

22 April 2014

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 8 APRIL 2014**

The Board of Trustees convened at 1800 hrs. In attendance: Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Lewis, Boothbay (Treasurer); Trustee Reed, Boothbay Harbor (Clerk); Trustee Marston, At-Large; Trustee Climo, Southport; Trustee Carter, Boothbay; Jonathan Ziegler, Manager. Guest: Ms. Sue Hurd, Boothbay Harbor; Mr. Ryan Leighton, Boothbay Register. Absent: None.

1. Trustee Lewis, Treasurer; motioned to the board the following **Declaration of Intent to Borrow**:

*“WHEREAS, the Boothbay Region Water District, Maine (the "Issuer") currently intends to proceed with the design, construction, and equipping of a water main upgrade and storage tank replacement in Southport, Maine (the "Project");*

*WHEREAS, the Issuer intends to finance the cost of the Project through the issuance of tax exempt bonds (the "Obligation");*

*WHEREAS, the Issuer anticipates making certain expenditures with respect to the Project prior to the issuance of the Obligation;*

*WHEREAS, the Issuer intends to allocate certain proceeds of the Obligation to reimburse the Issuer for any such expenditures made with respect to the Project; and*

*WHEREAS, Treasury Regulation Section 1.150-2 requires that the Issuer declare its official intent to reimburse any expenditure with respect to the Project no later than sixty (60) days after the payment of such expenditures;*

*NOW THEREFORE, the Issuer does hereby declare its official intent as follows:*

*Declaration of Intent. This declaration is a Declaration of Official Intent under Treasury Regulation Section 1.150-2. The Issuer intends to reimburse any expenditure made on the project with the proceeds of the Obligation. Almost all expenditures to be reimbursed will be made prior to the date of the issuance of the Obligation.*

*Intention to Reimburse. On the date hereof, the Issuer reasonably expects to reimburse its expenditures made with respect to the Project from the proceeds of the Obligation.*

*General Description of Property to Which Reimbursement Relates. The following is a general functional description of the type of property for which the expenditures to be reimbursed are paid:*

***The design, construction, and  
equipping of a water main  
upgrade and storage tank  
replacement in Southport, Maine***

Statement of Expected Debt. *The maximum principal amount of debt expected to be issued for the Project is \$2,200,000.*

Identification of Source of Funds. *Expenditures made on the Project shall be paid from the Issuer's general funds.*

Public Availability of Official Intent. *This Declaration of Official Intent shall be maintained as a public record of the Issuer and shall be maintained and otherwise supervised by the Clerk of the Issuer. This Declaration of Intent shall be continuously available for public inspection at the office of the Clerk during normal business hours of the Issuer until the date of the issuance of the Obligation.*

Reimbursement Period. *The Issuer intends to reimburse expenditures made with respect to the Project within three (3) years of the later of the date on which the expenditure was paid or the date on which the Project is placed in service. Moreover, the Issuer intends that any expenditure to be reimbursed will be capital expenditure as defined in Treasury Regulation Section 1.150-(b).*

Reasonableness Standard for Declaring Official Intent. *The Issuer believes that this Declaration of Official Intent is consistent with its budgetary and financial circumstances. None of the expenditures on the Project have been budgeted by the Issuer or otherwise provided for by reserves or other long-term holdings established by the Issuer. Moreover, the Issuer has not developed a pattern of failing to reimburse expenditures subject to other Declarations of Official Intent.*

Miscellaneous Restrictions. *This Issuer intends that none of the proceeds from the Obligation shall be used directly or indirectly in violation of the "anti-abuse rules" set forth in Treasury Regulation Section 1.150-2(b).*

Authority of Declaration. *This Declaration of Official Intent is adopted pursuant to Project approvals duly adopted by the legislative body of the Issuer."*

*Trustee Lewis motioned, Trustee Gamage second, vote unanimous*

2. Trustee Reed, Clerk; motioned to the board the following **Certificate of the Clerk** to allow the district to refinance \$5,542,198.69 of Rural Development debt with the Maine Bond Bank, Trustee Reed proposed the following:

*"That a \$5,542,198.69 revenue bond shall be issued, to consolidate and refund several earlier bond issues, in the form of a single registered bond under the proposed Loan Agreement with the Maine Municipal Bond Bank presented to this meeting; that said Loan Agreement (including Exhibit A which sets forth the maturity schedule and Exhibit B which sets forth the form of bond) is hereby approved; that the Clerk is directed to file a copy of said Loan Agreement with the records of this meeting; that the Treasurer and Chairman of the Board of Trustees are authorized to execute and deliver the Loan Agreement and to cause the corporate seal to be affixed thereto and attested by the*

*District Clerk, although the attesting and affixing of the corporate seal thereto shall not be deemed essential to the validity of the Loan Agreement; and that the bonds are hereby sold to the Maine Municipal Bond Bank at par.”*

*Trustee Reed motioned, Trustee Gamage second, vote unanimous*

3. The minutes of the 25 March 2014 trustees meetings were approved with revisions.  
*Trustee Climo motioned, Trustee Marston second, vote unanimous*
4. The **Payroll** for weeks ending 25 March 2014 & 1 April 2014, were approved.  
*Trustee Gamage motioned, Trustee Climo second, vote: unanimous*
5. The **Transactions** for the period of 24 March 2014 through 4 April 2014 were approved.  
*Trustee Gamage motioned, Trustee Climo second, vote: unanimous*
6. **ADDRESS TO THE BOARD – MS. SUE HURD** – Ms. Hurd petitioned the board to abate a water bill, all or in part, of \$1,862.35 which she received 1 April 2014. The inflated bill was due to an outside hose, which the homeowner left charged, froze, broke and wasted a large amount of water.

With the boards permission the manager explained to Ms. Hurd that the district was regulated by the Maine Public Utilities Commission (PUC) and did not have an abatement policy out of fairness to all of its ratepayers. However the manager did state that the district would set up a repayment schedule with very favorable terms which would allow Ms. Hurd to square the bill over time. Ms. Hurd left paperwork to set up a payment arrangement for which the manager informed her, the Customer Service Representative would contact her the next day.

7. **FINANCIAL REVIEW** – The manager provided the board a status of the District’s Cash accounts as of 31 March 2014 (See Table 1).

**Table 1**

<b>BOOTHBAY REGION WATER DISTRICT</b>	
<b>Cash Account Status Report as of 31 March 2014</b>	
<b>Account</b>	<b>Balance</b>
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 61,131.15
<b>Liquid Cash Total</b>	<b>\$ 86,131.15</b>
BBH 1994 Sinking Fund	\$ 7,725.29
BBH 1997 Sinking Fund	\$ 29,810.47
BBH 1998 Sinking Fund	\$ 28,024.50
BBH 2001 Sinking Fund	\$ 80,907.63
BBH 2004 Sinking Fund	\$ 29,810.47
BBH 2007 Sinking Fund	\$ 12,220.00
Land Acquisition Fund	\$ 3,418.96
Capital Reinvestment Fund	\$ 359.35
EBB Upgrade 91-20	\$ 18,705.88
<b>Designated Fund Total</b>	<b>\$ 210,982.55</b>
<b>TOTAL CASH RESERVES</b>	<b>\$ 297,113.70</b>

8. **SAFETY, TRAINING & EMERGENCY RESPONSE UPDATE** – No accidents, violations or missed inspections were noted within the previous period. The manager then provided the board with a safety status from Mr. Greg Kidd, New England Water & Wastewater Training Associates (NEWWTA) which showed all training was current and plans were up-to-date.

The manger then self- reported a Digsafe violation received from the office sewer district, reporting the water district missed a Digsafe notification for a water main repair on Spruce Point. The manager then stated that it was ironic because only utility that would have been notified was the water district, but quickly offered that that was not any sort of excuse and took full responsibility for the occurrence. The manager stated that measures have been taken to prevent this from happening in the future.

9. **WATERSHED** –The manager reported that Ms. Sue Mello was spearheading an effort to put together another citizen survey of the watersheds of Adams Pond and Knickerbocker Lake to update the threat inventory, update the district’s GIS system and gather information for the upcoming ordinance review and revision. Ms. Mello sent the following to Boothbay, Boothbay Harbor, Southport and the YMCA.

*I am writing on behalf of the Boothbay Region Water District to solicit your help with an Adams Pond and Knickerbocker Lake watershed survey this spring.*

*The Water District, in cooperation with DEP and Knox Lincoln Soil & Water Conservation District and a whole bunch of local volunteers, inventoried both watersheds in 2002. It was a one-day survey, where volunteers went*

*out in both watersheds and documented areas of erosion. That work led to a DEP grant to address the highest priority sites in both watersheds and also, to the Town of Boothbay's watershed protection ordinances.*

*We would like to repeat that effort this year and conduct another watershed survey this spring/summer. We need the help of your leadership and volunteer base to make this happen. The total volunteer commitment for the survey will be two days - one for training and one for the actual survey, both probably on weekends. Maine DEP will provide the training, and DEP and Knox/Lincoln Soil and Water Conservation District will provide technical assistance during the survey.*

*The Water District will coordinate the effort with volunteers and property owners and will compile the results.*

*Right now, we have tentatively set a training date with DEP of June 7.*

*At this point, I am hoping your organization will agree to assist us in this project and will identify a contact person. I'd like to establish a core group of individuals, who will not only be involved with this watershed survey but who will also work with us as we develop a watershed protection plan for Adams Pond and Knickerbocker Lake.*

*Here's a link to the watershed survey guide:*

<http://www.maine.gov/dep/land/watershed/materials/lakesurveyguide.pdf>

*Please don't hesitate to call or email if you have questions,*

The board directed the manager to keep them up-to-speed with regard to this effort.

10. **TREATMENT PLANT** – The manager reported that the finish water flow was averaging 0.2667MGD as compared to 0.2423 MGD in 2013. The aluminum sulfate dosing rate was on a par, which from a water quality standpoint was below average raw water quality but normal for this time of year. Filter run times were reported at 97% with clarifier efficiency at 100%.

The manager informed the board that the ice on Adams Pond was beginning to recede but no ice-out as of yet.

The Adams Pond Treatment Plant roofing project is nearing completion the manager expected the project to be completed by weeks end. Once complete the manager was reported that he had informed the contractor to prepare a quantities list which at that time the manager would commence an on-site review. The manager fully expected to have the project, along with the approved quantities listing and invoice ready for the next trustees meeting. Once the district paid the contractor, the district will have completed its single “Pay Go” project for 2014.

The manager reported all of the bleeders secured as of that day and due to demand, had switched back to two-filter operations due to the commencement of seasonal water system operations including flooding the West Harbor Tank.

11. **DISTRIBUTION** – The manager reported that the distribution division has completed the Spruce Point repair for the Squirrel Island feed line on the Maude Property within the district's right-of-way. In doing so the district hired arborist Mr. Wayne Closson to advise the safe installation of the main in an around a pine tree glen. He discovered that the trees were dying from disease and will be sending a written report which will be forwarding to the property owner as a status report and courtesy.

The manager then reported that the district will complete the Pratt's Island Bridge water main replacement over the following two-days with the help of Skip Rideout Marine Services.

The manager concluded that the district had begun to fill and disinfect the seasonal system this earlier that day.

12. **SOUTHPORT INTERCONNECTION AND TANK REPLACEMENT PROJECT** – The manager confirmed with the board that a public information session was tentatively scheduled for 23 April 2014 at the Southport Town Hall. The manager needed to know if this was an acceptable venue, did the trustees actually want a meeting and what time did they want to hold the meeting. The board advised the manager to schedule a meeting with Dirigo Engineering, a minimum of Trustees Climo and Gamage present for 1800 hr. 23 April 2014 at the Southport Town Hall, located at 361 Hendricks Hill Rd Southport, Maine. The board advised the manager to post that information on the district’s website and notify the *Boothbay Register* and advertise on the website and newspaper as well. .
13. **CAMPBELL STREET/HIGHLAND PARK LOOPING PROJECT** – the manager was still awaiting authorization from the Maine Drinking Water Program to advertise the project on 14 April 2014. The manager reminded the board that the goal was a 1 May 2014 bid opening/award and a 14 May start date. Lastly the manager reported that the easements for the Carter property and Dora Highlands remained in-process.
14. **MWUA/MRWA BOD** – The manager reported that the Judiciary Committee report for LD 1809 was accepted by the Maine Senate yesterday and was now up for vote. The manager stated that it was a razor-thin margin (see Table 2) out of committee and MWUA was trying to get two senators to flip their votes when it is to be enacted. The manager praised Senator Johnson who broke party ranks and voted Nay. The manager stated that the enacting vote will be within the next 48-hours. Trustees Climo and Marston were shown a listing of addresses of the Maine Senate and would be sending petitions to those who voted yea to change their vote.
15. **FIVE RIVERS** – The manager had nothing new to report.
16. **GIS** – Wright-Pierce Engineering and District Staff have worked out a scope for the completion of the mapping phase of the project. The manager also stated that apparently Wright-Pierce had hired a college intern to complete the task during the summer of 2014.
17. **MT PISGAH STANDPIPE PAINTING PROJECT** –Nothing new to report

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Table 2.

Roll call for Senate Roll-call #546: LD 1809 (HP 1300)

**Overview**

**Date:** April 7, 2014  
**Motion:** ACCEPT MAJ OTP-A RPT  
**Number of Yeas** 18 (simple majority)  
**Required:**  
**Outcome:** PREVAILS  
**Tallies:** Yeas (Y): 19, Nays (N): 16, Absent (X): 0, Excused (E): 0

18.

**Details**

<u>Member</u>	<u>Party</u>	<u>Vote</u>	<u>Member</u>	<u>Party</u>	<u>Vote</u>
ALFOND of Cumberland	D	Y	LACHOWICZ of Kennebec	D	Y
BOYLE of Cumberland	D	Y	LANGLEY of Hancock	R	N
BURNS of Washington	R	Y	MASON of Androscoggin	R	N
CAIN of Penobscot	D	Y	MAZUREK of Knox	D	Y
CLEVELAND of Androscoggin	D	Y	MILLETT of Cumberland	D	Y
COLLINS of York	R	N	PATRICK of Oxford	D	Y
CRAVEN of Androscoggin	D	Y	PLUMMER of Cumberland	R	N
CUSHING of Penobscot	R	Y	SAVIELLO of Franklin	R	N
DUTREMBLE of York	D	Y	SHERMAN of Aroostook	R	N
FLOOD of Kennebec	R	N	THIBODEAU of Waldo	R	N
GERZOFISKY of Cumberland	D	Y	THOMAS of Somerset	R	N
GRATWICK of Penobscot	D	Y	TUTTLE of York	D	N
HAMPER of Oxford	R	N	VALENTINO of York	D	Y
HASKELL of Cumberland	D	Y	VITELLI of Sagadahoc	D	Y
HILL of York	D	Y	WHITTEMORE of Somerset	R	N
JACKSON of Aroostook	D	Y	WOODBURY of Cumberland	U	N
JOHNSON of Lincoln	D	N	YOUNGBLOOD of Penobscot	R	N
KATZ of Kennebec	R	N			

19. **BY-LAW AMMENDMENT** – The board adopted an amendment to ignore LD-1809 if it enacted and preserve unfettered trustee participation via telecommunications. The manager reminded the board in doing so a possibility for violation of the law existed. The board clearly understood any potential ramifications of their actions but referred to the bill as “*stupid*” “*absurd*” and “*out of touch with reality*”. Trustee Lewis expressed his concern in setting a precedent with “*hand picking*” which laws the district obeys and which ones it does not. After further discussion this action by the Maine Legislature was deemed by the board as to being so excessively obtrusive, creating a problem where none existed, that in good conscience the district could not abide by its provisions.

*Trustee Gamage motioned, Trustee Marston second, vote: unanimous*

20. The board voted to go into Executive Session pursuant to 1 M.R.S.A. §405(6) C & D. 1936hr.  
*Trustee Climo motioned, Trustee Marston second, vote: unanimous*
21. The board came out of executive session at 1952hr.  
*Trustee Climo motioned, Trustee Reed second, vote: unanimous*
22. The meeting was adjourned at 2000 hr.  
*Trustee Climo motioned, Trustee Carter second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler  
Manager



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