

9 July 2019

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 25 JUNE 2019**

The Board of Trustees convened at 1900 hrs. **In attendance:** Trustee Gamage, Southport (Chairman); Trustee Climo, Southport (Vice-Chairman); Trustee Tharpe, At-Large (Treasurer); Trustee Anthony, Boothbay (Clerk); Jonathan Ziegler, Manager. **Guest:** None. **Absent:** Trustee Tibbetts, Boothbay Harbor; Trustee Bellows, Boothbay; Trustee Blakeslee, Boothbay Harbor.

1. The board approved the minutes for 11 June 2019.  
*Trustee Climo motioned, Trustee Anthony second, vote unanimous*
2. The **Payroll** for weeks ending 11 June 2019 & 18 June 2019.  
*Trustee Climo motioned, Trustee Anthony second, vote unanimous*
3. The **Transactions** for the period of 10 June 2019 through 21 June 2019.  
*Trustee Climo motioned, Trustee Anthony second, vote unanimous*
4. **ADMINISTRATION** – The manager presented the board with Table - *Boothbay Region Water District Cash Account Status Report as of 25 June 2019*. Table 2 - *BRWD Profit & Loss Budget Performance as of 31 May 2019* and Table 3 - *BRWD Capital Improvements & Contributions to Equity as of 31 May 2019*. Billing had been completed for July and would equal \$64,953.30. In the previous period the district added three (3) new customers with several still pending.

Seasonal water disconnect cards were put out earlier that day with the meters for those seasonal customers who have not paid the 2019 bill, scheduled for disconnection on 27 June 2019. The manager alerted the board that delinquent seasonal accounts began with approximately 250 accounts were late with payments, but there had been steady and consistent traffic to the office making payments with the number down to around 70 accounts remaining, including two on Squirrel Island.

Lastly a customer complaint from Mr. Michael Leonard was provided to the board along with the customer service representative's response to the allegations. The board permanently tabled Mr. Leonard's complaint as baseless with no further action taken.

5. **NATURAL RESOURCES PROGRAM** – The following report has been provided by the Natural Resource Program Manager (NRPM):

*1) We are looking to complete the last project in our 2016 319 non-point source remediation grant this month. We are ready to go to go out for quotes/gain easements for the biggest project of the 2018 319 grant - Pine Woods Road.*

*2) We have received and are now reviewing draft timber harvest standards for the watershed.*

*3) A new watershed education committee met yesterday for the first time. This group will work on a variety of projects to raise public awareness of the vulnerability of the public water supply and the need for watershed conservation, including outreach to select boards, chamber of commerce, Rotary, etc.*

4) *Invasive plant removal and water quality monitoring work are ongoing. Likely due to the rain, we are seeing poorer water quality at this time of year compared to recent years, particularly at Knickerbocker Lake.*

5) *Draft land acquisition policy is in process. Maybe later today*

Table 1 <b>BOOTHBAY REGION WATER DISTRICT</b> Cash Account Status Report as of 25 June 2019	
Account	Balance
Business Checking	\$ 26,086.55
Deposit Sweep Account	\$ 480,777.63
<b>Liquidity Total</b>	<b>\$ 506,864.18</b>
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 32.11
Land Acquisition Fund	\$ 14.68
Capital Reinvestment Fund	\$ 200,001.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,413.96
Bank of Maine Unemployment CD	\$ 10,431.66
<b>Designated Fund Total</b>	<b>\$ 217,662.08</b>
<b>TOTAL CASH RESERVES</b>	<b>\$ 724,526.26</b>

6. **SAFETY & TRAINING UPDATE** – The manager reported that there had been no safety violations or known missed inspections during the previous period.
  - a. **Human Resources (HR)** – The manager requested executive session pursuant to 1 M.R.S.A. §405(6)(A) *to discuss personnel matters*
  - b. **Training Update** – Nothing new to report
  - c. **Managers Vacation**- The manager alerted the board that he would begin vacation on 26 June 2019 which will run through 7 July 2019.
7. The board went into executive session pursuant to 1 M.R.S.A. §405(6)(A) *to discuss personnel matters* at 0738 hr.  
*Trustee Climo motioned, Trustee Anthony second, vote unanimous*
8. The board came out of executive session at 0750 hr. with no further action taken.  
*Trustee Climo motioned, Trustee Anthony second, vote unanimous*

Table 2  
BRWD Profit & Loss Budget Performance as of 31 May 2019

	Jan - May 19	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
414-Gain on Sale-Misc. Inc.	0.00	0.00	0.00
415 - Jobbing	47,591.76	40,844.62	112,675.22
419 - Interest Income	173.56	111.70	350.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	0.00	20,000.00	30,000.00
461 - Revenue Accounts	1,695,773.03	1,650,129.75	3,212,803.77
<b>Total Income</b>	1,743,538.35	1,711,086.07	3,355,828.99
<b>Gross Profit</b>	1,743,538.35	1,711,086.07	3,355,828.99
<b>Expense</b>			
403-Depreciation Expense	282,500.00	282,500.00	678,000.00
408 -- Taxes other than Income	22,739.32	25,000.00	60,000.00
427-Bond and Loan Interest (Long Term Liab. Interest)	800.40	0.00	0.00
427-Interest Expense	107,529.10	107,491.69	245,050.00
601 - Wages	240,844.67	268,919.70	623,750.00
603 - Trustee Fees	9,196.72	10,000.00	10,000.00
604 - Employee Pen. & Benefits	190,211.33	165,154.27	405,500.00
615 - Electricity	19,319.53	23,891.97	61,750.00
618 - Chemicals	12,078.90	10,416.00	38,600.00
620 - Materials & Supplies	92,834.00	96,158.42	213,300.00
620.7 - Postage	320.31	0.00	0.00
631 - Contr.-Engineering	3,820.27	5,000.00	12,000.00
632 - Contr. Accounting	33,000.00	21,000.00	63,000.00
633 - Contr. Legal	3,257.50	6,250.00	15,000.00
634 - Other Professional Fees	212.50	6,250.00	15,000.00
635 - Contr-Other	92,268.27	81,415.21	223,150.00
642 - Rental of Equipment	0.00	500.00	500.00
650 - Transportation	6,723.95	14,791.62	32,850.00
657 - Insurance - Gen. Liab.	15,918.50	15,000.00	15,000.00
658 - Insurance-Workers Comp.	9,704.80	17,500.00	35,000.00
660 - Advertising	705.00	250.00	750.00
667 - Regulatory Expense	11,910.00	14,000.00	20,000.00
675 - Misc. Expenses	5,608.61	4,633.38	11,050.00
680.00 · Uncategorized	0.00	0.00	0.00
<b>Total Expense</b>	1,161,503.68	1,176,122.26	2,779,250.00
<b>Net Ordinary Income</b>	582,034.67	534,963.81	576,578.99

Net Income

582,034.67    534,963.81    576,578.99

Table 3

**BRWD Capital Improvements & Contributions to Equity as of 31 May 2019**

Accnt #	Description	31-May	Budget
<b>Capital Improvements</b>			
105.01	Marine Construction	\$ 5,189.41	\$ 10,000.00
105.02	Engineering & Excavation	\$ 7,349.50	\$ 10,000.00
105.05	GIS	\$ 285.00	\$ 3,000.00
105.10	Storage Building Project	\$ 3,277.50	\$ 5,000.00
105.22	Logan Road Water Main Replacement	\$ 2,002.50	\$ 100,000.00
105.21	Natural Resource Projects	\$ 1,360.00	\$ 45,000.00
105.50	Work in Progress - Other	\$ 18,141.35	\$ 2,000.00
<b>Total Capital Improvements</b>		<b>\$ 37,605.26</b>	<b>\$ 175,000.00</b>
<b>Principal Repayments</b>			
221.31	MBB Highland Park		\$ 32,000.00
221.32	MBB Pinkham Standpipe Rehab		\$ 5,500.00
221.33	RD Southport Interconnection		\$ 33,000.00
221.89	SRF Cape Newagen MMBB	\$ 10,669.00	\$ 11,000.00
221.92	RD 91-20		\$ 25,000.00
221.93	FNB Consolidation	\$ 10,462.01	\$ 11,500.00
221.95	MMBB Sea Street		\$ 13,000.00
221.97	FNB Fluoride Bond	\$ 6,483.02	\$ 7,700.00
221.992	FNB Line of Credit		\$ 300,000.00
221.99	RD 91-18	\$ 6,400.00	\$ 6,500.00
221.993	MMBB Consolidation		\$ 340,000.00
<b>Total Principal Repayments</b>		<b>\$ 34,014.03</b>	<b>\$ 785,200.00</b>

9. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency since the previous report remained unchanged at 100% efficiency for both filter and clarifier performance. Raw water quality remained stable. Adams Pond had in reserve 228 MG which was very good for the time of year. Key chemical additions had come down to approximately 10% above of normal with no taste or odor issues.

The manager then reported that finish water production fell below 2018 consumption with average daily production increasing to 0.6621 MGD as compared to 2018 production for the same period of time equaling 0.6833 MGD.

The Chief Treatment Plant Operator (CTPO), John Orne had been on vacation the previous two-weeks and that morning, at the regularly scheduled staff meeting, gave high praise to the two relief operators, primarily assistant distribution foreman (ADF), Trevor Morin, for the excellent job in running the plant without any regular operator available. The board concurred and asked the manager to send those individuals their thanks as well.

10. **DISTRIBUTION DIVISION (DD)** – The manager reported that the DD was focused on completing the color coding of fire hydrants in accordance with National Fire Protection Association (NFPA) standards. Only a portion of the fire hydrants had been coded but good progress was being made daily, weather permitting. The DD was reported to be current with all cross-connection control testing system wide.

In addition to a heavy job order rush, the DD responded to 16 Dig Safe requests since the previous period.

- a. **New Building Status Report** –The manager reported that he had instructed *Dirigo Engineering* to prepare all documents necessary to bring this project to the Boothbay Planning Board. The manager was waiting for a draft package for trustee final review. The manager explained that his goal was to bring this project to the town’s attention as soon as practicable with a target of the September or October planning board sessions to introduce the project. This project was reported to be heavy on watershed protection.
- b. **New Replacement Vehicle** - On 24 June 2019 Chairman Gamage, the distribution foreman (DF) and the manager met with Mr. Jeremy Parker, *O’Connor Auto Mall* at the district office. After reviewing all specifications, Chairman Gamage approved to take to the board a proposal for the procurement of a new two seat, Chevrolet 1-ton service body, to be ordered from Chevrolet on 15 July 2019 (earliest date possible). The cost of the new vehicle would be \$45,316.03 before equipment additions. In addition, the district would be switching to new aluminum service bodies which would last for two chassis. The DF and ADF had been invited to the factory, located in Waterville, Maine, to inspect all options available and order a new service body for the new vehicle. This procurement was within the already approved budget; no further board action was necessary.

11. **5 RIVERS REGIONAL WATER COUNCIL** – The manager informed the board that he would be attending the next board meeting on 27 June 2019 to be held at the Bowdionham Water District Office.

12. **LAND ACQUISITION UPDATE** – The manager provided the board with text, provided by the NRPM who, after negotiations between the her and Ms. Linda Sherman, being consistent with district objectives and priorities, the manager recommended to the board that the district purchase Boothbay Tax Map R07-12C, which comprises of 5-acres of commercial zoned land in the Adams Pond watershed for the sum of \$50,000.00. The board approved the above described land acquisition.

*Trustee Climo motioned, Trustee Anthony second, vote unanimous*

13. **ISLE OF SPRINGS (IOS)** – The manager provided a copy of correspondence with *Fuller Marine* outlining a very rough schedule for installation of the new main on the Sawyers Island Bridge. We have already shipped HDPE pipe to this location and fused 4 sections to assist *Fuller Marine* in installation. It tentatively looked like as if this connection will be completed within the next two-weeks. *Wright-Pierce Engineering*, representing IOS, was reported to have been notified of this schedule.
14. **ALTERNATIVE ELECTRIC POWER OPTIONS** – Nothing new to report
15. **MASSACHUSETTS ROAD WATER MAIN REPLACEMENT PROJECT** – No change in status.
16. **LOGAN ROAD WATER MAIN REPLACEMENT PROJECT** — No change in status.
17. **AFFORDABLE HOUSING PROJECT** – The manager reported that the town manager of Boothbay met with him on 20 June 2019 requesting approval of the new utility easement granted by St Andrews Village, allowing the district to loop the St Andrews water main to Middle Road. The manager reported that the utility easement exceeded the district’s minimum requirements for water installation, after which the manager reported he had approved the proposed easement. The superintendent for the Boothbay Harbor Sewer District had also signed off on the new utility easement. The tentative date for the first hearing for this project is now August 2019 at the Boothbay Harbor Planning Board.
18. **BARTERS ISLAND WATER MAIN RELOCATION PROJECT** – Nothing new to report.
19. **SQUIRREL ISLAND WATER MAIN** – The manager provided the board with Table 4 - *Analysis of Revenue for Squirrel Island Once Master Metered*, which had been submitted to *Verrill & Dana* as requested. Table 4 showed the net loss of revenue to the district assuming tightness of the system, using 2018 recorded consumption as pro-forma. The average loss to the district in revenue would be \$32,106.15 under the district’s current rate structure. However, by turning the SI water main over to the Squirrel Island Village Corporation (SIVC), it would bring the SI water main into consistency with the following islands served by the district, which are not drivable by the district: (\* - denotes chartered colony)
  - Mouse Island;
  - Burnt Island;
  - McFarland “Harbor” Island;
  - Tumbler Island;
  - Negro Island;
  - The Cuckolds;
  - Cape Island;
  - Hunting Island;
  - Green Island;
  - Bliss Island;
  - Isle of Springs\*;
  - Cabbage Island;
  - Pine Island; and
  - Treasure Island.

**Table 4**

**ANALYSIS OF REVENUE FOR SQUIRREL ISLAND ONCE MASTER METERED**

<b>Meter Size</b>	<b># meters</b>	<b>Consumption (ft<sup>3</sup>)</b>	<b>Base Rate consumption</b>	<b>Overage Consumption</b>	<b>Base Rate Revenue</b>	<b>Overage Revenue</b>	<b>Total</b>
5/8"	63	160,200	75,600	84,600	\$ 20,160.00	\$ 7,233.30	\$ 27,393.30
3/4"	45	121,500	121,500	0	\$ 28,251.00	\$ -	\$ 28,251.00
1 1/2"	1	8,000	8,000	0	\$ 1,448.60	\$ -	\$ 1,448.60
<b>TOTAL</b>		289,700				<b>TOTAL</b>	\$ 57,092.90
<b>After Realigning Squirrel Island to One Master Meter</b>							
3"	1	289,700	48,000	241,700	\$ 4,321.40	\$ 20,665.35	\$ 24,986.75
<b>NET REVENUE REDUCTION USING 2018 AS PRO-FORMA YEAR FOR CONSUMPTION</b>							<b>\$ (32,106.15)</b>

20. **GRANDVIEW AVENUE WATER MAIN UPGRADE PROJECT** – On 19 June 2019 the manager reported that he had met with Mr. Jim Yardley of the *Spruce Point Homeowners Association* (SPHA) to discuss the possibility of installing year-round water along Grandview Avenue to Spruce Point Inn. The manager explained that this meeting was organized by Mr. Joe Pallileo, former owner of *Spruce Point Inn* and current CEO at the *Coastal Maine Botanical Gardens* (CMBG) during a recent “Bury the Hatchet with CMBG” meeting.

Apparently, the SPHA is looking very seriously at removing all of the telephone poles and associated wires along Grandview Avenue and going underground. While the road was open Mr. Yardley was checking the feasibility of converting the existing seasonal water service to year-round at the same time.

The manager then informed the board that because the district already had existing water main along the proposed construction path already, the district could invest in this endeavor, of which the manager reported that he had informed Mr. Yardley that he would be comfortable recommending to the board a split of costs wherein if the SPHA picked up the cost and liability of all excavation, ledge removal and restoration, the district would absorb the cost of water main and associated appurtenances as well as the labor for installation. Mr. Yardley informed the manager that this concept was a “very generous” offer.

The manager then reminded the board that this project had been a goal of the district for a long time, albeit low priority, but did not rise to the level of other needs as outlined in the Capital Improvement Plan (CIP). That said, the manager stated that with a serious level of financial commitment from the SPHA the district could spread fire protection and eliminate seasonal customers.

Trustees Gamage and Climo stated that they were very interested in this concept and instructed the manager to keep them informed with this effort and that they would be open to discussing a cost sharing arrangement with the SPHA.

21. The meeting was adjourned at 1951 hr.  
 . *Trustee Climo motioned, Trustee Tharpe second, vote: unanimous*

**END OF MINUTES**

Respectfully Submitted,

Jonathan E. Ziegra  
General Manager

PAGE LEFT INTENTIONALLY BLANK



