

11 July 2017

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 27 JUNE 2017**

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

1. The board approved the minutes for 13 June 2017 without revisions.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
2. The **Payroll** for weeks ending 13 June 2017 & 23 June 2017 were approved.
Trustee Climo motioned, Trustee Gamage second, vote unanimous
3. The **Transactions** for 12 June 2017 through 23 June 2017 were approved.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
4. **FINANCIAL** – The manager presented the board Table 1 - *Boothbay Region Water District Cash Account Status Report as of 27 June 2017*, Table 2 - *Boothbay Region Water District Profit & Loss Budget Performance as of 31 May 2017* and Table 3 – *Boothbay Region Water District Capital Improvement Projects Budget as of 31 May 2017*. Upon review our cash status although low, it was steady and maintaining. The manager reported no “red flag” items with the budget performance summary or the capital reinvestment account report. The manager went on to report the district had a light month pertaining to income with the 1 July 2017 billing for routes 1 & 2, our lightest billing cycle only adding up to \$57,541.58. The manager stated that it was his intention to take the next public fire protection billing and deposit it into the capital reinvestment fund in preparation for the 1 October 2017 Maine Bond Bank (MBB) consolidation bond payment. The manager was cautiously optimistic. Over the past period the district had received 3 new service applications and added 2 new customers.
 - a. **2017 Surcharge Filing** – This effort was reported to be on-track with the manager meeting with Maine Water Company later that week to finalize the scope and reach of the proposed filing to be made by 1 September 2017 with the Maine Public Utilities Commission (PUC).
 - b. **Meter Program Cost of Service Study** – The manager reported that he and staff were beginning a meter program cost of service study with the goal of determining the true cost/value of each meter reading generated. The reason for the study was to receive fair revenue for the meter readings sold to outside entities, primarily the Boothbay Harbor Sewer District (BHSD). Currently the district charges \$1.50 per reading to the BHSD which does not cover ½ of the true cost of the program. Once completed the study will be brought to the board for consideration.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 27 June 2017	
Account	Balance
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 345,665.99
Liquidity Total	\$ 370,665.99
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,313.83
Land Acquisition Fund	\$ 14.64
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 37,387.95
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 70,917.75
TOTAL CASH RESERVES	\$ 441,583.74

5. **NATURAL RESOURCES PROGRAM** – The following report is provided to the trustees by the Natural Resources Program Manager:

1) *Work on DEP 319 grant has begun. BRWD crew has started addressing erosion and runoff associated with Adams Pond Road sites this week.*

2) *The Town CEO has given us a permit to cut dead trees and remove invasive species on water district property around Adams Pond. Tim's Tree Service is developing an estimate for Route 27 corridor. Mike Hills will take down dead trees along shoreline on Adams Pond Road and Maya Schwehm will be battling the invasives.*

3) *We are trying to get in the running for Land for Maine's Future funding. This \$4.3 million in state bond money will be allocated to conservation projects state-wide; competition is fierce and we are an anomaly. We need either Inland Fish and Wildlife, Maine DMR or Department of Agriculture to sponsor our project. So that's the first hurdle we are trying to clear. The package of information I have sent to IF&W is attached. We do NOT as yet have any property owner assurance that they are willing to sell but will work on that if we can get state sponsorship. It's a long shot.*

4) *Our stream sampling has shown consistently high phosphorus levels downstream of Dorr's horse farm (and manure pile) on Back River Road. We have talked to town CEO, who spoke with Dorrs but we've had no follow-up. CEO agreed with us that we should contact Department of Agriculture directly and they will send down an inspector. See where it goes*

5) *Lake sampling/ stream sampling continues. Maine CDC has chosen our water supplies to be tested for microcystin (a toxin produced by cyanobacteria) in raw and finish water this year. This is a follow-up on a UMaine study of all surface water supplies last year. I think we are one of seven water supplies chosen as most at risk.*

Table 2
Boothbay Region Water District Profit & Loss Budget Performance as of 31 May 2017

	Jan - May 17	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
414-Gain on Sale-Misc Inc.	1,800.00		
415 - Jobbing	36,872.60	37,993.74	125,000.00
419 - Interest Income	337.66	208.25	500.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	0.00	0.00	0.00
461 - Revenue Accounts	1,357,316.25	1,368,092.11	2,582,244.00
Total Income	1,396,326.51	1,406,294.10	2,707,744.00
Gross Profit	1,396,326.51	1,406,294.10	2,707,744.00
Expense			
403-Depreciation Expense	275,000.00	275,000.00	660,000.00
408 -- Taxes other than Income	20,885.17	19,683.01	50,174.16
427-Bond and Loan Interest (Long Term Liab. Interest)	1,127.39		
427-Interest Expense	121,455.03	114,380.00	274,512.34
601 - Wages	236,533.47	223,881.54	539,500.00
603 - Trustee Fees	9,345.70	9,859.21	9,859.21
604 - Employee Pen. & Benefits	163,505.23	136,677.61	339,200.00
615 - Electricity	19,420.52	25,124.85	60,300.00
616 - Generator Fuel	0.00	208.35	500.00
618 - Chemicals	4,737.66	16,133.30	37,000.00
620 - Materials & Supplies	77,321.34	106,423.86	229,700.00
620.7 - Postage	362.38	0.00	0.00
631 - Contr.-Engineering	9,752.00	6,230.00	10,000.00
632 - Contr. Accounting	32,400.00	28,333.30	66,000.00
633 - Contr. Legal	2,597.50	20,000.00	20,000.00
634 - Other Professional Fees	2,080.65	4,166.65	10,000.00
635 - Contr-Other	71,969.43	98,546.94	221,850.00
642 - Rental of Equipment	0.00	400.00	1,000.00
650 - Transportation	9,563.76	13,548.33	31,700.00
657 - Insurance - Gen. Liab.	15,915.00	16,000.00	32,000.00
658 - Insurance-Workers Comp.	10,512.30	7,000.00	13,000.00
660 - Advertising	0.00	300.00	300.00
667 - Regulatory Expense	12,053.25	14,842.21	19,000.00
670 - Uncollectables	0.00	0.01	0.01
675 - Misc. Expenses	4,229.81	5,215.92	14,300.00
680.00 · Uncategorized	0.00	0.00	0.00
Total Expense	1,100,767.59	1,141,955.09	2,639,895.72
Net Ordinary Income	295,558.92	264,339.01	67,848.28
Net Income	295,558.92	264,339.01	67,848.28

Table 3
Boothbay Region Water District
Capital Improvement Projects Budget as of 31 May 2017

Acct #	Description	YTD Jan-May	Amount
	Capital Improvements		
105.01	Marine Construction		\$ 1,200.00
105.02	Engineering & Excavation	\$ 17,624.29	\$ 20,000.00
105.05	GIS	\$ 6,987.49	\$ 15,000.00
105.10	Storage Building Project	\$ 1,410.00	\$ 10,000.00
105.16	Meter Upgrades	\$ 70,583.32	\$ 80,000.00
105.20	Meadow Cove Water Main Project	\$ 358.75	-
105.19	North Adams Pond Fire Access		\$ 8,000.00
105.50	Work in Progress - Other	\$ 1,100.00	\$ 500.00
	Total Capital Improvements	\$ 98,063.85	\$ 134,700.00
	Principal Repayments		
221.3	Truck Leases		\$ 12,000.00
221.31	MBB Highland Park		\$ 30,997.00
221.32	MBB Pinkham Standpipe Rehab		\$ 5,170.00
221.33	RD Southport Interconnection		\$ 30,893.10
221.89	SRF Cape Newagen MMBB	\$ 10,458.00	-
221.92	RD 91-20		\$ 22,801.62
221.93	FNB Consolidation	\$ 10,900.17	\$ 11,200.00
221.95	MMBB Sea Street		\$ 12,417.00
221.97	FNB Fluoride Bond	\$ 7,321.28	\$ 7,400.00
221.99	RD 91-18	\$ 5,700.00	\$ 6,045.83
221.992	FNB Line of Credit		\$ 100,000.00
221.993	MMBB Consolidation		\$ 329,221.96
	Total Principal Repayments	\$ 34,379.45	\$ 568,146.51
	Sinking and Reserve Fund Contributions		
131.82	Capital Reinvestment	\$ -	\$ 7,461.35
131.86	Land Acquisition	\$ -	-
131.87	Southport Interconnection	\$ -	\$ 9,328.00
131.88	RD 91-18	\$ -	\$ 2,015.79
131.89	RD 91-20	\$ -	\$ 6,196.63
	Total Sinking & Reserve Fund Contributions	\$ -	\$ 25,001.77

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
 - a. **Human Resources** –Mr. David Barrett, Negotiator, MMA, is reaching out to the Teamsters Local #340 to get the next round of open dates to begin union negotiations.
 - b. **Training Update** – Several Distribution Division (DD) personnel had signed up for licensing exams.
7. **TREATMENT DIVISION (TD)** – The manager reported that filter train efficiency for both clarifier and filter efficiency remained at 100%. Key chemical additions had changed from the previous report with aluminum sulfate falling back to average for the time of year, but sodium hydroxide remained elevated by 100% more than normally expected. Adams Pond was clearing but remains very acidic. The manager reported that district had 100% capacity with regard to water reserves heading into the tourist season.

Finish water flow remained below average for this time of year averaging 0.6713 MGD. Other significant DD events include:

- The second round of disinfection by-product sampling had been completed with the district waiting for results. So far we remain well under half of the MCL.
 - TD staff was gearing up for our tri-annual lead and copper sampling, which will require homeowner participation and are fairly complicated. These samples will be drawn either in late August or early September. If the samples return clear the district will remain on reduced monitoring with no requiring retesting until 2020.
 - The flagpole was once again up and running.
 - The manager will be submitting a Synthetic Organic Compound (SOC) Waiver application to the Drinking Water Program by the end of the week after investigating the lack of use of these compounds with the two watersheds.
8. **DISTRIBUTION DIVISION (DD)** – The DD was reported to be concentrating on maintenance and summer job orders with a steady decrease in “whiteboard projects” being realized. Construction activity on the peninsula remained constant with the DD responding to, and completing 27 DigSafe notifications.
 - a. **Thompson Standpipe Storage Building** –Bath Vocational built the building too long and therefore Reny Construction would not be able to move the structure to Southport. The manager informed the board that staff was looking for alternative carriers.
 - b. **New Building Status Report** – Nothing new to report.
 - c. **Uni-Directional Flushing Plan** – Nothing new to report
 9. **LAND ACQUISITION UPDATE** – Nothing new to report.

10. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** – The manager reported that Wright-Pierce was continuing to review submittals with the booster pump station. Nothing new to report with regard to the roundabout project.
11. **MEADOW COVE ROAD WATER MAIN REPLACEMENT PROJECT** – The manager reported that since the previous report the project had been completed by staff and Reny Construction. On 16 June 2017 the water main was installed, services were tapped and a new fire hydrant was installed with concurrence of town of Boothbay Fire Chief. On 19 June 2017 the new water main was chlorinated and pressure tested by an independent third party to which the work passed easily. On 20 June 2017 water quality samples were drawn and sent to the laboratory while cleanup and restoration began. On 21 June 2017 Samples returned clean and services were installed with this evolution completed by close of business 22 June 2017. Earlier in the day, trench paving was completed with only painting of the hydrant and minor landscaping issues, both of which would be handled by staff, left to be completed. The manager then recommended to the board to accept the new water main which would allow funding for the manager to settle any debts with contractors and suppliers used. The board approved the manager's request.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
12. **ISLE OF SPRINGS PRESSURE ISSUE** – The manager reported that since the previous meeting both the district and Wright-Pierce, Isle of Springs engineering consultant, installed a series of pressure monitors to get a picture of what is going on with regard to water pressure on Isle of Springs. Trustees Climo and Tibbetts inquired if the line had been inspected by a commercial diver to which the manager answered the district had recommended that action be taken to the Isle of Springs management and Wright-Pierce but to his knowledge any service line inspection had not been taken.
13. The meeting was adjourned at 1943 hr.
Trustee Climo motioned, Trustee Gamage second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager