

12 June 2018

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 22 MAY 2018**

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 Anthony, Boothbay; Trustee Tibbetts, Boothbay Harbor; Jonathan Ziegler, Manager. **Guest:** Mr. Joe Pagano & Mr. Nick Sampson, Revision Energy; Ms. Susan Mello, Natural Resource Program Manager. **Absent:** Trustee Tharpe, At-Large.

1. The board approved the minutes for 8 May 2018 without revisions.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
2. The **Payroll** for weeks ending 8 May 2018.
Trustee Climo motioned, Trustee Gamage second, vote unanimous
3. The **Transactions** for the period of 7 May 2018 through 18 May 2018.
Trustee Gamage motioned, Trustee Climo second, vote unanimous
4. **ALTERNATIVE ELECTRIC POWER OPTIONS** – The Chairman recognized Mr. Joe Pagano & Mr. Nick Sampson, Revision Energy who provided a detailed, hour-long, presentation of not only a preliminary design for a proposed solar farm at the Adams Pond Treatment Plant but funding mechanisms available to the district to up-front the cost of solar farm installation, stabilized, per kilowatt hour energy costs, and potential buy-out for district ownership of the solar farm in the future. The board peppered the Revision Energy representatives with many questions including the environmental viability of setting up a solar array in a resource protection zone with regard to extra impervious surface the solar array construction may create. The manager was instructed by the board to research the questions raised as well as tour municipal solar farms, interview those officials and report back any findings to the board so that an informed decision on this effort could be made.
5. **FINANCIAL-** The manager presented to the board Table 1 - *Boothbay Region Water District Cash Account Status Report as of 22 May 2018*, Table 2 - *Boothbay Region Water District Profit & Loss Budget Performance as of 30 April 2018*, & Table 3 - *Boothbay Region Water District Capital Improvement & Equity as of 30 April 2018*. Within the previous period the district had received 4 new service applications with estimates and construction dates pending with 2 new services added in the previous period. On 15 May 2018, after alerting the Treasurer (see correspondence), the manager cleared the line of credit with *The First* with the principle payment of \$200,000.00 transferred from the district's SWEEP account to the line of credit.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 22 May 2018	
Account	Balance
Business Checking	\$ 26,977.56
Deposit Sweep Account	\$ 297,335.15
Liquidity Total	\$ 324,312.71
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,338.99
Land Acquisition Fund	\$ 14.66
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,411.54
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 35,966.52
TOTAL CASH RESERVES	\$ 360,279.23

- a. **2018 Rate Case** – The manager reported that he and the customer service representative (CSR) met with the district’s rate analyst, Ms. Cathy Robinson on 10 May 2018. The manager reported that he reiterated the boards wishes expressed to him at the previous trustee meeting and the need for multiple scenarios for rate formulation. Since that time, Ms. Robinson has continued daily feedback and data requests, particularly with CSR in formulating lower minimum use and determining what the actual usage average is for older, single persons on fixed incomes was to design a rate structure around those individuals.
- b. **Meter Reading Cost of Service Study** – No change in status since the previous meeting.

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

1) Watershed field work has begun - slowly. We should have completed new plantings at Adams Pond (north) and at Knickerbocker Lake by end of this week and will turn toward improvements at Adams Pond pullouts (erosion control and maintenance). One 319 grant project has been scheduled at Knickerbocker and two more are in initial planning. As reported last month, a lot of work on Knickerbocker Lake shore at present - mainly tree removals, but also two new septic systems. Because of CEO’s diligence, we have been onsite and have agreements for tree replanting at shore properties where dead/ dying trees are being removed. Water quality sampling is ongoing.

2) We are on track to provide the Boothbay Planning Board with recommendations for zoning ordinances revisions. Discussion of watershed ordinances are scheduled to begin June 12.

3) One lake-friendly grant this month for a new septic system that replaced a failing system in Knickerbocker Lake watershed.

Table 2

Boothbay Region Water District Profit & Loss Budget Performance as of 30 April 2018

	<u>Jan - Apr 17</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense			
Income			
414-Gain on Sale-Misc Inc.	1,800.00		
415 – Jobbing	21,301.40	28,386.30	125,000.00
419 - Interest Income	86.24	166.60	500.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	0.00	0.00	0.00
461 - Revenue Accounts	1,034,261.65	1,020,100.63	2,582,244.00
Total Income	1,057,449.29	1,048,653.53	2,707,744.00
Gross Profit	1,057,449.29	1,048,653.53	2,707,744.00
Expense			
403-Depreciation Expense	220,000.00	220,000.00	660,000.00
408 -- Taxes other than Income	17,002.65	15,738.85	50,174.16
427-Bond and Loan Interest (Long Term Liab. Interest)	3,907.99		
427-Interest Expense	96,136.21	91,504.00	274,512.34
601 - Wages	190,265.72	172,776.88	539,500.00
603 - Trustee Fees	9,345.70	9,859.21	9,859.21
604 - Employee Pen. & Benefits	120,351.50	112,736.80	339,200.00
615 - Electricity	14,826.89	20,099.88	60,300.00
616 - Generator Fuel	0.00	166.68	500.00
618 - Chemicals	3,491.49	13,666.64	37,000.00
620 - Materials & Supplies	59,372.38	83,614.34	229,700.00
620.7 - Postage	202.85	0.00	0.00
631 - Contr.-Engineering	857.00	3,558.82	10,000.00
632 - Contr. Accounting	30,000.00	24,166.64	66,000.00
633 - Contr. Legal	2,597.50	20,000.00	20,000.00
634 - Other Professional Fees	1,658.15	3,333.32	10,000.00
635 - Contr-Other	58,385.57	53,388.39	221,850.00
642 - Rental of Equipment	0.00	335.56	1,000.00
650 - Transportation	7,339.53	8,402.51	31,700.00
657 - Insurance - Gen. Liab.	15,915.00	16,000.00	32,000.00
658 - Insurance-Workers Comp.	8,329.30	7,000.00	13,000.00
660 - Advertising	0.00	300.00	300.00
667 - Regulatory Expense	11,425.00	11,842.21	19,000.00
670 - Uncollectables	0.00	0.01	0.01
675 - Misc. Expenses	4,641.14	4,350.51	14,300.00
680.00 · Uncategorized	0.00	0.00	0.00
Total Expense	876,051.57	892,841.25	2,639,895.72
Net Ordinary Income	181,397.72	155,812.28	67,848.28
Net Income	181,397.72	155,812.28	67,848.28

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Table 3

Boothbay Region Water District Capital Improvement & Equity as of 30 April 2018

Accnt #	Description	Jan-Apr 2018	Amount
Capital Improvements			
105.01	Marine Construction	\$ 2,250.00	\$ 4,500.00
105.02	Engineering & Excavation	\$ -	\$ 22,000.00
105.05	GIS	\$ 2,446.68	\$ 6,000.00
105.10	Storage Building Project	\$ 3,000.00	\$ 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	\$ 47,053.92	\$ 1,500.00
Total Capital Improvements		\$ 99,005.97	\$ 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	\$ 10,563.00	\$ 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		\$ 27,759.33	\$ 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

4) *Invasive bush honeysuckle in the red pine shore buffer behind the District office is so dense that young trees that should be replacing the dying red pines are not establishing. Our summer intern began the removal process last year, I will be working on that project this year.*

5) *Maine Drinking Water Program's cyanotoxin study last year showed no detectable levels of this toxic algae in our water system. Because of the positive results, this project will not be continued.*

6) *We have been supporting the West Harbor Pond Association with its planned June 6 watershed survey.*

7) *The Morton property on Back River Road, which has been an identified pollution source to Knickerbocker Lake for several years, is currently for sale. Asking price \$129,000. This property is a good reminder that we need to establish a mechanism to fund land acquisitions.*

Note – As approved by the board, the manager reported that he had delivered a Letter of Appreciation to the Boothbay Board of Selectmen for the efforts provided the district, by Mr. Jason Lorrain, Boothbay, code enforcement officer (CEO) particularly with regard to the execution of a no-spray zone of herbicides within the Knickerbocker Lake and Adams Pond watersheds by the Maine department of Transportation (DOT).

8. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
 - a. **Human Resources (HR)** –Because Mr. Brett Miller, President, Teamsters Local #340 inaction concerning the initiation of the most recent labor agreement, allegedly over the language of summer work schedules, the manager informed the board that he had invoked his rights in the contract under Article 12 - HOURS OF WORK AND OVERTIME and gone ahead mutually designed a trial run for summer hours. As of 30 May 2018, the distribution division (DD) will begin new hours in that it was the only division that voted to try extended summer work hours. The manager explained that the district will have a DD presence Monday through Friday with three (3) DD personnel working 0600 hr. to 1630 hr. Monday through Thursday and three (3) working the same hours Tuesday through Friday. The manager assured the board that the district would be at full-strength for three-days per week through the summer, those being Tuesday through Thursday. At any time, he, or staff could “pull the plug” on this effort, but he thought that this was going to be a good deal for all involved, including management.
 - b. **Training Update** – There was no training during the previous period.
9. **TREATMENT DIVISION (TD)** — The manager reported that filter train efficiency since the previous report remained at 100% for both filter and clarifier performance. Both sodium hydroxide and aluminum sulfate dosing rates remained normal for this time of year. Finish water production remained slightly below 2017 production rates with an average daily production 0.4112 MGD as compared to 2017 production for the same period of time equaling .4491 MGD.
 - a. **Backwash Rate Valve** – the manager informed the board that he was awaiting a cost estimate and plan of attack from *Sullivan and Associates*.

- b. **Finish Water Pump #1, (FWP1) Variable Frequency Drive (VFD)** – This problem was corrected on 16 May 2018 by Stultz Electric for an aggregate total of approximately \$7,500.00. The pump was put into service that evening and has been working perfectly since.

- 10. **DISTRIBUTION DIVISION (DD)** – The manager reported that for some reason the post seasonal water turn-on job orders related to the seasonal water system had been extremely busy. In reviewing the weather records for April staff hypothesized that freezing temperatures, albeit for a short in duration, but great in intensity, may be a contributing factor in that we are replacing many service valves and small vulnerable components. In the previous period the DD responded to 29 Dig Safe notifications and installed two services.

Additionally, the DD is now heavily involved with supporting paving efforts within the region, adjusting district equipment as paving progresses. Both the Boothbay Center project and the town of Boothbay Harbor are very active with that regard at the present time.

- a. **Sand Dollar Road Water Main Extension** - Over the previous period the DD completed a 150-foot seasonal water main extension on Sand Dollar Road in East Boothbay. All bills are paid and the main was installed to district and AWWA standards. All water main is within a utility right-of-way. The manager recommended the board accept the water main. The board accepted the new water main.
Trustee Climo motioned, Trustee Anthony second, vote unanimous
- b. **Breakneck Road Water Main Relocation** – The water main serving Breakneck Hill Road would be relocated to the public way, off of private property, to accommodate construction of new private buildings. The manager explained that this action was being taken for the district’s convenience and was therefore legal for the district to execute. There will be no remuneration from any landowner to the district with regard to this effort.
- c. **Beach Path Road Seasonal Water Main Extension** - Individuals with new homes on a spur off of Crest Avenue had requested a 600-foot seasonal water main extension to serve a cluster of homes currently without service. All district protocols had been followed thus far with regard to this project. The manager stated that at this time, he had no estimated time of completion but this effort was ongoing. All water main was located within a utility right-of-way and would require no further easements or legal documentation.
- d. **New Building Status Report** –No change in status.
- e. **Unidirectional Flushing Plan** – No change in status

- 11. **5 RIVERS REGIONAL WATER COUNCIL** –No change in status.

- 12. **LAND ACQUISITION UPDATE** – See Natural Resources

- 13. **CAPITAL IMPROVEMENT PLAN UPDATE** – No change in status.

14. **BOOTHBAY HARBOR COUNTRY CLUB (BHCC), PHASE II** —The manager reported that the contractor was feverishly working through the punch list of this project. The pump test for the pump station would take place 23 May 2018. Mr. Dan Flaig P.E., *Wright-Pierce Engineering*, had set the target of 12 June 2018 as the acceptance date for the board. This project was very active and the manager reported that there was still much information required to be delivered to the district prior to the board entertaining any decision regarding this project. Lastly the manager reported that the required easement as described at the last meeting had been executed and filed at the Lincoln County Registry of Deeds.
15. **ANTHONY VS. CMBG APPEAL** – See Natural Resources
16. **ISLE OF SPRINGS (IOS)** - The manager presented the following correspondence written by Mr. Flaig concerning the status with this project.

“Thanks for meeting with myself and the Isle of Springs group to discuss the water system study Wright-Pierce has completed for Isle of Springs. The meeting was held at the District office on 4/25. As discussed, we have reviewed various scenarios to provide additional service pressure to the highest service elevations of the island with consideration focused on a long-term approach to eliminate the need to maintain the storage tank on the island. The existing 5,000-gallon fiberglass tank is a safety and maintenance concern long term for IOS.

The system currently operates with a booster pump that cycles on a pressure control band to maintain a full tank. Although, this equipment functionally provides adequate service pressure, the long-term goal is to reduce the reliance on booster pumps by increasing the supply pressure to the island and eliminate the need to operate a storage tank.

Our data logging pressure supply study presented at the meeting indicated that the supply pressure at the end of Landing road (IOS meter) is normally around 80 - 85 psi with drops as low as 40 psi during peak hour demands. We considered options to improve the supply pressure during peak demand hours to the island. We considered the option of upgrading the 2” seasonal main on Landing Road, Isle of Spring Road, and Tavenner road to 3” in combination with upgrade of the IOS channel crossing to 3”. Based on our discussion, this upgrade would be cost prohibitive for IOS to fund this entire project and upgrade of seasonal mains in this area is not currently on the District’s radar. At this time, the District is meeting PUC standards for supply pressure (20 minimum) at the metered service connection to IOS.

As discussed, an alternative means of providing additional supply pressure at the IOS metered service at Landing Road, is to supply that portion of the District’s seasonal system from the Kenniston Hill pressure zone. Kenniston Hill zone operates as a hydraulic grade line that is about 20 – 30 psi higher than the current hydraulic grade line that supplies the IOS system. As discussed at the meeting, this would require installation of a new water main on the Hodgson Island bridge. The District has wanted to complete this project for many years to improve water quality by eliminating dead ends on either end of the bridge but has run into previous road blocks several years ago with MaineDOT and reported desire not to allow a water main on the bridge at that time.

As discussed Wright-Pierce and Dale Harmon from BRWD met with the Boothbay area MDOT bridge engineer at the bridge in the fall of 2017 to discuss a proposed crossing of the bridge with a water main. The MaineDOT bridge engineer did not see any issue with permitting a water main as long as the DOT utility accommodation policy was followed. The constraints discussed was that the water main cannot be installed on the side of the bridge or below the girders. The water main cannot be attached the bridge deck. Based on our review, there is ample space to install a 4” water main between two girders without the water main being exposed below the bottom flange of the girders. Additional cross members between the girder may be required depending upon the final design accepted by MaineDOT.

The BRWD (District) has proposed installation of a new stainless-steel water main across the bridge and assume the cost of the installation and own the water main. The District indicated they would work with a local contractor on the installation.

The District indicated that that they will complete this work if Wright-Pierce on behalf of Isle of Springs Association can secure a permit from MaineDOT to install a 4” stainless steel water line on the bridge and provide pipe hanger design to the District for the installation contractor paid by the District. The cost of installing the water main will be borne by the District. IOS agrees enter into an agreement with Wright-Pierce for design and MaineDOT permitting for the Hodgson Island bridge water main on behalf of the District. The agreement benefits IOS by providing a stronger pressure feed from Kenniston Hill zone to provide higher service pressure to the island to peak demand periods. This project is expected to improve pressure service to the island, but IOS may need to maintain a booster pump on stand during certain peak hour water use periods. The MaineDOT permit applications will be submitted on behalf of the District.

Once the MaineDOT permit is secured, the District will proceed with schedule planning for the installation, which will occur between seasonal turn-off (2018) and seasonal turn-on (2019).

The District has also offered to provide an unused spare booster pump and variable frequency drive (equipment in inventory) if needed in the future by IOS. In addition, the District has offered to make a site visit to the island to inspect current water main installation in comparison to District standard installation for seasonal mains and show the Isle of Springs Manager how to complete fused pipe joints. The IOS is interested replacing PVC fittings over time with fused connection for improved reliability. The IOS would like to take the District up on your offer to visit the island this spring/ summer when you staff has available time. You can coordinate a site visit directly with Scott Olsen at 207-522-6717.

We will keep you apprised with the progress of the permitting and design. Our expectation is to have permit application and design submitted to MaineDOT in July, 2018.”

17. **PROPOSED BY-LAW CHANGE** – No further direction was given top the manager concerning this proposed effort
18. The meeting was adjourned at 2034 hr.
 - . *Trustee Climo motioned, Trustee Anthony second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler
General Manager

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