

8 May 2018

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 24 APRIL 2018**

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

1. The board approved the minutes for 10 April 2017 without revisions.
Trustee Climo motioned, Trustee Marston second, vote unanimous
2. The **Payroll** for weeks ending 10 April 2018 & 17 April 2018.
Trustee Anthony motioned, Trustee Climo second, vote unanimous
3. The **Transactions** for the period of 9 April 2018 through 20 April 2018.
Trustee Climo motioned, Trustee Anthony second, vote unanimous
4. **FINANCIAL-** The manager presented to the board Table 1 - *Boothbay Region Water District Cash Account Status Report as of 24 April 2018*, Table 2 - *Boothbay Region Water District Budget Performance Summary as of 31 March 2018* & Table 3 – *Boothbay Region Water District Capital Improvement & Equity as of 31 March 2018*.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 24 April 2018	
Account	Balance
Business Checking	\$ 23,064.98
Deposit Sweep Account	\$ 262,396.68
Liquidity Total	\$ 285,461.66
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,336.73
Land Acquisition Fund	\$ 14.66
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,411.24
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 35,963.96
TOTAL CASH RESERVES	\$ 321,425.62

- a. **2018 Rate Case** – The manager reported that on 26 April 2018 he would be meeting with the Maine Rural Water Association (MRWA) in Richmond to review the work done to date and discuss different scenarios for board consideration. The manager hoped to have preliminary numbers to report to the board on 8 May 2018.
- b. **Seasonal Start-up Status Report** – As of close of business on 23 April 2018 the seasonal water system was deemed to be up and running with all services that could be installed, installed. That said a few major problems were encountered during the start-up process which would delay seasonal service for about 12-customers, all to be up and running by 1 May 2018. These include:

- 1. **Appalachee Road, Boothbay Harbor** – The manager reported that staff found during the start-up process that some person(s) illegally cut the district water main and removed two services over the previous winter in the vicinity of 115 Appalachee Road so that a new septic system could be installed. The manager relayed that staff patched the water main together but reestablishing the severed services would take time. It was staff's hope to have these two services up and running by 27 April 2018. The manager then informed the board that the district was investigating who was responsible for this illegal action and that the owner of the new septic system would be billed all costs incurred to the district from this federally illegal activity.
- 2. **Summit Road, Boothbay Harbor** – There were ten services with no water service on Summit Road in Boothbay Harbor. During the start-up process staff found severe plow damage done to the main (a no fault situation). The manager relayed that staff left the main dormant until the completion of seasonal turn-on and were correcting the issues that day and should have these ten customers up and running by close of business 25 April 2018.

The manager reminded the board that the status of the above described issues with establishing seasonal service had been well documented on the district website and the district had yet to receive any complaints from these affected customers.

- c. **Meter Reading Cost of Service Study** – The manager reported that he would be meeting with Mr. Norm Lamie P.E. at MRWA on 26 April 2018 to begin this process.

5. NATURAL RESOURCES PROGRAM –The following written report was provided by, and delivered by the Natural Resources Program Manager:

1) Water quality sampling has begun for the year. We sampled Adams Pond and watershed streams in the last two weeks and will, hopefully, get Knickerbocker Lake sites on line this week. We have requested \$5000 in DWP Source Water Protection grant to cover water quality analyses.

2) Have been out documenting conditions of sites we repaired last year under the 319 grant and making plans for more work this year. We hope to partner with Town and DOT to address runoff at the Boothbay Fire Station as part of Park-and-Ride project. We have a laundry list of cleanup projects around the watersheds for once crew has completed seasonal startup. We are likely to apply for more 319 funds this summer so we continue our erosion control work next year.

Table 2
Boothbay Region Water District Budget Performance Summary as of 31 March 2018

	Jan - Mar 18	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
414-Gain on Sale-Misc Inc.	4,300.00	0.00	0.00
415 - Jobbing	14,511.73	14,460.82	107,111.79
419 - Interest Income	50.36	87.65	350.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	10,000.00		
461 - Revenue Accounts	441,759.03	980,099.87	2,615,650.79
Total Income	470,621.12	994,648.34	2,723,112.58
Gross Profit	470,621.12	994,648.34	2,723,112.58
Expense			
403-Depreciation Expense	165,000.00	165,000.00	660,000.00
408 -- Taxes other than Income	13,457.31	14,230.57	53,000.00
427-Bond and Loan Interest (Long Term Liab. Interest)	48.81	0.00	0.00
427-Interest Expense	70,654.00	68,075.23	271,760.45
601 - Wages	144,658.55	143,722.41	566,057.31
603 - Trustee Fees	0.00	0.00	10,056.40
604 - Employee Pen. & Benefits	102,787.38	89,038.04	386,475.93
615 - Electricity	20,759.59	13,266.75	58,950.00
618 - Chemicals	2,913.75	5,085.87	38,600.00
620 - Materials & Supplies	36,308.11	51,970.11	207,850.00
620.7 - Postage	210.03	0.00	0.00
631 - Contr.-Engineering	0.00	3,000.00	12,000.00
632 - Contr. Accounting	12,000.00	15,500.06	62,000.00
633 - Contr. Legal	1,405.50	7,375.03	29,500.00
634 - Other Professional Fees	2,830.00	2,500.03	10,000.00
635 - Contr-Other	28,704.70	48,685.62	204,750.00
642 - Rental of Equipment	0.00	250.00	250.00
650 - Transportation	9,748.14	9,375.45	38,250.00
657 - Insurance - Gen. Liab.	14,167.91	16,250.00	32,500.00
658 - Insurance-Workers Comp.	4,953.60	3,677.60	13,000.00
660 - Advertising	0.00	0.00	1,500.00
667 - Regulatory Expense	0.00	3,750.00	15,000.00
670 - Uncollectables	0.00	0.00	0.01
675 - Misc. Expenses	1,367.76	2,250.00	9,050.00
680.00 · Uncategorized	143.69	0.00	0.00
Total Expense	632,118.83	663,002.77	2,680,550.10
Net Ordinary Income	161,497.71	331,645.57	42,562.48
Net Income	<u>161,497.71</u>	<u>331,645.57</u>	<u>42,562.48</u>

Table 3
Boothbay Region Water District Capital improvement & Equity as of 31 March 2018

Acct #	Description	Jan-March 2018		Amount
	Capital Improvements			
105.01	Marine Construction	\$ -	\$	4,500.00
105.02	Engineering & Excavation	\$ -	\$	22,000.00
105.05	GIS	\$ 2,446.68	\$	6,000.00
105.10	Storage Building Project	\$ -	\$	10,000.00
105.15	Country Club Phase II		\$	5,000.00
105.16	Meter Upgrades	\$ 44,255.37	\$	80,000.00
105.20	Meadow Cove Water Main Project	\$ -	\$	-
105.21	Natural Resource Projects	\$ -	\$	15,000.00
105.50	Work in Progress - Other	\$ 21,433.60	\$	1,500.00
	Total Capital Improvements	\$ 68,135.65	\$	144,000.00
	Principal Repayments			
221.31	MBB Highland Park	-	\$	32,000.00
221.32	MBB Pinkham Standpipe Rehab	-	\$	5,220.00
221.33	RD Southport Interconnection	\$ -	\$	31,781.27
221.89	SRF Cape Newagen MMBB	\$ -	\$	10,600.00
221.92	RD 91-20	\$ -	\$	23,379.42
221.93	FNB Consolidation	\$ 10,696.33	\$	11,240.00
221.95	MMBB Sea Street	\$ -	\$	12,578.00
221.97	FNB Fluoride Bond	\$ -	\$	7,400.00
221.9	Highland Park	\$ -	\$	-
221.94	Mt Pisgah Tank	\$ -	\$	-
221.99	RD 91-18 (estimate - review after audit)	\$ 6,500.00	\$	6,295.22
221.993	MMBB Consolidation	\$ -	\$	332,548.06
	Total Principal Repayments	\$ 17,196.33	\$	473,041.97
	Sinking and Reserve Fund Contributions			
131.82	Capital Reinvestment	\$ -	\$	-
131.86	Land Acquisition	\$ -	\$	-
131.87	Southport Interconnection	\$ -	\$	9,328.00
131.88	RD 91-18	\$ -	\$	1,995.87
131.89	RD 91-20	\$ -	\$	6,196.63
	Total Sinking & Reserve Fund Contributions	\$ -	\$	17,520.50
	Fixed Asset Budget			
	2019 Chevrolet 3500 Lift Gate	\$ 56,821.00		55,000.00
	Replacement Compactor	\$ -		8,000.00
	Mcelroy Travel Trailer	\$ -		5,000.00
	Total New Fixed Asset Additions	\$ 56,821.00	\$	68,000.00

3) *We are assisting West Harbor Pond Watershed Association with their upcoming watershed survey. West Harbor Pond Association sent more participants to our 2014 watershed survey than came from Knickerbocker Lake and Adams Pond watershed combined.*

3) *Represented the District's watershed program at the Boothbay Harbor Memorial Library's EarthFest on Saturday 22- April and will be partnering with Watershed Tavern for community cleanup on 28-April.*

4) *We continue to participate in the Boothbay Planning Board's twice monthly ordinance review meetings. Presently, they are scheduled to begin watershed discussions in May.*

5) *Met with Dan Bryer and CEO Jason Lorrain last week to discuss ongoing programs and planned work this summer to survey septic systems and oil tanks in the nearshore zones of Knickerbocker and Adams Pond. Jason will assist us with the septic/oil tank survey.*

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

a. **Human Resources (HR)** –The review scheduled for *The Boothbay Region Water District Personnel Policy* was set for 17 April 2018 was cancelled due to seasonal start-up pressure and therefore no rough draft was ready for trustee review this evening.

b. **Training Update** –Nothing new to report.

7. **TREATMENT DIVISION (TD)** — The manager reported that filter train efficiency had improved since the previous report. Filter efficiency improved to 100% with clarifier efficiency remaining at 100%. Both sodium hydroxide and aluminum sulfate dosing rates remain normal for the time of year. Two filter operations commenced on 13 April 2018 and will remain that way until 18 October 2018. . Finish water flow is above average with daily production 0.5566 MGD as compared to 2017 production for the same period of time equaling .3653 MGD.

a. **Transfer Switch Problem** – The manager was pleased to announce that this project had come to positive conclusion. On 12 April 2018 the cut in for the new transfer switch was completed by MidCoast Electric which, at the end of the day, was semi functional. In the event of a power outage the transfer switch did transfer to the generator. Unfortunately a component of the generator was found not functioning allowing the generator to start. At that time Power Products did not have the replacement part on the truck; it had to be ordered. The manager reported that it had arrived yesterday, was installed by the close of business yesterday, with everything working as designed.

8. **DISTRIBUTION DIVISION (DD)** – The manager reported that the previous two-weeks were dedicated to seasonal turn-on which had been successfully completed. As already reported the crew was actively rectifying a few start-up problems with the seasonal system either caused by normal damage or criminal negligence. Those corrective actions must be completed by weeks end.

There were no water main breaks in the previous period.

a. **New Building Status Report** –No change in status.

b. **Unidirectional Flushing Plan** –No change in status.

9. **5 RIVERS REGIONAL WATER COUNCIL** –No change in status.
10. **LAND ACQUISITION UPDATE** – See Natural Resources
11. **CAPITAL IMPROVEMENT PLAN UPDATE** – No change in status
12. **BOOTHBAY HARBOR COUNTRY CLUB (BHCC), PHASE II** – The manager reported that on 18 & 19 April 2018 the contractor, chief treatment plant operator and our engineer began the start-up and shakedown process for the new pump station and pressure reducing valve (PRV) needed for this project. The initial start-up “*went rough*” with a huge punch-list generated. At the same time Electrical Installations (EII) installed into the SCADA system the remote operations code for the new pump station with a fair share of problems encountered as well. However, the manager stated, for the complexity of the project nothing was out of the ordinary; explaining it was normal start-up issues.

The easement for this project was still in review with the BHCC attorney with this requirement not covered as of yet.
13. **ANTHONY VS. CMBG APPEAL** – See Natural Resources
14. **SEASCAPE COMMERCIAL DEVELOPMENT** – Since the previous meeting the manager reported that the newly installed water main passed both disinfection and pressure testing, performed and documented by E.J. Prescott (EJP), an independent third-party. The manager reported is waiting for the all invoices for the final billing for this project but as of now, from a structural point of view the water main was in excellent condition and acceptable to the district. The manager discussed with the board that they could accept the infrastructure that night with caveat “contingent to all bills being settled with the district”. The board accepted the water main contingent to all bills being owed to the district be settled within a reasonable time frame.
Trustee Climo motioned, Trustee Anthony second, vote unanimous
15. **ISLE OF SPRINGS (IOS)** – The manager reported that he would be meeting with Wright-Pierce at 1100 hr. 26 April 2018 at the District Administration Office with IOS representatives to discuss their recommendations of the study to include a design for installing a water main on the Sawyers Island Bridge and reestablishing a looped distribution system to improve water pressure issues on IOS. The board instructed the manager to provide a full report for the board as to the results of this study, as well as the recommendations for district action, at the 8 May 2017 trustee meeting.
16. **TRUSTEE ELECTION CHANGE INVESTIGATION** - No change in status
17. **ALTERNATIVE ELECTIC POWER OPTIONS** – No change in status
18. Trustees Climo and Gamage thanked trustee Marston for his years of exemplary service as the at-large trustee for the district as did the whole board. Trustee Marston thanked the board and stated he would miss the district, its staff and most of all the board he served with.
19. The meeting was adjourned at 1920 hr.
Trustee Climo motioned, Trustee Marston second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager

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