

12 December 2023

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: MINUTES FOR THE TRUSTEE MEETING OF 28 NOVEMBER 2023

The Board of Trustees convened at 1800 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 Blakeslee, Boothbay Harbor; Trustee Stover, Boothbay; Marcia Wilson, Administrative Manager (AM); Jonathan Ziegler, Manager. Guest: None. Absent: None

1. The board approved the minutes for 14 November 2023.
Trustee Climo motioned, Trustee Blakeslee second, Yea: unanimous.
2. The board approved payroll for 15 November 2023 & 22 November 2023.
Trustee Climo motioned, Trustee Blakeslee second, vote: Yea unanimous.
3. The board approved transactions for 13 November 2023 through 24 November 2023.
Trustee Climo motioned, Trustee Blakeslee second, vote: Yea unanimous.
4. **ADMINISTRATION**– The manager provided the board with Table 1- *Boothbay Region Water District Cash Account Status Report as of 28 November 2023*. The 2023 seasonal coverage billing was released during the previous period with a value of \$363,208.63, approximately \$150,000.00 less than that realized in 2022. The manager then informed the board that the billing for routes 5 and 6, to be released on 1 December 2023, had a value of \$55,124.69. During the previous period the district added no new customers and received no applications for new services. Work continued setting up the new billing software with the projected start-up date of 1 January 2023 still in play.
 - a. **BRWD Rate Case Update** – On 22 November 2023, after monitoring the status of the BRWD rate case, utilizing the Maine Public Utilities Commission (PUC) website, a petition with 458 signatures, of which over 90% were residents of Boothbay Harbor, and which required a minimum 507 signatures per PUC rules to block the rate case, had been posted within the rate case docket. The petition was downloaded by district staff, but to be valid, per PUC rules, the original petition was also to have been delivered to the district by the end of that day, which never happened.

On 24 November 2023 the manager reported that he had received a phone call from our rate engineer's supervisor, Ms. Kirsten Hebert J.D., Executive Director, Maine Rural Water Association (MRWA), who informed him of the status of the rate case. Ms. Hebert said that PUC staff had arbitrarily waved the requirement for the petitioner to deliver the originals to the district, as required by statute, without informing the district, taking the failure of the petitioner not following established law out of play for any possible future defense.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 28 November 2023	
Account	Balance
Business Checking	\$ 26,749.00
Deposit Sweep Account	\$ 357,403.31
Liquidity Total	\$ 384,152.31
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 20,349.37
Land Acquisition Fund	\$ 2,517.25
Capital Reinvestment Fund	\$ 483,240.19
Mt Dora Easement Escrow	\$ 4,790.84
Southport Sinking Fund	\$ 65,337.93
EBB Upgrade 91-20	\$ 62,319.78
Bank of Maine Unemployment CD	\$ 17,365.77
Designated Fund Total	\$ 655,921.13
TOTAL CASH RESERVES	\$ 1,040,073.44

The manager then stated that Ms. Hebert then informed him that even though the petition fell short of the required signatures to be valid, per statute, that fact meant nothing to the PUC board, wherein she was extremely worried that the pending rate case could be derailed anyway. She informed the manager, that in the perfect world PUC should discount the petition and move forward with the rate case as originally submitted, but was worried that this case will not, asking permission to engage the MRWA legal counsel, Mr. Joseph Donahue J.D., *Preli Flaberty*, to review the rate case, and all that had happened since its submission to PUC, to defend the district against PUC derailment. The manager informed the board that he had approved this activation and the associated costs to the district it will incur.

Additionally, Ms. Hebert also requested the district certify the petition downloaded off the PUC website by “meter” over by “customer”, again an arbitrary change in PUC rule, as directed by PUC staff. That process is currently ongoing. Once the certification process is complete it will be sent to MRWA for presentation to the PUC.

The manager then stated that “bottom line we are not out of the woods right now”. As the manager understood, the PUC board could do whatever it wanted to do regarding the rate case. As of that point in time, the manager informed the board that the rate case could continue unhindered, but Ms. Hebert was worried based on several factors, including the number of signatures and demographic information of the complainants. The manager stated that the district was in a “holding pattern” until such time as the PUC, staff or board, requests additional information, or not.

Based on experience, the manager informed the board that traditionally, in situations like this, PUC would go into the rate case and slash depreciation and capital improvement funding, limit debt spending and possibly bar other activities the district could engage in, and then report back to the petitioners a new reduced rate, patting themselves on the back as heroes.

- b. **Internet Disruption** – On 16 November 2023, administration staff began investigating with *Spectrum*, the cause of consistent losses in internet, causing severe issues with productivity, primarily with administration functions and GIS availability for field staff. After this inquiry, and with the help of trustee Stover, *Spectrum* service personnel visited the district inspecting all the hardware associated with the district's connection to the internet, finding a problem and repairing it on 17 November 2023 stating all was now well moving forward. Running concurrent to this effort, staff were authorized to investigate redundant internet access with *Verizon* and clear costs with the AM should the redundancy make sense. The costs quoted by *Verizon* were minor and the back-up system was installed. On 13 November 2023 *Spectrum* internet service went down for a workday, with no reason or response from the vendor. However, the *Verizon* backup automatically kicked in and internet service was maintained seamlessly.
 - c. **2024 BRWD Budget Status Report** – Due to the condition outlined in Section 1(a) **BRWD Rate Case Update**, the manager informed the board that further work on the budget was on hold until such a time as a reasonable estimate of 2024 revenue could be determined. The board was against that plan and instructed the manager to proceed with the budget as if the rate case would pass through PUC successfully as currently presented.
 - d. **BRWD Budget Performance Summary as of 31 October 2023** - The AM provided the board with a detailed review of the district performance. There existed no “red flag” items and after direct questioning by the board, the board indicated that the report was valid and thanked the AM for the effort.
5. **NATURAL RESOURCES** - The manager reported that the Natural Resources Program Manager (NRPM) prepared the following report:
- Just back from vacation so short report.*
- Our application for a Maine Conservation Corps team to help with planting the Adams Pond vegetated buffer, under our 319 grant, was approved. At our request, CMBG has designated a staff person to help with design/implementation.*
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 reported that on 15 November 2023 utility technicians Haley, Campbell and Brown would be reassigned to the Treatment Division to assist with winter maintenance, but more importantly, go through a training program organized by the chief treatment plant operator (CTPO) to better prepare these individuals for their upcoming licensing exams.

The manager then informed the board that he would be having surgery to repair a minor condition on 5 December 2023 and expected to be out of work, but remain available by phone, until the morning of 11 December 2023.

- b. **Training Update** – The board was reminded that the Maine Rural Water Association Annual Conference and Trade Show would occur 5 December 2023 through 7 December 2023 at the Cross Insurance Arena (formerly the Bangor Auditorium) of which all staff would attend at least one day.

- 7. **TREATMENT DIVISION (TD)** –The manager reported raw water quality remained below normal from a treatability perspective. Filter train efficiency remained for filter performance at 70% and clarifier performance at 91%. For the previous period, finish water production averaged 0.2942 MGD, coming in under same period in 2022 which averaged 0.3045 MGD. Key chemical additions had dropped to 15% above normal.

The manager then updated the board on the alleged possible mudball problem, which was corrected by draining the filter bed, allowing the material to dry, and applying an intensive backwash upon refilling the filter with water. The material identified by staff was not mudballs but excess aluminum sulfate precipitate, most likely from the “flashy” character of the raw water supply due to the years above normal rainfall.

Per Trustee inquiry of 14 November 2023, the flowrates for the systems bleeders ideally should register 1.5 cfm for sanitary reasons and greater than 0.5 cfm for water mains that would freeze. The manager explained that Factory Cove Road in Boothbay Harbor was bled to prevent freezing, due to an extremely poor installation of the existing water main, with the remainder of the deficient bleeder’s subpar performance due either to poor infrastructure, with a high C-factor (internal tuberculation and roughness) or high elevation with substandard pressure and flow.

- 8. **DISTRIBUTION DIVISION (DD)** – The manager reported that with the seasonal water distribution system no longer a concern for this year, the DD moved back to making improvements to the distribution system. All routine and regulatory requirements were completed in the previous period. A major upgrade in Boothbay Harbor took place during the previous period to correct an illegal and substandard service(s) in Boothbay Harbor with a rather ingenious fix. Because the water main installed in Bay Street is of poor quality and nearing the end of its functional life, and because there existed a water service with multiple services dropped off of it, a situation illegal in this distribution system, instead of making multiple taps in situ on a substandard water main to reroute these services, the DD opted to make up a separate piece of ductile iron water main, tap it at the shop, install it as one piece and reroute all of the service connections. Figure 1 shows the existing Bay Street water main (leaks and all) with Figure 2 showing the rather ingenious replacement of that portion of the water main.

Figure 1



Figure 2



9. **5 RIVERS REGIONAL WATER COUNCIL** – The manager reported that the council met on 21 November 2023 where discussion centered primarily around upcoming legislature actions as well as initiating a deregulation movement. The manager stated there would be much more to report later.
10. **LAND ACQUISITION UPDATE** –No change in status.
11. **CAMERON POINT SEASONAL WATER MAINS** – No change in status

12. **OCEAN POINT WATER MAIN LOOPING PROJECT** – The manager reported that since the previous meeting the water main installation on Back Narrows Road from the corner of Back Narrows and Route 96 to the corner of Back Narrows Road and Beath Road had been completed, interconnected, tested pathogen free and put into service. The complete interconnection with Boothbay Harbor was not complete because work was still needed in the valve pit located on Route 96. Ledge removal activities continued along Montgomery Road.
13. **FILTER WASTE RECYCLING PROJECT** – No change in status.
14. **SOLAR POWER** –No change in status.
15. **2022 REVISIONS OF THE LEAD AND COPPER RULE** –The manager reported that review of existing records has picked up since seasonal water shutdown.
16. **SIVC WATER MAIN REPLACEMENT PROJECT** –No change in status.
17. **COASTAL MAINE BOTANICAL GARDENS (CMBG) AND YMCA INFRASTRUCTURE REQUEST** –The manager reported that meetings going as far as April 2024 had been scheduled with the next meeting to occur on 15 December 2023 where the manager expected to be provided a proposal to bring back to the board.
18. **AFFORDABLE HOUSING PROJECTS** – The manager informed the board that on 22 November 2023 he had sent an e-mail to Ms. Cindi Watson and Ms. Deborah Yale (petition signatory) of the Boothbay Region Housing Trust, removing water district support for the affordable housing project in Boothbay Harbor until the ramifications of the situation discussed in Section 1(a) **BRWD Rate Case Update** become better known, which could include a permanent withdrawal from the project. Without understanding upcoming PUC actions, this project, being the lowest priority for capital work for the district, would not move forward citing it too dangerous for the district to move forward at this time not knowing what the 2024 income stream would be. The manager would be meeting these two individuals on 30 November 2023 to discuss the situation further.
19. The meeting was adjourned at 1900 hr.
Trustee Climo motioned, Trustee Tharpe second, vote: Yea unanimous.

END OF MINUTES