

12 April 2016

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 22 MARCH 2016**

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 Marston, At-Large; Trustee Climo, Southport; Trustee Higgins, Boothbay; Jonathan Ziegler, Manager. **Guest:** None. **Absent:** Trustee Reed, Boothbay Harbor (Clerk).

1. The board approved the minutes for 8 March 2016 without revision.
Trustee Gamage motioned, Trustee Lewis second, vote unanimous
2. The **Payroll** for weeks ending 8 March 2016 & 15 March 2016 were approved.
Trustee Gamage motioned, Trustee Lewis second, vote unanimous
3. The **Transactions** for 7 March 2016 through 18 March 2016 were approved.
Trustee Marston motioned, Trustee Gamage second, vote: unanimous
4. **FINANCIAL** – BRWD February 2016 Budget Performance Summary (see Table 1.), BRWD Cash Account Status Report as of 22 March 2016 (see Table 2.) and 1 April 2016 Billing Summary (See Table 3.).

Table 2

BOOTHBAY REGION WATER DISTRICT	
Cash Account Status Report as of 22 March 2016	
Account	Balance
Business Checking	\$ 25,075.04
Deposit Sweep Account	\$ 156,047.70
Liquidity Total	\$ 181,122.74
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 16,271.44
Land Acquisition Fund	\$ 240,744.15
Capital Reinvestment Fund	\$ 100,571.98
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 31,143.91
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 403,931.64
TOTAL CASH RESERVES	\$ 585,054.38

Table 3

BOOTHBAY REGION WATER DISTRICT	
1 April 2016 Billing Summary	
Billing Route	Balance
Route 5 & 6	\$ 48,235.47
Seasonal Minimum	\$ 562,551.72
TOTAL APRIL BILLING	\$ 610,787.19

Table 1

	Feb 16	Budget	Jan - Feb 16	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
415 - Jobbing	4,913.32	6,585.46	8,689.69	10,858.80	100,000.00
419 - Interest Income	76.37	42.29	166.18	99.45	1,000.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	0.00		6,847.65		
461 - Revenue Accounts	295,972.19	303,665.71	352,280.17	358,842.32	2,465,082.78
Total Income	300,961.88	310,293.46	367,983.69	369,800.57	2,566,082.78
Gross Profit	300,961.88	310,293.46	367,983.69	369,800.57	2,566,082.78
Expense					
403-Depreciation Expense	48,750.00	56,666.00	97,500.00	113,332.00	680,000.00
408 -- Taxes other than Income	3,737.85		7,501.44		
427-Interest Expense	25,046.44	23,769.80	48,016.99	47,539.60	288,952.12
601 – Wages	42,773.79	45,116.86	84,280.57	94,625.62	575,173.44
603 - Trustee Fees	0.00	0.00	0.00	0.00	9,723.09
604 - Employee Pen. & Benefits	17,651.94	27,049.07	57,511.06	63,134.54	324,471.34
615 - Electricity	4,934.23	5,017.90	3,327.45	9,999.41	66,523.90
616 - Generator Fuel	0.00	656.56	0.00	656.56	750.00
618 - Chemicals	422.13	404.01	844.26	404.01	37,171.57
620 - Materials & Supplies	11,542.54	10,145.48	28,228.65	24,581.56	215,250.00
631 - Contr.-Engineering	550.54	2,675.43	1,150.54	3,958.21	15,000.00
632 - Contr. Accounting	3,500.00	0.00	8,155.00	2,500.00	70,000.00
633 - Contr. Legal	1,150.00	0.00	1,618.50	1,130.97	5,000.00
634 - Other Professional Fees	2,602.79	5,254.13	5,499.90	6,065.80	40,000.00
635 - Contr-Other	9,089.94	14,557.90	14,453.19	24,819.41	197,450.00
642 - Rental of Equipment	338.48	0.00	338.48	0.00	1,000.00
650 - Transportation	476.70	782.05	1,901.80	2,776.15	32,650.00
656 - Insurance-Vehicles	0.00	0.00	0.00	2,600.00	2,600.00
657 - Insurance - Gen. Liab.	0.00	0.00	15,282.00	13,403.86	30,000.00
658 - Insurance-Workers Comp.	0.00	2,415.32	4,793.20	6,649.19	13,000.00
660 - Advertising	120.00	0.00	120.00	0.00	500.00
667 - Regulatory Expense	359.79	0.00	694.58	0.00	18,000.00
675 - Misc. Expenses	1,512.88	1,691.05	1,935.80	6,658.55	13,179.17
Total Expense	174,560.04	196,201.56	383,153.41	424,835.44	2,636,394.63
Net Ordinary Income	126,401.84	114,091.90	-15,169.72	-55,034.87	-70,311.85
Net Income	126,401.84	114,091.90	-15,169.72	-55,034.87	-70,311.85
Net Income Operating Basis (Less Depreciation)	175,151.84	170,757.90	82,330.28	58,297.13	609,688.15

5. **NATURAL RESOURCES PROGRAM UPDATE** – The manager reported the Purchase and Sales (P&S) Agreement with the Hamrins had been negotiated further during the manager’s vacation by designated representatives of the district and had now substantially changed from the version he had been authorized to sign. The changes included:

- a. *The P&S signed on 3/8/16 was rejected primarily because 1) the Hamrins need a release from their mortgage and that wasn't factored into P&S (they never mentioned it) and 2) they understood, based on our last attempt to buy this property, that BRWD would cover all closing-related costs. The upshot of this is we are now on the hook for \$1500 more than in the last P&S.*
- b. *If we walk away from this, we not only lose \$85.6K grant and probably any future shot at this pot of grant money, we also lose an opportunity to lock up a high value source water protection property. My first attempt at prioritizing land parcels in the watersheds for acquisition, puts Hamrin property at the top of the list*

The board voted to authorize the manager to sign the revised P&S Agreement on a split vote. *Trustee Marston motioned, Trustee Gamage second, vote: **Yea** – Pinkham, Gamage, Lewis, Marston, Higgins; **Nea** – Climo; **NV** - Reed*

The Source Water Protection Grant Application was reported due 30 March 2016 and was on track. The district was sending Distribution Foreman (DF) and Assistant Distribution Foreman (ADF) to recertify for *DEP Erosion Control in the Shoreland Zone* so that the district could execute funding in a FORCE Account manner, stretching any grant dollars available.

The Boothbay Planning Board was currently working on the Boothbay Harbor Country Club Phase II Application. The Natural Resources Program Manager (NRPM) had reported that because the construction practices for the project did not mirror safe construction standards for discharge to Adams Pond, the storm water for the project would be collected and transported out of the Adams Pond watershed to Boothbay Harbor. The NRPM reported the planning board was open to the idea of reopening the ordinances within the watersheds to finally adopt a phosphorous control methodology, allowing the district to use its entire watershed and not transport available water out of town. The manager stated he would report further as status changes.

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries or violations reported in the previous period. SHAPE application is in-process.
 - a. **Human Resources** – Nothing new to report.
 - b. **Training Update** – The following training efforts are underway:
 1. *Hands-on Respiratory Protection & Use of Fire Extinguishers* was executed 9 March 2016 (all DD & TD personnel);
 2. *Forklift Operator Certification* was executed 9 March 2016 (Simmons, Campbell, Timberlake & Orne); and
 3. *Work-Zone Traffic Control Refresher* (all DD & TD personnel) and *Excavator Competent Person* (Timberlake, Simmons) were executed 23 March 2016.
 4. *PUC Damage Prevention Training* (Harmon & Morin) is scheduled for 30 March 2016 (see 26 **DISTRIBUTION DIVISION DD**)

7. **TREATMENT DIVISION (TD)** – The manager reported clarifier and filter efficiency were at 91% and 93% respectively. As compared to 2015 chemical additions per unit produced was down significantly most notably sodium hydroxide only 22% as compared to 2015. The mild winter and short *ice-in* period was responsible for the dramatic improvement in efficiency.

Average flow remained steady averaging 0.3192 MGD which is consistent with the same period in 2015.

All bleeders remain monitored and all have legal chlorine residual. The system continued to bleed 71,000 gallons per day being recorded as process water with excellent water quality throughout the system.

The manager reported that the cost for adding redundancy within the drive computers for the SCADA System had been quoted at \$13,200.00 of which the lions share was licensing costs. The manager stated that the cost was “outrageous” but unfortunately necessary to ensure security of the system and that if approved the expenditure fits into the plant operations budget. Trustee Higgins offered alternatives to a redundant computer and the board instructed the manager to investigate alternatives more fully and report back to the board at a later date before being authorized to make the expenditure.

The manager then reported that the ceilings of the treatment plant, chemical rooms and garage have been sealed and painted.

All of the appurtenances required to install day tank systems for the sodium silicate system and aluminum sulfate system were now on-hand. Construction was beginning within the week.

The manager concluded his TD report by informing the board that Utilities Technician, Weston Alley had completed a winter rotation within the treatment plant and was filling the role of a relief water treatment operator very well. The manager reported that he had met his goal for total redundancy in manning with four employees (1/2 the available workforce) now able to handle and cover treatment plant operations finally giving the district great flexibility in withstanding any work disruptions in the case of losing a plant operator. .

8. **DISTRIBUTION DIVISION (DD)** – The DD continued pre-seasonal upgrades and was ready for seasonal start-up; much improved a status as compared to the previous two-years. Since the last board meeting the DD has responded to 17 DigSafe Requests and various job orders. The manager reported the district received 3 new applications for service since the previous meeting as well and added all were new construction.

- a. **PUC Notice of Enforcement Investigation (NOEI) 16-113** - (see attached reports) the manager reported that on 9 February 2016 Central Maine Power (CMP) drilled through the side of 10” cast iron water main on Lakeview Road as part of their pole replacement program. The PUC was notified and investigated. The manager stated that during the incident he had been away tending to family issues at that time and DF fielded all of the regulatory questions. In essence the water district failed to mark the water main because no record of it existed at the district. The district was cited under 23 MRSA §3360-A (6-C) (E); MPUC Rules, ch. 895, §8(C) (4) *Operator marked in a reckless or negligent manner* which carries up to a \$500.00 fine.

However, if the district sent the DF and ADF to the PUC for re-training, for free, on 30 March 2016 then agree to the consent order after the training was complete the fine would be waived. That was the course of action the manager explained he had chosen to take.

9. **5 RIVERS REGIONAL WATER COUNCIL** – Awaiting the final report
10. **LAND ACQUISITION UPDATE** –. See 5. **NATURAL RESOURCES PROGRAM**
11. **PLUMMER ROAD/NICKERSON ROAD WATER MAIN LOOPING PROJECT** – The bid opening for the project was that day at 1800 hr. where in the manager reported that Hagar Enterprises of Damariscotta was the apparent low bidder. The bid results were reported as follows:

Hagar Enterprises	\$211,025.00
Reny Construction	\$221,540.00
12. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** –the manager informed the board that he would be meeting with Wright-Pierce and Sebago Technics to discuss the final plan on 28 March 2016 as well as a site walkthrough. The manager stated that he was most interested in the final details of the pump station and PRV station
13. **SYSTEM CONSOLIDATION GRANT AVAILABILITY** – Then manager reported that the application would be finalized by the 12 April 2016 meeting
14. **HIGH LEDGE SUBDIVISION** –Then manager had nothing new to report.
15. **LINEKIN BAY RESORTS** – Nothing new to report
16. **BIGELOW LABORATORY WATER MAIN EXTENSION** –Nothing new to report
17. **BOOTHBAY BOTANICAL GARDENS EXPANSION** – Nothing new to report.
18. **LD-1586 TESTIMONY & STATUS REPORT** – The manager presented to the board according to the March Edition of the *Maine Water News* the following report was made:

*“At the work session the Judiciary Committee considered an amendment that would allow public bodies to utilize remote participation as long as the body developed a policy. The policy could be tailored to meet the need of the organization and it was thought that the FOAA Public Ombudsman could, perhaps, review the various policies and provide a report to the Right to Know Advisory Committee. After considerable discussion the committee could not come to agreement and on a 7-4 vote LD 1586 received an **Ought Not to Pass** recommendation.”*
19. The meeting was adjourned at 1940 hr.
Trustee Climo motioned, Trustee Reed second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager