

8 October 2019

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 24 SEPTEMBER 2019**

The Board of Trustees convened at 1900 hrs. **In attendance:** Trustee Gamage, Southport (Chairman); Trustee Climo, Southport (Vice-Chairman); Trustee Tharpe, At-Large (Treasurer); Trustee Anthony, Boothbay (Clerk); Trustee Tibbetts, Boothbay Harbor; Trustee Bellows, Boothbay; Trustee Blakeslee, Boothbay Harbor; Jonathan Ziegler, Manager. **Guest:** Mr. Rob Hopkins, Manager, Squirrel Island Village Corporation; Mr. Hal Morefield, President, Boothbay Region Land Trust; Ms. Susan Mello, Natural Resources Program Manager (NRPM). **Absent:** None.

1. The board approved the minutes for 10 September 2019 with revisions.
Trustee Climo motioned, Trustee Blakeslee second, vote unanimous
2. The **Payroll** for weeks ending 10 September 2019 & 17 September 2019.
Trustee Climo motioned, Trustee Blakeslee second, vote unanimous
3. The **Transactions** for the period of 9 September 2019 through 20 September 2019.
Trustee Climo motioned, Trustee Blakeslee second, vote unanimous
4. **SQUIRREL ISLAND VILLAGE CORPORATION (SIVC)) WATER MAIN** – Mr. Hopkins addressed the board stating the SIVC board now had no interest in taking over the channel crossing water main as proposed to the district. Mr. Hopkins alerted the board that he had discussed this potential action by the district with the Maine Drinking Water Program and the Maine Public Utilities Commission (PUC). After much discussion the Chairman, the manager and the district's attorney were invited to the next SIVC board meeting on 12 October 2019 on Squirrel Island to discuss the matter further.
5. **NATURAL RESOURCES PROGRAM** – The NRPM introduced Mr. Morefield to the board and a rather lengthy discussion ensued, revolving around cooperation between the district and the Land Trust for the procurement of watershed property and assistance to the district in raising capital for watershed land procurement. Visions of a trail system encompassing the watersheds of Adams Pond and Knickerbocker Lake and beyond were discussed with both the trustees and the Land Trust in agreement that that vision was acceptable to both parties. Mr. Morefield and the NRPM would be working on proposals to bring back to the board in the coming months. The NRPM also presented the following report in writing:
 - 1) *319 grant: Work on the 2016 Maine DEP 319 grant has been completed. We spent all the money and provided all the necessary match. Now we wade into completing all the final reporting requirements.*
 - 2) *Hamrin/MNRCF grant: We surveyed the 70-acre watershed parcel acquired from the Hamrins with MNRCF grant funds with the BRLT lands manager yesterday. All looks up to snuff regarding conservation easement requirements. We will work now to complete required monitoring report by December.*
 - 3) *2019 Source Water Protection Grant: Ben Stover completed knotweed reclamation work at BRWD ROW at Hamrins yesterday. The goal here is to get it movable and keep it from spreading onto adjacent conservation land. This work will be reimbursed under SWP grant.*

4) *Land conservation: Paul Sherman accepted the Board's counteroffer and we are scheduled to close on his 3.1-acre parcel tomorrow. Boothbay Region Land Trust President Hal Moorefield will be at tonight's meeting to discuss how we may better collaborate with BRLT on watershed conservation. We reached out to Paul Coulombe for support on the endeavor but he has indicated that he is not interested at this time. So, we are really going to need Land Trust help if we are to make progress. We expect Forrest Bell Environmental's estimate of the acreage we need to conserve to protect water quality by the end of this month, which will help us set fundraising/conservation goals.*

6. **ADMINISTRATION** – The manager provided the board with Table 1 - *Boothbay Region Water District Cash Account Status Report as of 10 September 2019*, Table 2 - *BRWD Profit & Loss Budget Performance as 31 August 2019* & Table 3 - *BRWD Capital Improvement & Equity as of 31 August 2019*. October billing would be sent out for 1 October 2019 with a total value of \$188,836.19. Since the previous period the district added no new customers and received no additional new application for service. Currently the district has 14 applications for new service pending. Trustee Bellows instructed the manager to expand Table 2 to include all budget information pertaining to district bank accounts.

Table 1	
BOOTHBAY REGION WATER DISTRICT	
Cash Account Status Report as of 24 September 2019	
Account	Balance
Business Checking	\$ 25,050.00
Deposit Sweep Account	\$ 370,043.04
Liquidity Total	\$ 395,093.04
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 32.11
Land Acquisition Fund	\$ 14.68
Capital Reinvestment Fund	\$ 200,001.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,413.96
Bank of Maine Unemployment CD	\$ 17,311.25
Designated Fund Total	\$ 224,541.67
TOTAL CASH RESERVES	\$ 619,634.71

7. **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)** – I received word yesterday the *J. Gaudet and Associates* will no longer be providing HR services for their clients as of 31 December 2019. I am currently researching a replacement consultant and will have another in-place by years end.
 - b. **Training Update** – Nothing new to report

Table 2
BRWD Profit & Loss Budget Performance as 31 August 2019

	Jan - Aug 19	YTD Budget	Annual Budget
Income			
414-Gain on Sale-Misc Inc.	0.00	0.00	0.00
415 - Jobbing	69,730.90	81,224.14	112,675.22
419 - Interest Income	403.35	193.75	350.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	0.00	30,000.00	30,000.00
461 - Revenue Accounts	2,270,204.89	2,173,836.02	3,212,803.77
Total Income	2,340,339.14	2,285,253.91	3,355,828.99
Gross Profit	2,340,339.14	2,285,253.91	3,355,828.99
Expense			
403-Depreciation Expense	452,000.00	452,000.00	678,000.00
408 -- Taxes other than Income	36,055.13	40,000.00	60,000.00
427-Bond and Loan Interest (Long Term Liab. Interest)	1,482.40	0.00	0.00
427-Interest Expense	166,029.10	166,251.68	245,050.00
601 - Wages	379,820.77	419,343.73	623,750.00
603 - Trustee Fees	9,196.72	10,000.00	10,000.00
604 - Employee Pen. & Benefits	300,824.53	265,813.80	405,500.00
615 - Electricity	36,809.27	40,996.48	61,750.00
618 - Chemicals	28,255.36	30,550.99	38,600.00
620 - Materials & Supplies	131,870.80	149,943.37	213,300.00
620.7 - Postage	873.96	0.00	0.00
631 - Contr.-Engineering	11,300.49	8,000.00	12,000.00
632 - Contr. Accounting	45,000.00	47,000.00	63,000.00
633 - Contr. Legal	14,581.43	10,000.00	15,000.00
634 - Other Professional Fees	212.50	10,000.00	15,000.00
635 - Contr-Other	171,546.48	159,781.15	223,150.00
642 - Rental of Equipment	0.00	500.00	500.00
650 - Transportation	13,726.91	22,816.64	32,850.00
656 - Insurance-Vehicles	0.00		
657 - Insurance - Gen. Liab.	32,324.00	15,000.00	15,000.00
658 - Insurance-Workers Comp.	12,182.40	26,250.00	35,000.00
660 - Advertising	1,389.86	250.00	750.00
667 - Regulatory Expense	15,287.90	19,500.00	20,000.00
675 - Misc. Expenses	8,866.61	7,383.36	11,050.00
680.00 · Uncategorized	0.00	0.00	0.00
Total Expense	1,869,636.62	1,901,381.20	2,779,250.00
Net Income	470,702.52	383,872.71	576,578.99

Table 3
BRWD Capital Improvement & Equity as of 31 August 2019

Accnt #	Description	31-Aug	Amount
Capital Improvements			
105.01	Marine Construction	\$ 22,470.63	\$ 10,000.00
105.02	Engineering & Excavation	\$ 7,349.50	\$ 10,000.00
105.05	GIS	\$ 285.00	\$ 3,000.00
105.10	Storage Building Project (roof) treatment plant	\$ 3,277.50	\$ 5,000.00
105.22	Logan Road Water Main Replacement	\$ 2,175.00	\$ 100,000.00
105.21	Natural Resource Projects	\$ 1,360.00	\$ 45,000.00
105.50	Work in Progress - Other	\$ 78,555.30	\$ 2,000.00
Total Capital Improvements		\$ 115,472.93	\$ 175,000.00
Principal Repayments			
221.31	MBB Highland Park		\$ 32,000.00
221.32	MBB Pinkham Standpipe Rehab		\$ 5,500.00
221.33	RD Southport Interconnection	\$ 31,781.27	\$ 33,000.00
221.89	SRF Cape Newagen MMBB	\$ 10,669.00	\$ 11,000.00
221.92	RD 91-20		\$ 25,000.00
221.93	FNB Consolidation	\$ 10,462.01	\$ 11,500.00
221.95	MMBB Sea Street	\$ 12,747.00	\$ 13,000.00
221.97	FNB Fluoride Bond	\$ 6,483.02	\$ 7,700.00
221.992	FNB Line of Credit	\$ 300,000.00	\$ 300,000.00
221.99	RD 91-18	\$ 6,400.00	\$ 6,500.00
221.993	MMBB Consolidation	\$ 336,970.96	\$ 340,000.00
Total Principal Repayments		\$ 715,513.26	\$ 785,200.00

8. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency had declined in the previous period with filter performance holding steady at 87% efficiency and clarifier performance declining to 91%. Key chemical additions were holding steady, ranging between 10% to 15% above normal with taste or odor issues subsiding. Water reserves remain at 95+/-%.

Finish water production has increased in comparison to that recorded in 2018 with average daily production at 0.6837 MGD as compared to 2018 production for the same period of time equaling 0.6062 MGD.

- a. **Finish Water Turbidimeter** – the manager reported that the district finish water turbidimeter failed during the previous period, with a new replacement unit on order. This tasking had been given to *Sullivan and Associates* and will be completed by the next trustee meeting. In the meantime, a loaner had been installed and was working well in the interim. All production had been monitored within the framework of existing regulations and the district has not violated any turbidity parameters.

9. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD completed the NFPA color coding of the districts fire hydrants as complete. Chairman Gamage instructed the manager that he would be responsible for alerting the regions fire departments of the change in status. The manager then reported the DD had completed the September cross-connection control testing and was current with all job orders and commitments.

In the previous period the DD responded to a very manageable 15 Dig Safe requests in the previous period.

- a. **New Building Status Report** – The manager informed the board that he had missed the date for submission for the first October meeting of the planning board in Boothbay, but would be meeting with the CEO later that week to discuss and submit our application. At this point the trustees began discussing the relative need for this expansion and how it looked from a political point of view to invest capital to house support equipment for the district and expand the DD work area. Trustee Bellows inquired why a district with one-third of its budget dedicated to debt service would be considering this project and was completely unclear as to the need for the project. Trustee Tharpe added that during the most recent rate increase she met with rate-payers for whom she could not answer questions and thought that this project was a bad look. Trustee Climo expressed that the project was valid and that he was in support of the new construction.

The board instructed the manager to have the distribution foreman at the 8 October 2019_board meeting to answer questions directly from the board concerning the need for the new maintenance building.

The conversation then revolved around enhanced public relations concerning the districts accomplishments in a general sense. No directive was given to the manager at that time to address public relations other than to investigate how it could be enhanced. The manager then offered to the board that he would research the remaining points made by the board and report back on the following:

- i. A discussion on the district's debt history and standing;
 - ii. Present a case on the history of this project and the relative need; and
 - iii. Provide the board with an analysis of the district's rates and provide talking points for rate justification.
- b. **New Replacement Vehicle** - No change in status.

10. **5 RIVERS REGIONAL WATER COUNCIL** –Nothing new to report.

11. **LAND ACQUISITION UPDATE** – The manager reported that on 12 September 2019, Mr. Paul Sherman, owner of Boothbay Tax Map R-07, Lot 12-C, a three (3) - acre parcel across from Adams Pond, agreed to the trustees offer of \$37,500.00. Subsequently a purchase and sales agreement has been completed and the closing is scheduled for 25 September 2019 at 09000. The total cost to the district is \$39,364.43 of which the board approved in the warrant process.

12. **ALTERNATIVE ELECTRIC POWER OPTIONS** – Nothing new to report

13. **MASSACHUSETTS ROAD WATER MAIN REPLACEMENT PROJECT** – The manager reported that *E. M. Wood Construction* had submitted a cost estimate to Mr. Dennis Ryan putting this matter back into the hands of the Massachusetts Road Association.
14. **LOGAN ROAD WATER MAIN REPLACEMENT PROJECT** – The manager reported that since the previous trustee meeting the water main had been installed and all clean-up activities, including seeding and landscaping had been completed. Two services had been re-routed for district convenience, as well as to comply with district policy requiring the assistance of *Townsend Enterprises* to complete internal (homeowner) plumbing changes to accept the new service configurations. As of that day chlorination and pressure testing were in-process with bacteriological samples to be drawn on 25 September 2019. The manager informed the board as to procedure that once a clean pressure test and bacteriological samples were confirmed, temporary water would be discontinued with all customers switched back to permanent service. On 26 September 2019, Crooker Construction would be on-site to complete the repaving of the street. The manager then reported that the project, as of that time, had not recorded any complaints from customers or the municipality pertaining to the project.
15. **AFFORDABLE HOUSING PROJECT** – The manager reported that he had submitted a detailed cost-estimate to the Boothbay Town Manager on 13 September 2019 as requested with no further information to report.
16. **BARTERS ISLAND WATER MAIN RELOCATION PROJECT** – The manager reported that since the previous meeting all questions concerning the Barter Island Bridge replacement made by *Fuller Marine* had been answered and the weight package for the submarine water main replacement to Barters Island had been ordered and were currently being cast. No start date had been determined but would be after 17 October 2019.
17. **GRANDVIEW AVENUE WATER MAIN UPGRADE PROJECT** –Nothing new to report
18. **HARRIS POINT WATER MAIN EXTENSION PROJECT**- The manager informed the board that *E.M. Wood Construction* was transitioning its construction crew to this project currently. Staff was in the process of establishing temporary water for all of the homes that would be affected as well as beginning the fusing process for the new water main to be installed. The project was reported to be on-schedule.
19. The meeting was adjourned at 2050 hr.
 . *Trustee Climo motioned, Trustee Bellows second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler
 General Manager

PAGE LEFT INTENTIONALLY BLANK