

23 October 2018

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 9 OCTOBER 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 Tibbetts, Boothbay Harbor; Trustee Tharpe, At-Large; Jonathan Ziegler, Manager. **Guest:** None. **Absent:** Trustee Climo, Southport (Clerk); Trustee Anthony, Boothbay.

1. The board approved the minutes for 11 September 2018 without revisions.
Trustee Gamage motioned, Trustee Tibbetts second, vote unanimous
2. The **Payroll** for weeks ending 11 September 2018, 18 September 2018, 25 September 2018 and 2 October 2018.
Trustee Gamage motioned, Trustee Tibbetts second, vote unanimous
3. The **Transactions** for the period of 10 September 2018 through 21 September 2018 & 24 September 2018 through 5 October 2018.
Trustee Gamage motioned, Trustee Tibbetts second, vote unanimous
4. **FINANCIAL-** The manager presented to the board Table 1 – *Boothbay Region Water District Cash Account Status Report as of 9 October 2018*, Table 2 - *Boothbay Region Water District Budget Performance Summary as of 31 August 2018*, and Table 3 - *BRWD Capital Improvement to Equity Performance Summary as of 31 August 2018*. Within the previous period the district has received 2 new service applications with 4 new services installed.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 9 October 2018	
Account	Balance
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 544,721.74
Liquidity Total	\$ 569,721.74
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,350.52
Land Acquisition Fund	\$ 14.68
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,413.05
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 35,979.58
TOTAL CASH RESERVES	\$ 605,701.32

- a. **Rate Case** – The manager recapped with the board the events of the public hearing which was held at the Southport Town Hall on 20 September 2018 at 1800 hr. The public meeting was well attended with many customers from all three towns present. The questions were very good with the board ensuring sufficient answers to all concerns.

The manager then reported the trustee meeting, the minutes were still incomplete but expected within the upcoming week, at which time they will be forwarded to the Maine Public Utilities Commission (PUC). The manager concluded his report stating the rate case is still on-track.

- b. **Meter Reading Cost of Service Study** – The manager reported that he had met with the Boothbay Harbor Sewer District (BHSD) Superintendent on 20 September 2018 to review his concerns, which in the opinion of the manager were all valid. The following meter reading rate, and annual escalator were tentatively agreed to pending board approval (See Table 4). The board approved the agreed upon rate and strategy determined by the manager and the BHSD superintendent as written.

Trustee Gamage motioned, Trustee Lewis second, vote unanimous

- c. **Line of Credit** – On 2 October 2018, as previously authorized, the manager informed the board that he had signed a line of credit with *The First* for \$400,000.00 to cover our consolidated bond payment with the Maine Bond Bank. Table 1 showed that as of that morning the money was still in the districts SWEEP account but was expected to disappear in a very short time.

5. **NATURAL RESOURCES PROGRAM** – The following report was provided by the Natural Resource Program Manager (NRPM):

1) DEP notified us that our 2018 319 grant applications submitted in June has been approved. This will allow us to continue our erosion control work for two more years.

The DEP grant administrator was here two weeks ago to review completed projects and look at projects for next year.

2) We have begun cleanup near the Adams Pond shore and along the Old Pump Station Road where the 0.5 acre microburst blowdown occurred. Work along the shore to stabilize soils, return roots to the ground and cover bare soils will be reimbursed at 60% under our current 319 grant.

3) 319 projects at two Knickerbocker Lake properties and one Adams Pond site have been completed and we have been reimbursed \$5,110, \$3,495 of which will be passed through to one Knickerbocker Lake property owner. We are scheduled to complete at least two more 319 projects this fall. We are working to get a commitment from one more private property owner on Knickerbocker to resurface an eroding driveway and replace a failed culvert. Our goal is to use up all grant funds by the end of this year.

4) We submitted a list of potential projects to DEP in response to their request for environmental projects that could be funded with violation fine money from the CMBG project wetland/erosion control violations last year. CMBG has appealed the violations and the fine to the Board of Appeals so this money may never happen but if it does we have an inside track for funding. The projects we submitted include shoreline buffer revegetation, invasive plant management around Adams Pond and emergency response training/equipment for accidents/spills along the Adams Pond Rt. 27 corridor.

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

	Jan - Aug 18	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
414-Gain on Sale-Misc Inc.	14,011.00	0.00	0.00
415 - Jobbing	88,000.53	60,892.10	107,111.79
419 - Interest Income	193.75	233.40	350.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	15,110.00		
461 - Revenue Accounts	1,814,175.31	1,815,428.82	2,615,650.79
Total Income	<u>1,931,490.59</u>	<u>1,876,554.32</u>	<u>2,723,112.58</u>
Gross Profit	1,931,490.59	1,876,554.32	2,723,112.58
Expense			
403-Depreciation Expense	440,000.00	440,000.00	660,000.00
408 -- Taxes other than Income	36,218.00	36,441.59	53,000.00
427-Bond and Loan Interest (Long Term Liab. Interest)	631.92	0.00	0.00
427-Interest Expense	185,543.02	181,137.83	271,760.45
601 - Wages	380,724.62	384,347.72	566,057.31
603 - Trustee Fees	9,351.15	10,056.40	10,056.40
604 - Employee Pen. & Benefits	293,826.20	245,973.76	386,475.93
615 - Electricity	40,788.16	40,927.65	58,950.00
618 - Chemicals	25,883.54	25,626.64	38,600.00
620 - Materials & Supplies	135,672.66	140,652.76	207,850.00
620.7 - Postage	332.82	0.00	0.00
631 - Contr.-Engineering	1,863.00	8,000.00	12,000.00
632 - Contr. Accounting	44,700.00	41,333.36	62,000.00
633 - Contr. Legal	2,380.00	19,666.68	29,500.00
634 - Other Professional Fees	8,742.50	6,666.68	10,000.00
635 - Contr-Other	156,510.42	148,989.77	204,750.00
642 - Rental of Equipment	0.00	250.00	250.00
650 - Transportation	17,891.29	25,250.20	38,250.00
657 - Insurance - Gen. Liab.	14,167.91	32,500.00	32,500.00
658 - Insurance-Workers Comp.	13,143.40	11,215.15	13,000.00
660 - Advertising	270.25	1,500.00	1,500.00
667 - Regulatory Expense	18,622.00	10,000.00	15,000.00
670 - Uncollectables	0.00	0.00	0.01
675 - Misc. Expenses	7,771.00	6,050.00	9,050.00
680.00 · Uncategorized	1,680.77	0.00	0.00
Total Expense	<u>1,836,714.63</u>	<u>1,816,586.19</u>	<u>2,680,550.10</u>
Net Ordinary Income	94,775.96	59,968.13	42,562.48
Net Income	<u><u>94,775.96</u></u>	<u><u>59,968.13</u></u>	<u><u>42,562.48</u></u>

Table 3

BRWD Capital Improvement to Equity Performance Summary as of 31 August 2018

Accnt #	Description	Jan - Aug 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	\$ 79,517.55	\$	80,000.00
105.20	Meadow Cove Water Main Project	\$ -	\$	-
105.21	Natural Resource Projects	\$ -	\$	15,000.00
105.50	Work in Progress - Other	\$ 63,834.42	\$	1,500.00
	Total Capital Improvements	\$ 151,048.65	\$	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	\$	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	\$ 6,946.00	\$	7,400.00
221.9	Highland Park	\$ -	\$	-
221.94	Mt Pisgah Tank	\$ -	\$	-
221.99	RD 91-18 (estimate -)	\$ 6,500.00	\$	6,295.22
221.993	MMBB Consolidation	\$ -	\$	332,548.06
	Total Principal Repayments	\$ 66,486.60	\$	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

Table 4		
Revised Meter Reading Rate		
Accounting Code	District	Sell Rate
Meter Assets	\$ 4.00	\$ 2.00
Office Equipment Assets	\$ 0.08	\$ 0.04
Transportation	\$ 0.12	\$ 0.06
Salaries	\$ 2.30	\$ 1.15
Benefits	\$ 2.08	\$ 1.04
Transportation	\$ 0.16	\$ 0.08
TOTAL	\$ 8.74	\$ 4.37

5) *The Board of Environmental Protection denied the Anthony family appeal of CMBG’s permit. However, the Board is requiring third-party monitoring of runoff from CMBG’s parking lots for two years, which was not part of the original permit.*

6) *We have completed monitoring of the 70-acre conservation property we obtained from the Hamrins with a Maine Natural Resource Conservation Program grant. This is the second year of a required 5-year monitoring program. No problems noted on the site but the proliferation of Japanese knotweed, an invasive species, on adjacent properties is a problem we must get under control. We will submit our required annual report to The Nature Conservancy by December 30.*

7) *Forrest Bell Environmental has submitted the Knickerbocker Lake Shoreline Survey report. This has not yet been released.*

8) *Pond sampling continues and we continue to work with the Boothbay Planning Board and their consultant on the watershed ordinance update and revision.*

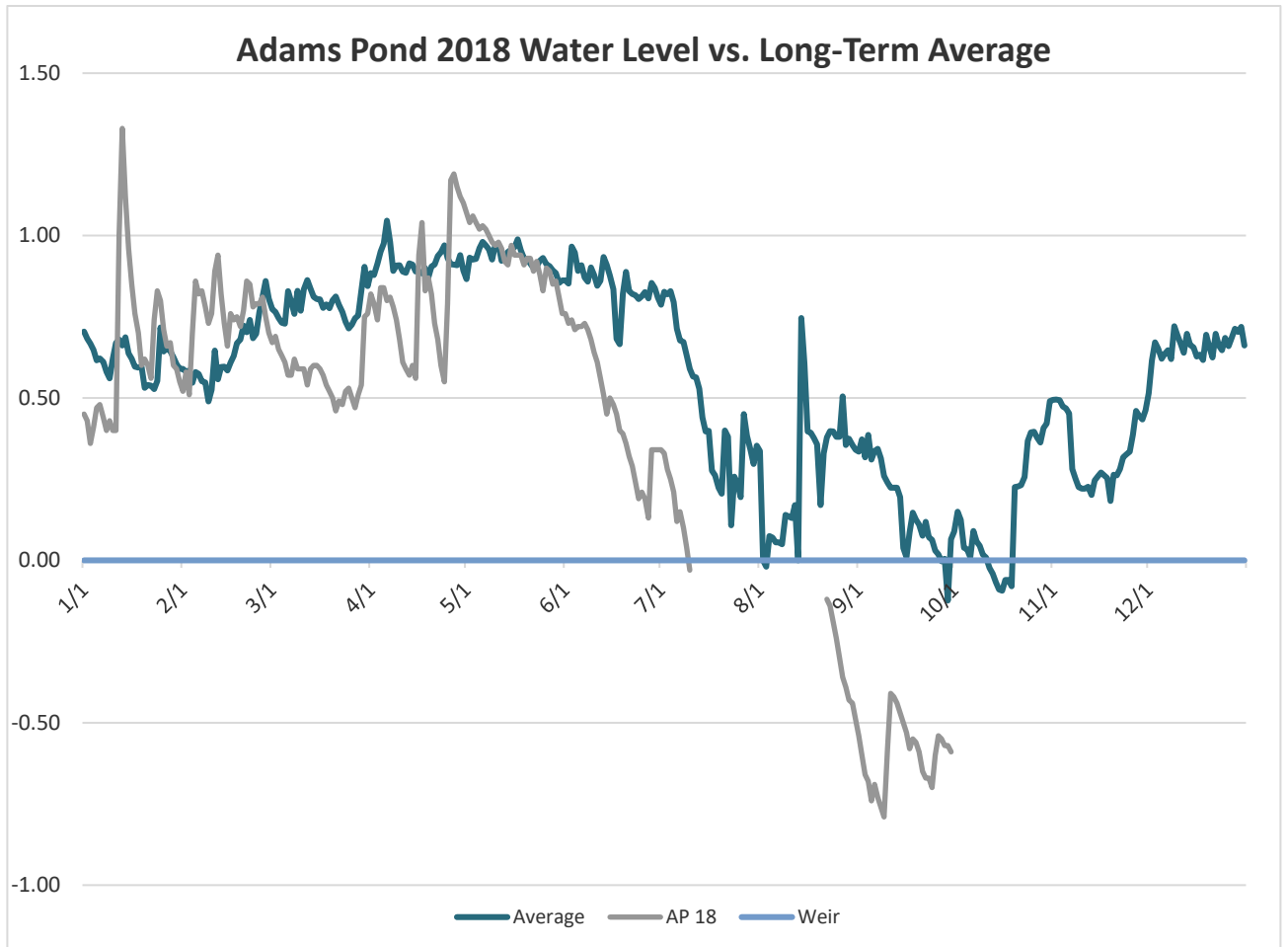
6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
 - a. **Human Resources (HR)**– On 5 October 2018 the search for a new utilities technician was suspended. Interviews had been conducted with one very acceptable candidate identified. The manager reported to the board that it was his intention to make a job offer the following day after consultation with Human Resources (HR) to ensure all of the required contractual obligations required to make an award are completed. The board concurred and were very interested in news of the potential new addition to the district.
 - b. **Training Update** – Nothing new to report.

7. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency since the previous report had not changed and remained at 86% for filter operations and remained 91% for clarifier performance. It was unclear if the turbidity problem with Adams Pond was still due to the storm/deluge of 6 September 2018 or the onset of normal lake turnover. Both sodium hydroxide and aluminum sulfate dosing rates have come back down to Earth with the assumption that we would begin increasing the efficiency of the treatment train in the very near future. Finish water

production for the previous period was slightly higher than that of 2017 production rates with an average daily production 0.5660 MGD as compared to 2017 production for the same period of time equaling 0.5590 MGD.

- a. **Drought Monitoring** – Since the previous report the Boothbay region had been upgraded to a D-2 – *Severe Drought* to D-1 – *Moderate Drought* on the U.S. Drought Monitoring Scale with the statewide trend of the drought lessening. Adams Pond is currently 0.66 ft lower than the long-term average (see Table 5) currently with 210 MG in reserve for the remainder of the season.

Table 5



- 8. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD would be preparing hydrants for the color coding in accordance with the CIP. During the previous period the district experienced one water main break (seasonal) on Camron Point, which was under pavement and required extensive repair. A more permanent repair is scheduled for the off-season. During the previous period the DD responded to 27 DigSafe requests which is normal for this time of year and very manageable.

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

- b. **Seasonal Water Shutdown** - The manager reminded the board that seasonal water service would be suspended on 18 October 2018 at 0700 hr. This event had been advertised on the district website for quite a while with the billboard adjacent to Adams Pond put up on 14 September 2018. The manager explained that this year the process will take a little longer in that the DD would be partially undermanned. The entire completion of this process was estimated to take 6-weeks.

9. **5 RIVERS REGIONAL WATER COUNCIL** – No change in status.

10. **LAND ACQUISITION UPDATE** – No change in status

11. **ISLE OF SPRINGS (IOS)** — The following correspondence was received from Mr. Dan Flaig P.E., Wright-Pierce Engineering:

Jon,

Woody and Dustin Lacombe (new project engineer on our water team) are attending the Trident users group meeting in Boothbay on Wednesday. Dustin has been helping me with the bridge water main design and permitting. Would you and Dale have some time to discuss the preliminary design with Dustin? We are working toward finalizing the design and submitting permits. Do you have a contractor lined up to look at plans to provide a price for your upcoming 2019 budgeting?

Dan

12. **ALTERNATIVE ELECTRIC POWER OPTIONS** –No change in status.

13. **TRAINING FOR THE BOARD** –No change in status

14. **METER DOWNSIZE REQUEST –WEST HARBOR POND CONDOMINIUM ASSOCIATION** – The manager presented the board with a request by the West Harbor Pond Condominium Association, located in Boothbay Harbor to downsize from a 4” meter to a 2” meter. In addition, the manager presented the board with his analysis showing a 2” meter would be sufficient to handle the load at that location. The manager recommended to the board that this request should be granted. The board granted the meter downsize request for the West Harbor Pond Condominium Association to reduce its meter from 4” to 2”.

Trustee Gamage motioned, Trustee Lewis second, vote unanimous

15. Chairman Pinkham ordered of the manager to ensure the fields adjacent to the Adams Pond Treatment facility and Administration Office be mowed at the earliest possible time.

16. The meeting was adjourned at 2008 hr.

Trustee Lewis motioned, Trustee Tibbetts second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager

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