

11 December 2018

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 27 NOVEMBER 2018**

The Board of Trustees convened at 1800 hrs. **In attendance:** Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Climo, Southport (Clerk); Trustee Anthony, Boothbay; Trustee Tibbetts, Boothbay Harbor; Jonathan Ziegler, Manager. **Guest:** None. **Absent:** Trustee Lewis, Boothbay (Treasurer); Trustee Tharpe, At-Large.

1. The board approved the minutes for 13 November 2018 with revisions.  
*Trustee Gamage motioned, Trustee Climo second, vote unanimous*
2. The **Payroll** for weeks ending 13 November 2018 & 20 November 2018.  
*Trustee Gamage motioned, Trustee Climo second, vote unanimous*
3. The **Transactions** for the period of 12 November 2018 through 23 November 2018.  
*Trustee Gamage motioned, Trustee Climo second, vote unanimous*
4. **FINANCIAL-** The manager presented to the board – *Boothbay Region Water District Cash Account Status Report as of 27 November 2018 & Table 2 - Boothbay Region Water District Profit and Loss Performance Summary as of 31 October 2018.* The manager stated that the district was experiencing a very high occurrence of real estate closings, averaging nearly 10 per week. Lastly as of that morning the district had initiated a Notice of Impending Automatic Foreclosure for a property located on Oak Street in Boothbay Harbor for non-payment of water. If the outstanding amount was settled with the district by 10 January 2019 the foreclosure process would cease. If the outstanding amount was not paid to the district, the property would revert ownership to the district on that date at which time the board would be required to provide direction as to this properties disposal.
  - a. **Rate Case** –No change in status. The board ordered a detailed status report for the 11 December 2019 meeting.
  - b. **2019 Budget Update** – The effort has begun with a draft to hopefully be completed at or near the next trustee meeting.
5. **NATURAL RESOURCES PROGRAM** – The following report was provided by the Natural Resource Program Manager (NRPM):
  - 1) *November's weather has set back completion of the final four planned 319 projects under the 2016 grant. We have requested a grant extension through 2019 so we can complete these projects that we may not be able to finish this year so we will not lose grant dollars.*
  - 2) *Water quality data have been compiled and double checked and we await some results from DEP before these are sent to Forrest Bell Environmental for lake loading model update.*
  - 3) *We continue to work with planning board on watershed ordinances.*

- 4) *The Boothbay Fire Department had a prisoner work detail cut trees near the fire station to provide better sight lines. Unfortunately, the crew cut trees right to the edge of Adams Pond stream, leaving no buffer. We met with Boothbay CEO and BBFD Chief and Assistant Chief on site and will help the FD to revegetate the stream buffer while allowing better visibility.*

Table 1 <b>BOOTHBAY REGION WATER DISTRICT</b> <b>Cash Account Status Report as of 27 November 2018</b>	
Account	Balance
Business Checking	\$ 18,846.60
Deposit Sweep Account	\$ 306,477.20
<b>Liquidity Total</b>	<b>\$ 325,323.80</b>
<b>DESIGNATED FUNDS</b>	
BBH 2007 Sinking Fund	\$ 30.52
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
<b>Designated Fund Total</b>	<b>\$ 17,659.58</b>
<b>TOTAL CASH RESERVES</b>	<b>\$ 342,983.38</b>

6. **SAFETY & TRAINING UPDATE** – The manager reported that there had been no safety violations or known missed inspections during the previous period.
- a. **Human Resources (HR)** – The manager alerted the board that he would be meeting with supervisors this week to begin putting together annual employee performance evaluations. It was his hope to have that process completed by the next trustee meeting so that he could have detailed employee labor figures ready for the budget.
  - b. **Labor Contract - 1 January 2018 through 31 December 2020** - The manager reported that he had received a cleaner copy of the contract from Mr. David Barret, Maine Municipal Association earlier that week and was ready to sign. No signing date with the Union had been scheduled.
  - c. **Training Update** – The manager informed the board that staff would be attending the Annual Maine Rural Water Association (MRWA) Conference to be held at the Cross Insurance Arena in Bangor which runs from 4 to 6 December 2018. The manager explained to the board that this was a great opportunity for staff to network, check out new technology and get valuable training credit hours.

Table 2

## Boothbay Region Water District Profit and Loss Performance Summary as of 31 October 2018

	Jan - Oct 18	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
414-Gain on Sale-Misc Inc.	14,011.00	0.00	0.00
415 - Jobbing	98,868.56	88,230.66	107,111.79
419 - Interest Income	253.96	291.70	350.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	15,110.00		
461 - Revenue Accounts	1,947,735.60	1,952,047.28	2,615,650.79
<b>Total Income</b>	<b>2,075,979.12</b>	<b>2,040,569.64</b>	<b>2,723,112.58</b>
<b>Gross Profit</b>	<b>2,075,979.12</b>	<b>2,040,569.64</b>	<b>2,723,112.58</b>
<b>Expense</b>			
403-Depreciation Expense	550,000.00	550,000.00	660,000.00
408 -- Taxes other than Income	44,321.11	44,538.45	53,000.00
427-Bond and Loan Interest (Long Term Liab. Interest)	631.92	0.00	0.00
427-Interest Expense	229,739.02	226,671.41	271,760.45
601 - Wages	462,235.83	469,696.26	566,057.31
603 - Trustee Fees	9,351.15	10,056.40	10,056.40
604 - Employee Pen. & Benefits	356,734.43	313,979.56	386,475.93
615 - Electricity	52,080.14	53,187.73	58,950.00
618 - Chemicals	28,870.79	34,554.15	38,600.00
620 - Materials & Supplies	211,119.22	169,650.16	207,850.00
620.7 - Postage	499.89	0.00	0.00
631 - Contr.-Engineering	10,073.00	10,000.00	12,000.00
632 - Contr. Accounting	52,700.00	51,666.68	62,000.00
633 - Contr. Legal	2,380.00	24,583.34	29,500.00
634 - Other Professional Fees	9,396.38	8,333.34	10,000.00
635 - Contr-Other	199,249.61	176,447.44	204,750.00
642 - Rental of Equipment	0.00	250.00	250.00
650 - Transportation	21,063.13	31,500.10	38,250.00
657 - Insurance - Gen. Liab.	14,167.91	32,500.00	32,500.00
658 - Insurance-Workers Comp.	27,964.50	13,000.00	13,000.00
660 - Advertising	658.00	1,500.00	1,500.00
667 - Regulatory Expense	18,902.00	12,500.00	15,000.00
670 - Uncollectables	0.00	0.00	0.01
675 - Misc. Expenses	14,425.01	7,550.00	9,050.00
680.00 - Uncategorized	3,202.10	0.00	0.00
<b>Total Expense</b>	<b>2,319,765.14</b>	<b>2,242,165.02</b>	<b>2,680,550.10</b>
<b>Net Ordinary Income</b>	<b>-243,786.02</b>	<b>-201,595.38</b>	<b>42,562.48</b>
<b>Net Income</b>	<b>-243,786.02</b>	<b>-201,595.38</b>	<b>42,562.48</b>

7. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency since the previous report had remained the same with 73 % for filter operations and 90% for clarifier performance. Raw water quality remained poor, with recent weather keeping it below average. Likewise, key chemical additions were very much above normal with sodium hydroxide approximately 200% of normal and aluminum sulfate approximately 175% of normal.

Finish water production for the previous period is outpacing the demand recorded in 2017 with an average daily production 0.3542 MGD as compared to 2017 production for the same period of time equaling 0.2858 MGD. When asked the manager stated he believed the bump in sales could be due to Gardens Aglow. Table 3 - 2018/2019 Bleeder Flow Report as of 30 October 2018 showing that the district was currently bleeding 98,928 gal/day.

- a. **Raw Water Pump #2 (RWP2)** - Corrective actions were in process with the repair kit not a viable option due to internal corrosion and damage of the check valve. A new check valve was on order and would be installed upon arrival.

<b>Table 3</b>			
<b>2018/2019 Bleeder Flow Report as of 30 October 2018</b>			
<b>Location</b>	<b>CFM</b>	<b>Gal/M</b>	<b>Gal/day</b>
Kenniston Tank, Boothbay	0.42	3.15	4,536
Murray Hill Road, East Boothbay	1.75	13.13	18,900
Route 96, East Boothbay	0.84	6.30	9,072
Lobster Cove Road, Boothbay Harbor	1.70	12.75	18,360
Cross Road, Southport	2.00	15.00	21,600
Roads End, Boothbay Harbor	0.75	5.63	8,100
Southport General Store, Southport	1.70	12.75	18,360
<b>TOTAL BLEEDER GALLONS/DAY</b>			<b>98,928</b>

8. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD has been concentrating on general work orders and fire hydrant maintenance since the last report. All efforts are current as of right now. During the previous period the DD responded to only 10 DigSafe requests, a low number normal for this time of year.
- a. **New Building Status Report** – No change in status
9. **5 RIVERS REGIONAL WATER COUNCIL** – No change in status.
10. **LAND ACQUISITION UPDATE** – No change in status
11. **ISLE OF SPRINGS (IOS)** — The manager reported that on 16 November 2018 he met with Chuck Fuller, Fuller Marine Services, and discussed the blueprints for the project. Mr. Fuller indicated that he would be happy to handle his portion of this project for the district and was putting together a quote. The manager reported that he had not made contact with Mr. Mike Tomacelli as of yet but hoped to meet within the week to discuss the water main fabrication.
12. **ALTERNATIVE ELECTRIC POWER OPTIONS** – No change in status.

13. **RETIREMENT PARTY** – The manager informed the board that the retirement party for Ms. Ruth Watts, Customer Service Representative, was set for 9 December 2018 being a “drop-in” affair at the Watershed Tavern from 1200hr. to 1500 hr. Invitations had been sent and arrangements were being made and on-time.

14. The meeting was adjourned at 1832 hr.

. *Trustee Climo motioned, Trustee Tibbetts second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler  
General Manager