

10 October 2017

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 26 SEPTEMBER 2017**

The Board of Trustees convened at 1900 hrs. **In attendance:** Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Lewis, Boothbay (Treasurer); Trustee Climo, Southport (Clerk); Trustee Tibbetts, Boothbay Harbor; Jonathan Ziegler, Manager. **Guest:** Dale Harmon, Distribution Foreman. **Absent:** Trustee Marston, At-Large; Trustee Anthony, Boothbay.

1. The board approved the minutes for 12 September 2017 without revisions.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
2. The **Payroll** for weeks ending 12 September 2017 & 19 September 2017 were approved.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
3. The **Transactions** for 11 September 2017 through 8 September 2017 were approved.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
4. **GIS & SOS DEMONSTRATION**– The manager introduced the distribution foreman who provided the board with a demonstration of both the GIS & SOS programs which included the continual system mapping capabilities and job order management, both hosted on distribution division (DD) personnel’s cell phones. The demonstration was thorough and inclusive with trustees interacting with many questions. The distribution foreman was thanked for his time and energy and “excellent presentation” by Chairman Pinkham once all questions by the board were answered to his satisfaction.
5. **FINANCIAL** – The manger provided the board with Table 1 - *Boothbay Region Water District Cash Account Status Report as of 26 September 2017*, Table 2 - *Boothbay Region Water District Budget Performance Summary of 31 August 2017* & Table 3 - *Boothbay Region Water District Capital Improvements Budget Performance Summary as of 31 August 2017*. Over the past period the district had received 6 new service applications but added 0 new customers. 1 October 2017 billing for routes 1 & 2 had been tabulated and will be \$72,691.47. The board reviewed in detail the tables presented, asked many pertinent questions of the manager and were satisfied that the district was in order with regard to expenditures made by the district remaining in budget.
 - a. **Line of Credit** – The manager reported that the closing for the \$300,000.00 line of credit was the following day with only he needed to be in attendance. The previous week the manager met with the district’s chief financial officer (CFO) (by contract) and reported that both were now unsure if \$300,000.00 would be enough to carry the district through October in that as above historical and actual billing for October was modest and district cash reserves, although much better than the previous year were at the seasonal low point. The manager intended to ask Ms. Brenda Blackman, Branch Manager, The First National Bank of Damariscotta for and additional \$100,000.00. The board had no problem with the manager commencing this move in that this was only to solve a short term cash flow issue which was a perennial problem.

The manager went on to inform the board that he and the CFO discussed the possibility of moving the \$400,000.00 bond payment to 1 December instead of the current 1 October there in removing the need for the line of credit. The CFO volunteered to spearhead this effort in that she had multiple contacts able to effect change with the Maine Municipal Bond Bank and may be able attain an additional 60-days in subsequent years.

- b. **2017 Surcharge Filing Status Report** – The manager reported that the surcharge was approved on 26 September 2017 by unanimous consent of the Maine Public Utilities Commission (PUC) Board of Commissioners and would become effective 1 October 2017.
- c. **Meter Program Cost of Service Study** – Now in-process with a target date for trustee review 10 October 2017.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 26 September 2017	
Account	Balance
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 139,895.86
Liquidity Total	\$ 164,895.86
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,320.76
Land Acquisition Fund	\$ 14.64
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 37,402.09
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 70,938.82
TOTAL CASH RESERVES	\$ 235,834.68

Table 2
Boothbay Region Water District Budget Performance Summary as of 31 August 2017

	Jan - Aug 17	YTD Budget	Annual Budget
Income			
414-Gain on Sale-Misc Inc.	1,800.00	0.00	0.00
415 - Jobbing	63,758.90	90,967.61	125,000.00
419 - Interest Income	446.13	333.40	500.00
461 - Revenue Accounts	1,784,360.30	1,815,088.67	2,582,244.00
Total Income	1,850,365.33	1,906,389.68	2,707,744.00
Gross Profit	1,850,365.33	1,906,389.68	2,707,744.00
Expense			
403-Depreciation Expense	440,000.00	440,000.00	660,000.00
408 -- Taxes other than Income	35,094.14	33,272.93	50,174.16
427-Bond and Loan Interest (Long Term Liab. Interest)	1,127.39	0.00	0.00
427-Interest Expense	191,141.83	183,008.00	274,512.34
601 - Wages	391,159.24	367,861.99	539,500.00
603 - Trustee Fees	9,345.70	9,859.21	9,859.21
604 - Employee Pen. & Benefits	265,858.65	223,716.97	339,200.00
615 - Electricity	38,776.24	40,199.76	60,300.00
616 - Generator Fuel	0.00	333.36	500.00
618 - Chemicals	22,509.57	19,922.28	37,000.00
620 - Materials & Supplies	122,558.30	157,109.97	229,700.00
620.7 - Postage	414.13	0.00	0.00
631 - Contr.-Engineering	10,580.00	6,230.00	10,000.00
632 - Contr. Accounting	44,400.00	49,333.28	66,000.00
633 - Contr. Legal	4,070.30	20,000.00	20,000.00
634 - Other Professional Fees	2,080.65	6,666.64	10,000.00
635 - Contr-Other	154,989.01	154,223.19	221,850.00
642 - Rental of Equipment	0.00	700.00	1,000.00
650 - Transportation	21,354.25	21,625.32	31,700.00
657 - Insurance - Gen. Liab.	31,830.00	32,000.00	32,000.00
658 - Insurance-Workers Comp.	9,771.15	10,000.00	13,000.00
660 - Advertising	1,414.50	300.00	300.00
667 - Regulatory Expense	13,401.50	18,500.00	19,000.00
670 - Uncollectables	0.00	0.01	0.01
675 - Misc. Expenses	4,650.48	8,741.12	14,300.00
680.00 · Uncategorized	45.77	0.00	0.00
Total Expense	1,816,572.80	1,803,604.03	2,639,895.72
Net Ordinary Income	33,792.53	102,785.65	67,848.28
Net Income	33,792.53	102,785.65	67,848.28

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

Accnt #	Description	YTD Jan-Aug	Amount
Capital Improvements			
105.01	Marine Construction	\$ -	\$ 1,200.00
105.02	Engineering & Excavation	\$ 17,954.29	\$ 20,000.00
105.05	GIS	\$ 7,482.49	\$ 15,000.00
105.10	Storage Building Project	\$ 7,410.00	\$ 10,000.00
105.16	Meter Upgrades	\$ 70,583.32	\$ 80,000.00
105.20	Meadow Cove Water Main Project	\$ 40,911.19	\$ -
105.19	North Adams Pond Fire Access	\$ 6,600.00	\$ 8,000.00
105.50	Work in Progress - Other	\$ 16,382.08	\$ 500.00
Total Capital Improvements		\$ 167,323.37	\$ 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	\$ 30,892.84	\$ 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	\$ 100,000.00
221.993	MMBB Consolidation		\$ 329,221.96
Total Principal Repayments		\$ 165,272.29	\$ 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. **NATURAL RESOURCES PROGRAM** – The following report was submitted to the board by the Natural Resources Program Manager:

1) Two of EPA Region 1 staff and 3 DEP staff were here last week to look at our 319 grant projects. It was a very positive experience for all, they were impressed with what we have accomplished and it was a good opportunity to not only showcase our good construction work but also to discuss our water supply and watershed. As of today, BRWD has completed 9 319 projects this summer, plus 2 CDC source water protection grant projects on Adams Pond Road. We have three more 319 projects on our docket for this year; one of which will be done by Reny Construction. The Town has completed two projects and has one larger project on Back River Road, which will be done jointly by BRWD/Town. After we have completed this year's work and have a good accounting of costs, we will know what funds we have left and can start planning next year's work.

2) Last week's, Board of Appeals meeting re: CMBG permit was another incredibly frustrating event. This meeting was supposed to consist of a discussion of the Wright Pierce Wolfeboro disaster, final arguments by lawyers and then the Board was to begin deliberations. Two hours in, it became apparent that some Board members did not have all the project plans. Meeting was adjourned so CMBG could be get a full collection of documents to all board members. Next meeting October 4. If this keeps up, they can start holding meetings under the lights of Gardens Aglow.

3) A car and dump truck full of sand went off Route 27 into wetlands of Adams Pond, across from Barry Sherman's, last Friday afternoon. It took a couple of hours to get the overturned truck removed and site stabilized but there were no spills. Fire Chief Spofford said the FD did not have hard booms available (although some are available at Coast Guard) to contain spills and we have agreed to revisit protocols and equipment needs for response to future such events.

4) I met yesterday with Forrest Bell Environmental, who is under contract to us to complete a buildout analysis and lake loading model to assist with Boothbay zoning ordinance revision. We (me and planning board chairman) have reviewed the first draft buildout analysis and it is being revised to better address local conditions. We now expect planning board ready reports by November 1. The Board will see this before it is released to the town.

SAFETY & TRAINING UPDATE – The manager reported no injuries, safety violations or known missed inspections during the previous period.

- a. **Human Resources** – The manager reported issues but did inform the board that district management had yet again heard nothing from Teamsters Local #340 with regard to beginning negotiations on the triannual contract which was set to expire 31 December 2017.
 - b. **Training Update** – The manager relayed how impressed he was with the distribution foreman with regard to training junior staff on internal procedures and awareness over the past several weeks which resulted in successfully expanding the technical base of our more junior employees. Nothing new with regard of formal training.
7. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency remained the same since the previous report. Filter efficiency remained at 100% with clarifier efficiency also at 100%

Since the previous report both sodium hydroxide and aluminum sulfate dosing rates remained slightly below normal for this time of year.

Finish water flow for the time of year remained down to an average 0.6094 MGD. Other significant DD events included:

- a. **Drought Monitoring** – The Boothbay region remains in a D1-*Moderate Drought* as recorded on the U.S. Drought Monitor. The scale measures from D0 – *Unusually Dry* to D4 – *Exceptional Drought*. As of this morning Adams Pond had in reserve 200.8 MG. As of now my concern for quantity is low but will continue to monitor available resources
- b. **Transfer Switch Problem** – The manager reported that the TD was still awaiting parts from Tokyo with this still an open item. The manager reported that he had reiterated with staff that using the emergency procedure, as outlined in his previous report, was an absolute last resort with the manager to be notified prior to staff initiating the transfer, should the situation warrant. The manager reported that he had impressed upon Power Products that this is a HUGE priority and expedited shipping had been ordered. When the manager asked answered that he had no timetable for the repair to the transfer switch at this time.
- c. **Lead (Pb) & Copper (Cu) Sampling** – The manager reported that he had received the sampling results (20 individual samples), which were federally mandated and where taken with strict adherence to federal sampling procedures, from A & L Laboratory earlier that day. The manager informed the board that the district had passed easily and would remain on the EPA’s reduced monitoring list for another three-year period.

Lead samples all returned with no lead detectable with a limit of 0.015 parts per million (ppm) (15 ppb).

Copper samples came back with a range of detectable copper from 0.0044 ppm to 0.0204 ppm, with a median at 0.0073 ppm. The legal limit is 1.3 ppm

8. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD was continuing to concentrate on maintenance and summer job orders with a steady increase, and then decrease in “whiteboard projects”. Much work on 319 Grant projects had been completed (see Natural Resources). Construction activity remained steady on the Boothbay peninsula with the DD responding to, and completing only 23 DigSafe notifications.
 - a. **New Building Status Report** – Since the previous report Dirigo Engineering had completed a geological investigation for the new building. The manager reported that he had met with Mr. Jim Lord P.E., Project Engineer, Dirigo Engineering and Mr. Tim Sawtelle, President, Dirigo Engineering the previous day and was informed that the design phase had now started after which a detailed cost-estimate would be provided to the district.
 - b. **Uni-Directional Flushing Plan** – The manager reported that Dirigo Engineering had removed many proprietary road blocks put up by the previous GIS contractor and had streamlined the district’s GIS program in a universal format. With that hurdle completed Dirigo Engineering was now actively working on the uni-directional flushing plan.
 - c. **Fire Hydrant Maintenance** – Maintenance work remains ongoing.

9. **5 RIVERS REGIONAL WATER COUNCIL** – Nothing new to report. .
10. **LAND ACQUISITION UPDATE** – Nothing new to report
11. **CAPITAL IMPROVEMENT PLAN UPDATE** – The manager reported that Dirigo Engineering had budgeted one of four investigation days to ascertain information for the plan. After the first day that number was expanded to six sessions due to the complexity of the district’s operation. The manager informed the board that Dirigo considered this effort a “front burner” with the treatment plant investigation 50% complete. Remaining field work includes another day with the treatment plant, several days with distribution and at least a day with natural resources. This project was now moving forward with no suspense date given at this time.
12. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** – The manager provided the following correspondence provided by Mr. Dan Flaig P.E., Project Engineer, Wright-Pierce Engineering:

Jon,

We are currently planning startup in mid-November. I would like to target being on your December 12th board meeting agenda for a presentation of the project.

Dan

In addition the manager reported that the district was actively supporting the paving efforts in Boothbay Center as well as moving the fire hydrant adjacent to the Post Office as previously agreed to with the town of Boothbay.

Vice Chairman Gamage inquired to the manager were the replacement hydrant was to be placed and was dismayed as to the lack of information the manager had provided the DD with regard to the moving plan and lack of coordination with Boothbay Fire Chief Spofford. The manager explained that he had apparently “dropped the ball” with the DD, quite unintentionally but was impressed with the distribution foreman who had met with the Fire Chief Spofford, selected the new site and was making preparations both with staff and equipment to make the fire hydrant move. The manager would have a detailed report of the relocation at the next meeting.
13. **ISLE OF SPRINGS (IOS) WATER PRESSURE** – Nothing new to report
14. **ANTHONY VS. COASTAL MAINE BOTANICAL GARDENS (CMBG) BOARD OF APPEALS (BOA) UPDATE** – The most recent meeting was held 21 September 2017. The manager was not in attendance but reports indicated it was largely procedural and suspended early because of reports allegedly not submitted to the BOA by CMBG or the CEO entrusted with this proceeding. The next meeting was scheduled for 5 October 2017.
15. **SEASCAPE COMMERCIAL DEVELOPMENT** – The manager reported that since the previous meeting district staff had attended a pre-construction meeting with Mr. Eric Wood and Mr. Justin Wood, Proprietors, E.M. Wood Construction, taken out the state road opening permit and ordered all necessary materials for the Phase I main extension, all of which the district would be reimbursed for by E.M. Wood Construction. The manager stated that until the district received the state road opening permit from the Maine Department of Transportation (DOT) no work schedule could be devised.

16. The board went into executive session pursuant to 1 M.R.S.A. §405 (6) (A) *personnel matters* at 1959 hrs.

Trustee Climo motioned, Trustee Gamage second, vote unanimous

17. The board came out of executive session at 2009 hrs.

Trustee Climo motioned, Trustee Lewis second, vote unanimous

18. Trustee Climo informed the board he would be absent for the trustee meetings in October for personal reasons but planned to be back in November.

19. The meeting was adjourned at 2010 hr.

Trustee Climo motioned, Trustee Gamage second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager