

14 July 2015

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 23 JUNE 2015**

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: Sue Mello, Natural Resources Program Manager; Shawn Simmons, Utilities Technician; Taylor Timberlake, Utilities Technician. Absent. None

1. The board approved the minutes for 9 June 2015 without revision.
Trustee Climo motioned, Trustee Gamage second, vote unanimous
2. The **Payroll** for weeks ending 9 June 2015 & 16 June 2015 were approved.
Trustee Climo motioned, Trustee Marston second, vote unanimous
3. The **Transactions** for 8 June 2015 through 19 June 2015 were approved.
Trustee Climo motioned, Trustee Marston second, vote: unanimous
4. The manager introduced Shawn Simmons and Taylor Timberlake, the district's two new hires, to the board and then explained to both what the trustees role was within the operation of the district, the managers role and a macro-view on how that would affect each of them throughout their career. The board warmly welcomed the two new employees.
5. **FINANCIAL** – The manager reported on the district's Budget Performance

	<u>May 15</u>	<u>Budget</u>	<u>Jan - May 15</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense					
Income					
414-Gain on Sale-Misc Inc.	0.00	0.00	25,000.00	0.00	0.00
415 - Jobbing	11,116.29	21,841.23	36,552.89	39,405.82	100,000.00
419 - Interest Income	190.27	60.86	504.93	231.35	750.00
461 - Revenue Accounts	<u>294,070.92</u>	<u>296,676.69</u>	<u>1,309,458.81</u>	<u>1,330,378.68</u>	<u>2,452,994.00</u>
Total Income	<u>305,377.48</u>	<u>318,578.78</u>	<u>1,371,516.63</u>	<u>1,370,015.85</u>	<u>2,553,744.00</u>
Gross Profit	305,377.48	318,578.78	1,371,516.63	1,370,015.85	2,553,744.00
Expense					
403-Depreciation Expense	43,500.00	41,666.66	217,500.00	208,333.30	520,770.65
407-Amoritzation Expense	0.00	0.00	0.00	0.00	0.00
408 -- Taxes other than Income	3,543.18	4,399.51	18,929.39	18,638.33	46,000.00
427-Interest Expense	18,854.91	4,599.14	89,152.08	22,995.70	206,949.14
601 - Wages	38,015.54	51,854.16	213,264.06	212,796.10	508,123.20
603 - Trustee Fees	9,183.84	9,703.68	9,183.84	9,703.68	9,703.68

604 - Employee Pen. & Benefits	29,442.41	27,121.12	157,331.08	159,506.26	368,673.89
615 - Electricity	4,499.04	4,920.62	24,454.61	24,865.80	62,750.00
616 - Generator Fuel	73.48	0.00	589.80	678.75	750.00
618 - Chemicals	1,348.00	2,204.44	6,571.56	17,613.18	47,800.00
620 - Materials & Supplies	17,464.05	56,468.18	79,531.76	172,343.34	328,001.00
620.7 - Postage	261.82	0.00	630.62	0.00	0.00
631 - Contr.-Engineering	100.00	2,479.94	10,278.29	8,348.94	12,500.00
632 - Contr. Accounting	11,600.00	4,491.24	38,542.50	36,780.08	73,000.00
633 - Contr. Legal	90.00	2,017.35	90.00	3,587.12	20,000.00
634 - Other Professional Fees	4,862.86	558.43	19,735.40	6,193.42	20,000.00
635 - Contr-Other	5,605.68	9,272.30	44,614.23	86,328.95	170,250.00
642 - Rental of Equipment	450.00	0.00	450.00	1,058.82	2,000.00
650 - Transportation	7,028.98	3,415.20	11,066.18	20,227.54	46,000.00
656 - Insurance-Vehicles	0.00	0.00	2,414.50	0.00	0.00
657 - Insurance - Gen. Liab.	0.00	0.00	12,342.50	10,966.48	22,000.00
658 - Insurance-Workers Comp.	0.00	-40.10	9,607.70	5,831.03	6,000.00
660 - Advertising	444.00	0.00	444.00	0.00	0.00
667 - Regulatory Expense	9,896.00	14,182.50	9,896.00	14,308.48	20,000.00
675 - Misc. Expenses	398.54	118.57	6,502.01	4,052.34	8,250.00
Total Expense	206,662.33	239,432.94	983,122.11	1,045,157.64	2,499,521.56
Net Ordinary Income	98,715.15	79,145.84	388,394.52	324,858.21	54,222.44
	98,715.15	79,145.84	388,394.52	324,858.21	54,222.44

1) **Water Rate Review** –The manager reported that the effort was moving forward.

6. **WATERSHED REPORT** - The Natural Resource Program Manager provided the board with the following report.

*Watershed Update
June 22, 2015*

- 1) *Boothbay Board of Selectmen voted unanimously to join in 319 (erosion remediation) Clean Water Act grant application with us at their last board meeting. This is a big deal since last time (2004) we received this grant, the town would not participate (leaving \$70K unclaimed). We could not proceed with this grant application without them. Attached is a preliminary breakdown of proposed grant application projects. DEP has announced this year's grant will be late; RFP expected late July, application due September (subject to change).*
- 2) *Town contract payment due to Boothbay by June 30 (see attached – only record of contract I could find; trustee meeting record indicates this contract was signed June 2012). I recommend we pay this reimbursement due now and work toward a new contract with defined deliverables or no contract for next year. Existing contract outlines a yearly July 1 through August 31 contract negotiation period.*
- 3) *So far we have had 6 lake-friendly grant inquiries and five site visits have been completed as of last week.*
- 4) *Stream survey work began last week.*
- 5) *New watershed signs are up at Knickerbocker Lake, thanks to Boothbay Public Works. See attached photos. Kiosk to be installed at Knickerbocker Lake in next couple of weeks. Watershed brochure/poster behind schedule; BRCTV watershed promo in works.*

7. **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 initial safety training for Taylor Timberlake, Shawn Simmons and Heidi Ziegler was scheduled for 30 June 2015.
 - b. **Fire Hydrant Operations Training** – The manager reported that the Boothbay Fire Chief had not yet responded to the him with perspective dates for the training.

8. **TREATMENT DIVISION** - The manager reported that the district was averaging approximately 0.700 MGD with exceptionally high quality raw water. Chemical dosing levels were below average for the time of year and clarifier and filter efficiency remained at 100% on a timed basis.

The process Mag-meters as well as the Knickerbocker Lake Intake Mag-meter were scheduled for annual calibration and certification on 30 June 2015. The SCADA radios would be tuned up at that time as well. The quarterly disinfection by-products samples revealed the district was in compliance at or near 50% of the MCL.

Lastly the manager reported that Trevor Morin had completed his brush up training in treatment plant operations and was now in the treatment plant on-call rotation.

9. **DISTRIBUTION DIVISION (DD)** - The DD was reported to be making headway at catching up with the backlog of job-orders and other commitments which had fallen behind during the most recent manpower crunch. The distribution foreman was reported to be on vacation with the assistant distribution foreman now in-charge.
- a. **Meter Upgrade Project Phase I** – No manpower remained available at this time to support.
 - b. **Cross-Connection Control** – The manager reported that the DD had caught up with required backflow testing and upgrades and were considered current.
 - c. **North Adams Pond Draft Site** – The manager reported that he had met with Dirigo concerning the initial planning for the modifications requested for fire protection by the Boothbay region fire chiefs. Initially there was a requirement to install steps to the top of the dam for emergency personnel to begin the process drafting water from Adams Pond. Dirigo Engineering strongly recommended against that plan in that it was a clear violation of regulatory safety laws and regulations and therefore impossible for the district to insure. The manager reported that he had deleted the stairs upon being made aware of the previous facts.

The manager then reported that Dirigo Engineering was designing a dry-hydrant which would meet fire protection drafting purposes. Trustee Gamage informed the manager that fire personnel would still need access to the top of the dam. The manager was tasked to bring this to Dirigo's attention and make provisions for that eventuality.

10. **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 he had met with Dirigo Engineering on 18 June 2015 to go over the cost projections for the remainder of contract #2 and #3. The manager informed the board by proposing that if district absorbs the cost of the fencing that was required to surround the new tank and all further legal bills there should be \$153,738.00 left in grant money at the conclusion of the tank project. This surplus could then be put toward the connection of the project from Sawyers Pond Road to the terminus of Cross Road Water Main Installation Project at the corner of Cross Road and Route 238. The manager then reported that this was offered this to Crooker Construction as a lump sum change order, which they immediately rejected. The change order amount on the contract is \$159,243.00, a difference of \$5,505.00. The next pay progress meeting where this matter would be discussed was to be held 24 June 2015 at 0900hr in the Conference Room. The Pay Request amount for that meeting was reported to be \$368,759.15 which would complete the loan funds and put the project into the grant money.

Since the loan was to be expended the manager informed the board that he would be closing the construction loan with The First as soon thereafter as practicable. The loan closing was tentatively scheduled for the week of 6 July 2015. The manager requested the availability of the chairman, treasurer and clerk for that week to complete the closing (Note: Later agreed for 9 July 2015). The manager reported that all of the legal legwork had been completed and the district was ready to close the loan as soon as the United States Department of Agriculture could support.

The manager then informed the board that on 18 June 2015 EJ Prescott had completed a successful live tap on the newly installed PVC pipe. The PVC manufacturer's representative had been in attendance as were district treatment and distribution personnel and several 5-Rivers member districts.

The manager provided the board with Dirigo Engineering's progress report

Progress Report

For period: 6/8/15 ~ 6/22/15

Hendrick's Hill Rd.: Replacement paving is about 98% complete. Clean up is about 95% complete.

Plummer Rd: A new water service was installed for future use at the lot at the corner of Hendrick's Hill Rd. Minor restoration efforts at this point.

Cape Newagen Rd.: Pavement replacement is ongoing and is about 85% complete. Clean up is about 75% complete.

Tank Site: The subgrade pad for the new tank has been prepared and is awaiting the arrival of DN Tank's crew. (hopefully, 6/29/15)

*Dirigo Engineering
Greg Ireland*

- c. **Contract #3 – Tank Installation Project** – The manager reported that the tank site was complete and ready for DN Tanks to take up residence and begin the project. DN Tanks was reported due to arrive on 29 June 2015 to begin construction.
11. **CAMPBELL STREET LOOPING PROJECT** – The manager reported that the Campbell Street water main was installed with four services remaining. The district ran into an unforeseen issue with private sewer in that it inadvertently destroyed approximately 240-feet of private sewer main not marked or recorded. The Boothbay Harbor Sewer District (BHSD) agreed to take over a main installed by the district to BHSD standards allowing the district to consolidate all of the damaged private sewer mains. The sewer repair was in process. The manager informed the board that services along the route were being brought into compliance at the district's expense and that an electrician was needed to reground at least one, possibly two residence. The next progress meeting was scheduled for 2 July 2015.
12. **FIVE RIVERS** – The RFP for a region-wide capacity study had been released to selected engineering firms.
13. **GIS PROJECT** – The manager reported that mapping is continuing with great success; East Boothbay is now complete with work in Boothbay Harbor progressing. Natural Resource mapping was in process and on schedule as was the conversion of historical swing tie drawings being digitalized and added to the database.
14. **LAND ACQUISITION PROPOSAL** – The manager relayed to the board that the Hamrin's had called and were curious as to the intentions of the district. The NRPM had discovered a grant program that may facilitate the purchase of the back property and discussed that possibility with the board. The board informed the manager that the NRPM should explore any and all grant opportunities with their blessing.
15. The meeting was adjourned at 1935 hr.
Trustee Climo motioned, Trustee Lewis second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler
Manager

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