

8 December 2020

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: MINUTES FOR THE TRUSTEE MEETING 24 NOVEMBER 2020

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 Tibbetts, Boothbay Harbor; Trustee Bellows, Boothbay; Trustee Blakeslee, Boothbay Harbor; Jonathan Ziegler, Manager. Guest: Marcia Wilson, Administrative Manager (AM). Absent: Trustee Anthony, Boothbay (Clerk).

1. The board approved the minutes for 10 November 2020.
Trustee Climo motioned, Trustee Tibbetts second, vote: unanimous
2. Approve Transactions for 9 November 2020 through 20 November 2020
Trustee Climo motioned, Trustee Tibbetts second, vote: unanimous
3. **ADMINISTRATION** – The manager provided the board with Table 1 – *Boothbay Region Water District Cash Account Status Report as of 24 November 2020*. Table 2 - *Boothbay Region Water District Profit & Loss Budget Performance as of 31 October 2020* and Table 3 - The final billing for seasonal water overage was reported to have been sent out on 20 November 2020 with a value of \$405,346.15 with some revenue coming in already. December billing had been tabulated and will be released on 1 December 2020, equaling \$64,855.25 in value. Over the previous period the water district received no new service applications but added one (1) new year-round customer. The Am lead a detailed discussion on following finances.

| Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 24 November 2020 | |
|--|----------------------|
| Account | Balance |
| Business Checking | \$ 29,244.45 |
| Deposit Sweep Account | \$ 360,483.61 |
| Liquidity Total | \$ 389,728.06 |
| DESIGNATED FUNDS | |
| BBH 2007 Sinking Fund | \$ 20,336.49 |
| Land Acquisition Fund | \$ 14.71 |
| Capital Reinvestment Fund | \$ 125.62 |
| Mt Dora Easement Escrow | \$ 5,073.05 |
| Southport Sinking Fund | \$ 37,319.42 |
| EBB Upgrade 91-20 | \$ 56,054.74 |
| Bank of Maine Unemployment CD | \$ 17,295.00 |
| Designated Fund Total | \$ 136,219.03 |
| TOTAL CASH RESERVES | \$ 525,947.09 |

Table 2

Boothbay Region Water District Profit & Loss Budget Performance as of 31 October 2020

| | Jan - Oct 20 | YTD Budget | Annual Budget |
|---|---------------------|---------------------|---------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| 414-Gain on Sale-Misc Inc. | 0.00 | 10,000.00 | 10,000.00 |
| 415 - Jobbing | 135,995.14 | 77,336.84 | 95,000.00 |
| 419 - Interest Income | 405.50 | 411.12 | 500.00 |
| 460-RD Grant Revenue (KHS-RD Grant & Loan) | 0.00 | 0.00 | 0.00 |
| 461 - Revenue Accounts | 2,563,598.82 | 2,366,896.01 | 3,273,317.20 |
| Total Income | 2,699,999.46 | 2,454,643.97 | 3,378,817.20 |
| Gross Profit | 2,699,999.46 | 2,454,643.97 | 3,378,817.20 |
| Expense | | | |
| 403-Depreciation Expense | 565,000.00 | 565,000.00 | 678,000.00 |
| 408 -- Taxes other than Income | 47,913.43 | 50,654.66 | 60,000.00 |
| 427-Bond and Loan Interest (Long Term Liab. Interest) | 4,395.79 | 2,833.30 | 3,400.00 |
| 427-Interest Expense | 200,199.35 | 184,500.00 | 224,240.00 |
| 601 - Wages | 508,852.69 | 538,086.90 | 627,950.00 |
| 603 - Trustee Fees | 9,425.53 | 9,700.00 | 9,700.00 |
| 604 - Employee Pen. & Benefits | 378,858.49 | 367,990.62 | 440,000.00 |
| 615 - Electricity | 52,887.49 | 56,629.20 | 66,500.00 |
| 618 - Chemicals | 43,768.02 | 47,108.85 | 49,025.00 |
| 620 - Materials & Supplies | 207,782.69 | 212,586.31 | 229,000.00 |
| 620.7 - Postage | 725.17 | 0.00 | 0.00 |
| 631 - Contr.-Engineering | 17,971.10 | 14,000.00 | 15,000.00 |
| 632 - Contr. Accounting | 45,302.50 | 55,000.00 | 63,000.00 |
| 633 - Contr. Legal | 57,549.00 | 41,666.70 | 50,000.00 |
| 634 - Other Professional Fees | 250.00 | 12,500.00 | 15,000.00 |
| 635 - Contr-Other | 233,966.90 | 203,715.45 | 239,100.00 |
| 642 - Rental of Equipment | 1.71 | 0.00 | 500.00 |
| 650 - Transportation | 19,282.37 | 27,780.46 | 37,250.00 |
| 656 - Insurance-Vehicles | 0.00 | 0.00 | 0.00 |
| 657 - Insurance - Gen. Liab. | 32,786.50 | 35,000.00 | 35,000.00 |
| 658 - Insurance-Workers Comp. | 12,687.00 | 15,000.00 | 15,000.00 |
| 660 - Advertising | 825.40 | 2,083.30 | 2,500.00 |
| 667 - Regulatory Expense | 20,816.52 | 18,170.00 | 20,000.00 |
| 675 - Misc. Expenses | 42,296.59 | 10,636.02 | 13,100.00 |
| 680.00 · Uncategorized | 0.00 | 0.00 | 0.00 |
| Total Expense | 2,503,544.24 | 2,470,641.77 | 2,893,265.00 |
| Net Ordinary Income | 196,455.22 | -15,997.80 | 485,552.20 |
| Net Income | 196,455.22 | -15,997.80 | 485,552.20 |

Table 3

Boothbay Region Water District Capital Budget & Cash to Equity

| Acct # | Description | 31-Oct-20 | Budget |
|-----------------------------|---|------------------------|----------------------|
| Capital Improvements | | | |
| 105.01 | Marine Construction | \$ 12,945.00 | \$ 30,000.00 |
| 105.02 | Engineering & Excavation | \$ 11,594.44 | \$ 10,000.00 |
| 105.50 | Admin Building | \$ 36,265.25 | |
| 105.05 | GIS | \$ 480.00 | \$ 1,500.00 |
| 105.10 | Storage Building Project (roof) treatment plant | \$ 871,649.33 | \$ 35,000.00 |
| 105.17 | Land Acquisition: Clifford Property | \$ 77,002.13 | \$ 100,000.00 |
| 105.21 | Natural Resource Projects | \$ 14,855.96 | \$ 25,000.00 |
| 105.23 | Massachusetts Road Project | \$ 25,083.86 | \$ 4,000.00 |
| 105.24 | Barlow Hill & Mariner Way Water Main Replacement | \$ 51,211.21 | \$ 180,000.00 |
| 105.25 | Land Acquisition: Farrin Property | \$ 148,221.50 | \$ - |
| | Knickerbocker Lake Source - New Boat Launch | | \$ 10,000.00 |
| 105.26 | Adams Pond Source - New Boat Launch | | \$ 10,000.00 |
| | Raw Water Pump Station. Upgrade RWP#1 Vertical | | |
| 105.27 | Turbine | \$ 45,667.98 | \$ 30,000.00 |
| 105.28 | Treatment Plant-Piping Gallery Safety Improvements | | \$ 13,500.00 |
| 105.29 | Treatment Plant Replace Backwash Waste Pumps & Check Valves | | \$ 40,000.00 |
| 105.30 | 2020 SCADA Upgrades | | \$ 6,000.00 |
| 105.50 | Work in Progress - Other | \$ - | \$ 5,000.00 |
| | Total Capital Improvements | \$ 1,294,976.66 | \$ 500,000.00 |
| Principal Repayments | | | |
| 221.9 | MBB Highland Park | 31,936.00 | \$ 32,000.00 |
| 221.94 | SRF Mt Pisgah Tank | 5,327.00 | \$ - |
| 221.95 | Farrin Property (new less \$ 50,000 grant) \$84,640 | - | \$ - |
| 221.32 | MBB Pinkham Standpipe Rehab | - | \$ 5,500.00 |
| 221.33 | RD Southport Interconnection | \$ 33,634.96 | \$ 33,000.00 |
| | | | \$ |
| 221.89 | SRF Cape Newagen MMBB | \$ 10,775.00 | 11,000.00 |
| 221.92 | RD 91-20 | \$ 24,800.00 | \$ 25,000.00 |
| 221.93 | FNB Consolidation | \$ 10,295.36 | \$ 12,000.00 |
| 221.95 | MMBB Sea Street | \$ 12,915.00 | \$ 13,500.00 |
| 221.97 | FNB Fluoride Bond | \$ 6,133.97 | \$ 7,700.00 |
| 221.992 | FNB Line of Credit | \$ - | \$ - |
| 221.99 | RD 91-18 | \$ 6,800.00 | \$ 6,500.00 |
| 221.993 | MMBB Consolidation | \$ 342,497.28 | \$ 345,000.00 |
| | Total Principal Repayments | \$ 485,114.57 | \$ 491,200.00 |
| | First National Bank Interim Financing | \$ 184,000.00 | |
| | Requestion # 3, on 9-9-2020 | \$ 252,000.00 | |
| | Requestion # 4, on 10-14-2020 | \$ 188,000.00 | |
| | Total Construction Financing to date | \$ 624,000.00 | |
| | Requisition # 5 (11-23-2020) | 221,811.20 | |
| | | \$ 845,811.20 | |

- a. **Vulnerability Assessment (VA) Update** – No change in status.
 - b. **Boothbay Region Water District 2021 Budget Update** – On 19 November 2020 the second budget meeting was held with supervisors and the manager present. Limited review of the district’s capital improvement plan was reviewed with supervisors charged with prioritizing projects as well as any new equipment requests be accompanied with a statement of need and cost estimate. The AM was charged with preparing an estimated year-end budget for both expenses and revenues so that planning could begin. The next budget meeting was scheduled for 1 December 2020
 - c. **Short-Term Construction Loan and Final Loan for New Building** - On 20 November 2020 it was discovered that the construction loan with *The First* had expired and therefore the final payment for the New Building could not be deposited for payout. A meeting had been set for 24 November 2020 a meeting was held with *The First* with the AM and manager in attendance. The final rate for the building was 2.88% for a period of 15-years, which was reviewed at that time as well. Lastly the AM was be added to all district accounts so that transfers from account to account could be made by the AM. Due to security issues the AM would not have check signing authority.
4. **NATURAL RESOURCES PROGRAM** – The following report was submitted, in writing by the NRPM:
- a. **Watershed Conservation Collaborative** - held *its second meeting via zoom on November 20. So far, participation by all representatives has been great. Still in the hatching phase though.*
 - b. **Watershed Ordinances** - *We found out last week that the updated watershed overlay zoning map we had prepared for the Boothbay ordinance update was not included in the zoning package before voters. Not sure what happened here but the work has been done and we will do our best to ensure it is on the May warrant.*
 - c. **Land Acquisition** - *Adams Pond watershed property owner Michael Sherman has indicated that he is interested in selling his property to the water district for conservation. We are looking to get property appraised as next step. We do not expect to bring anything to Board on this before winter/spring 2021.*
 - d. **MNRCP Grant Compliance** - *MNRCP Hamrin monitoring report is completed except for contractor Dr. John Field’s report. Working on 319 grant reporting now. Knickerbocker Lake withdrawal report and water quality reports will follow.*
5. **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 reported that the district experienced one reportable injury on 23 November 2020, wherein a staff member accidentally cut his hand during normal work evolutions. The employee had been directed to St Andrews for evaluation and treatment. All required reports had been filed within the required timeline with a full recovery expected and no lost time recorded.
 - b. **Training Update** – On-line license training continues.

6. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency remained sub-optimal due to seasonal pond turnover. Over the previous period clarifier performance remained at 100% with filter performance remaining at 90% efficiency. Key chemical additions have dropped as well now at approximately 70% of normal on a per unit basis.

For the previous period finish water production averaged 0.3545 MGD as compared to the same period in 2019 which averaged 0.3472 MGD.

Current raw water reserves improved with Adams Pond equaling 207.9 MG.

- a. **Drought Report** – During the previous period, on a statewide level the drought has stayed static. The Boothbay Region remains in D2 Drought (*Severe Drought*) status with D3 (*Extreme Drought*) conditions continuing to envelop York County. The D2 drought conditions have expanded to include the entire coast line. Conditions to the north have lessened in the previous period to where the majority of the state, inland is now either D1 (Moderate Drought) or D0 (Abnormally Dry).
7. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD remained busy with dig safe notifications, distribution maintenance, adding customers and working 319 Grant projects staying current with workload. Over the previous period the whiteboard project list has greatly expanded.
 - a. **Seasonal Water System Shutdown Status Report** – On 12 November 2020 the seasonal water distribution system was deemed shut down with all distribution main checked for valve alignment and all water mains blown out.
8. **5 RIVERS REGIONAL WATER COUNCIL** – The manager reported he had missed the 19 November 2020 due to family needs but would have a report for the next trustee meeting.
9. **LAND ACQUISITION UPDATE** – See 4 **NATURAL RESOURCES PROGRAM, c Land Acquisition Update**.
10. **ALTERNATIVE ELECTRIC POWER OPTIONS** – No change in status
11. **SQUIRREL ISLAND VILLAGE CORPORATION (SIVC) WATER MAIN** – The manager reported that on 23 November 2020 he had been allowed to listen in on SIVC's meeting with the Maine Drinking Water Program (DWP) concerning the possibility of the SIVC becoming its own regulated public water system. During this meeting, it became apparent that the SIVC omitted informing the DWP that they were already regulated by the PUC, making the previous letter from the DWP concerning the possibility of them becoming regulated in need of amendment possibly changing the complexion of this case in that the SIVC is already regulated by the Maine Public Utilities Commission. Other than that, no new information was passed on that the SIVC had not already been told to them by the district.
12. **NEW MAINTENANCE GARAGE PROJECT** – The manager reported that the punch list was complete but the certificate of occupancy had still not been obtained due to *Cunningham Security* behind schedule installing fire detection equipment. The manager informed the board that the district had been on *Cunningham Security*, with representatives already meeting district and Lajoie personnel with the problem to be corrected within a week.
13. **CAMERONS POINT WATER MAIN** –No change in status.

14. **BARLOW HILL & MARINER WAY WATER MAIN REPLACEMENT PROJECT –**

The manager reported the following:

- a. **Barlow Hill** – Complete to district satisfaction with a small amount of landscaping and plant replacement needed to be completed by *Connolly's Greenhouse* to be paid directly by the district.
- b. **Mariner Way** -Complete to district satisfaction.

15. **SEASONAL WATER MAIN TO YEAR-ROUND WATER MAIN CONVERSION**

POLICY – The Manager requested input from the board concerning a policy that would cover seasonal water main conversion to year-round to be financed by a third party as a result of a request by person(s) looking to convert water main on Lakeside Drive in Boothbay Harbor. The manager reported that he had discussed requirements with staff of the Maine Public Utilities Commission (PUC), specifically attempting to get clarification on PUC Rule, Chapter 65(G) because the rule was so vague as to be useless. The PUC had no useful advice other than to contact the Greater Augusta Utilities District (GAUD) who had made a deal with a contractor under similar circumstances. The manager explained the PUC, in its usual fashion, left anything that needed for interpretation thrown back on the utility. With that in mind the board instructed the manager to create a draft policy that would include the district if infrastructure needed to be upsized from the minimum requirements of the district at the district's direction. Additionally, the board felt that all costs associated with fire protection under this scenario were to be borne by the district because of the full funding provided by the three municipalities served. The manager was instructed to have a rough draft for their review by the following meeting.

16. **COVID-19 SAFETY POLICY** – Trustee Tharpe, joined by trustee Bellows began a conversation concerning the district's current policy and procedures currently in-place as they felt the current measures being taken by the district to be inadequate. Considerable conversation by board members ensued. Many factors, both pro and con, were discussed with the board instructing the manager, in light of the recent uptick in COVID-19 cases and the need for expediency, complete the following:

- a. to draft a revised COVID-19 policy;
- b. disseminate the draft to the board electronically;
- c. evaluate and incorporate trustee comments;
- d. enact a provisional policy as soon as practicable; and
- e. bring the COVID-19 Revised Policy to the board at the next meeting for ratification.

17. Trustee Gamage proposed to have the new building named the "LEW CURTIS ANNEX" pending Lew Curtis approval. Lew Curtis served as trustee from 1990 through 2010 and is widely considered the architect of the Boothbay Region Water District. The board approved this measure

Trustee Gamage motioned, Trustee Climo second, vote: unanimous

18. The meeting was adjourned at 1850hr.

Trustee Climo motioned, Trustee Tibbetts second, vote: unanimous

END OF MINUTES