable “depth-of-bury” for the new water main.

15. **ISLE OF SPRINGS (IOS)** –No change in status

16. **TRUSTEE ELECTION CHANGE INVESTIGATION** - No change in status

17. **ALTERNATIVE ELECTIC POWER OPTIONS** – The manager reported that he had had a teleconference with Mr. Joe Pagano, Revision Energy, Liberty, Maine, who had provided him with a preliminary site plan and payback analysis. The manager informed the board he had just received this document just prior to printing his report to the board and had requested a site visit, and address to the board, prior to the manager making any recommendation to the board. That said the manager stated to the board that “there appears to be an opportunity here”. The manager presented to the board a copy of the preliminary report but felt uncomfortable commenting on it without more information and education on the subject.

18. **OIL BOOMS** – Trustee Tibbetts inquired of the manager had there been any movement concerning the establishment of a cache of hard oil boom be developed on the Boothbay peninsula with the primary purpose of response to an oil spill into Adams Pond, most likely due to a transportation accident along the Adams Pond shoreline from Route 27. This spawned much conversation among board members, discussing liability, cost, care and custody and emergency response to a catastrophic spill, contaminating the public drinking water supply. The manager was tasked to hosting another fire chiefs meeting after seasonal start-up is complete, formulate a plan and present it back to the board for review and action. The manager was informed that completing this action was a priority for the board.
19. The meeting was adjourned at 2017 hr.
. *Trustee Climo motioned, Trustee Lewis second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager