

10 March 2015

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 24 FEBRUARY 2015**

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

1. The minutes of the 10 February 2015 (special) trustees meetings were approved.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
2. The **Payroll** for weeks ending 10 February 2015 & 17 February 2015 were approved.
Trustee Climo motioned, Trustee Gamage second, vote unanimous
3. The **Transactions** for 9 February 2015 through 20 February 2015 were approved.
Trustee Gamage motioned, Trustee Reed second, vote: unanimous
4. **FINANCIAL** – The manager provided the board with *the January Budget Performance Report (see below)* reporting he saw nothing out of the ordinary for the month of January.

	Jan 15	Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense				
Income				
414-Gain on Sale-Misc Inc.	\$ -	\$ -	\$ -	\$ -
415 - Jobbing	\$ 4,235.51	\$ 3,799.47	\$ 436.04	\$ 100,000.00
419 - Interest Income	\$ 95.80	\$ 37.45	\$ 58.35	\$ 750.00
461 - Revenue Accounts				
Total 461 - Revenue Accounts	\$ 54,079.04	\$ 58,196.86	\$ (4,117.82)	\$ 2,452,994.00
Total Income	\$ 58,410.35	\$ 62,033.78	\$ (3,623.43)	\$ 2,553,744.00
Gross Profit	\$ 58,410.35	\$ 62,033.78	\$ (3,623.43)	\$ 2,553,744.00
Expense				
403-Depreciation Expense	\$ 43,500.00	\$ 41,666.66	\$ 1,833.34	\$ 520,770.65
407-Amoritization Expense	\$ -	\$ -	\$ -	\$ -
408 -- Taxes other than Income				
408.2 - 941 W/H-Employer	\$ 4,057.23	\$ 3,766.30	\$ 290.93	\$ 46,000.00
Total 408 -- Taxes other than Income	\$ 4,057.23	\$ 3,766.30	\$ 290.93	\$ 46,000.00
Total 427-Interest Expense	\$ 16,880.19	\$ 6,535.29	\$ 10,344.90	\$ 206,949.14
Total 601 - Wages	\$ 44,875.53	\$ 42,732.32	\$ 2,143.21	\$ 508,123.20
603 - Trustee Fees	\$ -	\$ -	\$ -	\$ 9,703.68

Total 604 - Employee Pen. & Benefits	\$ 44,868.17	\$ 45,606.60	\$ (738.43)	\$ 368,673.89
Total 615 - Electricity	\$ 5,154.64	\$ 5,322.60	\$ (167.96)	\$ 62,750.00
Total 618 - Chemicals	\$ -	\$ 4,752.44	\$ (4,752.44)	\$ 47,800.00
Total 620 - Materials & Supplies	\$ 19,590.98	\$ 16,708.65	\$ 2,882.33	\$ 328,001.00
Total 631 - Contr.-Engineering	\$ 1,260.40	\$ 2,429.94	\$ (1,169.54)	\$ 12,500.00
Total 632 - Contr. Accounting	\$ 3,500.00	\$ 4,491.23	\$ (991.23)	\$ 73,000.00
633 - Contr. Legal	\$ 419.00	\$ 807.27	\$ (388.27)	\$ 20,000.00
634 - Other Professional Fees	\$ 909.24	\$ 578.35	\$ 330.89	\$ 20,000.00
Total 635 - Contr-Other	\$ 8,318.25	\$ 15,549.24	\$ (7,230.99)	\$ 170,250.00
Total 650 - Transportation	\$ 2,420.40	\$ 6,688.88	\$ (4,268.48)	\$ 46,000.00
656 - Insurance-Vehicles	\$ 2,414.50	\$ -	\$ 2,414.50	\$ -
657 - Insurance - Gen. Liab.	\$ 12,342.50	\$ 10,966.48	\$ 1,376.02	\$ 22,000.00
658 - Insurance-Workers Comp.	\$ 4,140.40	\$ 3,508.53	\$ 631.87	\$ 6,000.00
660 - Advertising	\$ -	\$ -	\$ -	\$ -
667 - Regulatory Expense	\$ -	\$ -	\$ -	\$ 20,000.00
Total 675 - Misc. Expenses	\$ 4,369.20	\$ 3,480.36	\$ 888.84	\$ 8,250.00
680.00 - Uncategorized	\$ (7,780.42)			
Total Expense	\$ 211,240.21	\$ 215,591.14	\$ (4,350.93)	\$ 2,499,521.56
Net Ordinary Income	\$ (152,829.86)	\$ (153,557.36)	\$ 727.50	\$ 54,222.44
Net Income	\$ (152,829.86)	\$ (153,557.36)	\$ 727.50	\$ 54,222.44

- a. **Audit** - The manager then reported that the audit had begun the previous day by the accounting firm of Runyon, Kersteen and Ouellette (RKO) and was going well. All materials requested by RKO were ready and waiting, Chairman Pinkham had been interviewed and the audit tests were underway. The manager informed the board that he would hope to have the exit interview results to report at the 10 March 2015 meeting.
5. **WATERSHED** – The manager reported Ms. Mello, Watershed Program Manager would be providing the board with a detailed report to the board at the 10 March 2015 meeting. .
 6. **SAFETY, TRAINING & EMERGENCY RESPONSE UPDATE** – The manager reported no injuries, violations or missed inspections during the previous period.
 - a. **Human Resources** –The manager reported that all of the union employees had been registered for the new health insurance. The start date was announced to be 1 April 2015, and that the manager was expecting the bill soon. The summer intern was reported to be in next week for all of the initial training and will then get into GIS programming in a limited basis over the next few weeks.

7. **TREATMENT DIVISION** - The manager reported the finish water production was now at normal levels, with the district averaging 0.2983 MGD as compared to 0.2682 MGD during the same period of 2013. Both aluminum sulfate and sodium hydroxide dosing levels remained quite low levels per unit produced with both filter and clarifier performance at 100% efficiency on a timed basis.

Painting of the raw water system was continuing and was now 75% complete. Filter #1 mid-level maintenance was completed and the filter was back in service.

Simplex Grinnell was reported to be on-site 25 February for the annual health check of the systems fire detectors and extinguishers.

8. **DISTRIBUTION DIVISION (DD)** - The manager reported that the DD was now spending the majority of the time concentrating snow removal and hydrant maintenance. In addition private services system-wide were beginning to freeze. The manager informed the board that in the past eight-days the DD had responded to ten main/service freezes of which about half had been the responsibility of the district. On three occasions the DD, with manager concurrence, had had to resort to hiring a welder to thaw untouchable freezes.

When thawing by welder Central Maine Power (CMP) must be on-site to protect all adjacent homes and services from stray voltage that can produce fire. The manager stated that he would be writing an open letter to CMP via the three local newspapers thanking them for their outstanding support.

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

A. **Contract #1 – Tank Site Prep, Road & Water Main** – Complete.

B. **Contract #2 – Water Main Installation Project** – the manager reported that Pay Request #6 was to be signed at 0900 hr. Wednesday 25 February 2015 at the Town of Boothbay Municipal Offices Conference Room. Since the previous meeting very little progress with Fairpoint Communication had been made. The manager provided the following status report:

- a. *The BRWD is pursuing no legal action on Fairpoint Communication at this time;*
- b. *Fairpoint did not identify current conditions when approving the district's plans early in 2014;*
- c. *Fairpoint maintains the district did not complete due diligence in ascertaining current condition of the north route of Townsend Gut;*
- d. *The BRWD, through its contractor Fuller Marine, at a cost to the rate-payers of \$687.50, located six-lines traversing Townsend Gut of which one is within Fairpoint's submerged land lease, the other five considerably north traversing the district's submerged land lease in at least two locations;*
- e. *Presumably at least one of the remaining lines outside of Fairpoint Communications submerged land lease area is live;*
- f. *Fairpoint will neither confirm nor deny ownership of any of the cables crossing Townsend Gut stating only two are active and that "it is physics" making it impossible to identify any cables being active or inactive;*
- g. *Crooker cannot lay a water main over active cables for liability reasons;*
- h. *Fairpoint will not move any cables;*
- i. *Dirigo Engineering is fast tracking a change to the district submerged land lease to attempt to swing to the north around all of the cables allegedly all, or in part, the property of Fairpoint;*
- j. *Dirigo and Crooker are formulating a change order to move the district water main farther north in Townsend Gut to avoid the alleged Fairpoint Communication lines.*

The manager then stated that apparently the contractor had placed one fire hydrant on Plummer Road. Mr. Clayton Pottle, Pottle Realty had stopped in today with documentation claiming the hydrant was allegedly located in a client's right-of-way. The manager stated he would pass this information on to Dirigo Engineering to research and resolve. Trustee Climo informed the manager to keep the board updated as to this issue.

C. **Contract #3 – Tank Installation Project** – The Bid Opening was scheduled for **27 February 2015 at 1100 hr.**, Administration Office, 184 Adams Pond Road, Boothbay.

10. **CAMPBELL STREET LOOPING PROJECT** – The manager reported that Reny Construction had submitted the final construction calculations to Wright-Pierce. As a result the manager stated that there is sufficient funding left-over to complete the *High Street Water Main Looping Project* as well. The manager stated that he had “green lighted” the plan because the board had already approved this scenario if sufficient savings could be realized to fund the project. The board concurred with the manager’s interpretation.

The manager provided the following E-mail from Mr. Dan Flaig P.E., Wright-Pierce:

Zig,

Total project budget remaining is about \$435,000.

Reny’s cost for Campbell and High is about \$370k. Figure on \$30k for paving and whatever Dale has for material cost. Looks like there is enough budget to complete High Street, but not beyond that.

Dan

11. **FIVE RIVERS** – Trustee’s Reed and Pinkham commented on the trustee dinner of 21 January 2015 they attended along with the manager at the Kennebec Tavern in Bath, Maine, as going very well and being informative. The manager reported that the group was meeting to work on the GIS Standardization; Capacity Development Grant and discuss legislation. .
12. **GIS** –nothing new to report.
13. **LAND ACQUISITION PROPOSAL** –
1. Farrin Property –Nothing new to report.
 2. Hamrin Property - Nothing new to report.
14. **BOOTHBAY HARBOR COUNTRY CLUB (BHCC)** - The manager reported that the BHCC had paid in full the \$25,000.00 for the 0.60 Acre parcel, outside of the district’s recharge area, with all covenants and deed restrictions previously approved by the board. Trustee Marston proposed that the proceeds from this sale be earmarked for land acquisition. The board concurred.
Trustee Marston motioned, Trustee Gamage second, vote: unanimous
15. The meeting was adjourned at 1835 hr.
Trustee Gamage motioned, Trustee Climo second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
Manager

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