

23 October 2012

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 9 OCTOBER 2012**

The Board of Trustees convened at 1900 hrs. In attendance: Trustee Pinkham, Boothbay Harbor, (Chair); Trustee Marston, At-Large, (Treasurer); Trustee MacPhee, Boothbay, (Vice Chair); Trustee Reed, Boothbay Harbor; Jon Ziegra, Manager. Guest: None. Absent: Trustee Carter, Boothbay (Clerk).

1. The minutes of the 25 September 2012 trustees meeting were approved.  
*Trustee Reed motioned, Trustee Marston second, vote: unanimous*
  2. The **Payroll** for 9 October 2012, and 16 October 2012 were approved.  
*Trustee Reed motioned, Trustee MacPhee second, vote: unanimous*
  3. The **Transactions** for the period of 8 October 2012 through 19 October 2012 were approved.  
*Trustee Marston motioned, Trustee Reed second, vote: unanimous*
1. The manager provided the board with a brief **Financial Update**. The manager reminded the board that a budget report would be delivered to them at the next scheduled meeting. As of 31 August the district had the following accounts:

BRWD Cash Reserves as of 31 August 2012

Account	
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 366,190.64
BBH 1997 - Sinking Fund	\$ 6,268.83
BBH 2001 - Sinking Fund	\$ 39,468.22
BBH 2004 - Sinking Fund	\$ 29,530.50
BBH 2007 - Sinking Fund	\$ 2,144.13
Capital Reinvestment Fund	\$ 357.77
Land Acquisition	\$ 3,403.93
<b>TOTAL</b>	<b>\$ 472,364.02</b>

4. The manager next reported on the district's **Watershed Protection** program. The first item discussed was the monthly activity report for September provided by the Boothbay town manager, for which the manager stated it had been provided to the district in a timely manner. In short the manager stated that very little was going on. On 4 September 7 dead trees were removed within the Knickerbocker Lake shore-land zone on a parcel of land located at 208 Back River Road. An ongoing septic issue on Back River Road had also been resolved by the town. The following night the manager informed the board that the Boothbay planning board would be meeting to discuss tree removal adjacent to Adams Pond for which the manager believed was nothing more than a formality in that the planning board had conducted

previously a walk through and found the land owners to be in compliance. The manager stated that he and staff had inspected the runoff during the most recent heavy rains and it did not appear to be discolored or silty. Lastly on 17 October 2012 Mr. Jim McLeod will be going to the planning board to add room to his cottage. From the appearance of his application it was an acceptable expansion to his cottage and as long as a B&B was not in the plan so no problem with the proposed work plan.

5. The manager next reported on **Safety and Training**. The manager had to report no injuries or violations during the previous period. The manager informed the board that he would be attending an electrical safety program training session on 17 October 2012.
6. The manager provided the board with an update as to **Treatment Division** operations. The manager stated that staff had run into some minor operational issues related to the new SCADA system of which all but one was covered under warranty. The manager reassured the trustees that overall the SCADA system continued to work with a high degree of reliability.

The finish water flow had dropped to an average 490,400 gallons per day but the per unit demand for aluminum sulfate and sodium hydroxide had increased. The increase of chemical usage was due to Adams Pond moving into turnover, a normal occurrence resulting from the water at the upper portion of the water column becoming colder and more dense (usually at 4° C.) than the water near the bottom, thus falling to the bottom, displacing the warmer water, as well as any sediment, increasing the turbidity and lowering the pH. The manager stated is expected during the months of October or early November. Additionally the same is happening in the district's storage tanks causing lower average chlorine residuals system wide.

The manager reported that the previous week the transfer pump for the ammonium sulfate day tank failed. District staff had ordered a new one and in the meantime was drawing the daily need directly from the bulk tank. The manager explained to the board that the temporary configuration was not optimum because of the remote chance of meter pump over speed putting too much chemical into the drinking water. The manager stated that the probability of an over-speed of ammonium sulfate was highly unlikely and could be safely administered in this configuration on a very temporary basis. As redundancy would appear to the SCADA system as chlorine dropping out and would automatically shut down the process. Nevertheless the operators were monitoring several times per day until the new pump was installed.

Lastly, the manager reported that the monitoring of Adams Pond was continuing. Most recently the manager informed the board that both water resources were scanned for total phosphorus and chlorophyll a with the results sent to the state for inclusion in a long-term study.

7. The manager reported his findings related to instructions from the board during the previous meeting concerning **Adams Pond Signs**. The manager said that according to attorney Geoff Hole J.D., the district had wide latitude in signage. The district was only required, under statute to ban cars from the water resource and provide signage that there was an intake present, both of which were covered under the district's signage at present. The board discussed these findings in context with Mr. Win Mitchell's, Vintage House, Boothbay, presentation the previous meeting. Discussion ensued with Trustee MacPhee resistant to making access anymore "user friendly". Trustee Reed was concerned with eroding current requirements in that if in the future tightening restrictions would become problematic. However, the trustees did acknowledge the signs needed to be updated and instructed the

manager to have the signs redone before spring 2013 with the intent not changing and the wording first approved by the board.

*Trustee Marston motioned, Trustee MacPhee second, vote: unanimous*

8. The manager next briefed the board on **Distribution Division** activities. The distribution crew was in the process of tying up loose ends from the summer. The manager reported that patch- paving was ongoing as well as miscellaneous hydrant maintenance. The manager went on to explain that the division was also gearing up for shutdown scheduled for 18 October 2012. It was reported that the bulk of the effort remained to be the completion of the annual fall rehabilitation project on Gilead Street, for which the manager informed the board he would report more thoroughly in the meeting.
9. The manager reported on a task he had been given meetings previously concerning the possibility of gaining additional insurance to cover the district in the event of possible **freeze damage for seasonal operations past 1 October**. The manager stated that the previous week he had a lengthy discussion with the district's insurance underwriter and as a result of that conversation he did recommend of attempting further insurance. The manager stated that the district's insurance carrier did not cover freeze damage past 1 October and any further policy would need to be obtained from another insurance company. The manager stated that the additional revenue to the district would not cover the premium. The manager stated that he used the parameters given being a rider with a \$10,000.00 deductible would cost the district in excess of \$20,000.00 per year. The board took no further action on this matter.
10. The manager reported he was now actively working on the **Cross-Connection Control Policy Change**.
11. The manager provided the board with an update on the **Southport Merger** which remained very busy. The manager stated that he was still trying to get the PowerPoint completed for inclusion on channel 7 and was prepared to enlist the help of his daughter.

On 2 October 2012 Trustee Pinkham and the manager provided a training session for the Boothbay Harbor Fire Department. The manager stated that the presentation was very well received. Even though only moderate attendance, the manager stated he was encouraged with the reaction and was able to persuade some very well respected local officials into agreeing that consolidation was a good idea. The manager stated it "was a night well spent". The manager then went on to report that the following evening at 1800 hr. the final public hearing would be held at the Southport Town Hall for the town of Southport. The manager stated that he would present much in the same manner as the previous two meetings and was sure that both Commissioner Gamage and Commissioner Climo would be very involved.

12. The manager reported to the board as to the status of the **Mt. Pisgah Mixing System and Interior Recoating Project**. Wright Pierce has been in contact and had taken all of the field data points and was awaiting the modeling to be completed. The manager anticipating a presentation to the trustees at some point in the near future. Overall the manager reported that the project seemed to be on-schedule.

13. The manager then reported on the **Southport Interconnection and Tank Replacement Project**. As directed the manager signed the contract for Task 1 with Dirigo Engineering for which he supplied the trustees each a copy of that document. On 2 October 2012 the manager reported that he had met with Mr. Jim Lord P.E. and Mr. Tim Sawtelle, Owner, Dirigo Engineering officially beginning the project. The manager went on to inform that he had been in contact with the United States Department of Agriculture, Rural Development (RD) and reported the application was being processed. The manager reported the district had to expedite the process in that RD had been instructed by Washington to use the 2000 census numbers for low to medium income (LMI) to determine possible grant funding. For this the manager stated the district qualified greatly for grant funding. Although the manager was somewhat optimistic in his report he reminded the trustees not to “count their chickens” quite yet.

In addition to the RD funding the manager reported that the district was looking at attempting to obtain a \$100,000.00 consolidation grant from the state of Maine which was very possible. The manager went on to explain that if the district was successful it would have to execute the project within one-year because of statutory time constraints.

Lastly the manager reported that Dirigo was investigating the possibility of obtaining a community development block grant (CDBG) that would be administered by the town with funding provided by the state and federal government. This funding would be most likely used if the project extended to the village, more specifically to the Southport School.

14. The manager briefly updated the board on his activities with **the Maine Water Utilities Association (MWUA)**. The manager reported that the next legislative session will most likely chart the course for the industry for the next several decades, if not forever. He explained that there are two efforts that the district will need to be cognizant of those being deregulation and the second concerned with water rights.

The manager stated that deregulation was picking up steam because it was being backed and promoted by, the Maine Public Utilities Commission (PUC) and if passed, the manager pointed out that it would have a dramatic and direct effect on the trustees. In effect the void left by the PUC would be filled by the trustees who would be needing to set policies on financial matters with customers as well as more intensive rules pertain to private development. In addition all customer dispute issues would now be referred directly to the board with any questions at impasse moving to Superior Court.

The second issue the manager explained was the issue of who “owns” water. The manager warned that this had legs and would begin to show itself in the next legislative session, reversing the centuries old right of absolute dominion. This issue had very deep and broad ramifications that at a minimum would strap each water district in the state with significantly increased regulatory costs as well as requiring permission from the state as to what businesses can be served and what water can be used for. The manager stated his opposition quite clearly to this effort.

Lastly, the manager reminded the board of the bi-monthly meeting to be held 11 October 2012 in Boothbay harbor. The manager stated that he had signed up both boards as well as the crew. Mr. Tom Woodin, town manager, Boothbay Harbor was the keynote speaker.

15. Then manager reported no activity regarding the **NRPA Study** update.
16. The manager reported next on the **Boothbay Comprehensive Plan Review Committee**. The manager reported no real activity.
17. The manager next reported as to the status of the **Gilead Street Water Main Replacement** project. The project was complete with just a punch list items remaining. The manager stated that he was pleased with the end product. Trustees Reed and Pinkham shared that view as well. Additionally the manager reported that the crew had run into a problem with an abandoned sewer service that the sewer district cut out and plugged earlier in the project. It was the old sewer line from the now defunct school which was acting as a conduit for groundwater flooding the north end of the project. The district had to expose the upper end and infuse it with flowable concrete.

As of the time of the manager's report the district had invested \$66,006.46 with paving and miscellaneous expenses to be included on the next warrant. The manager reminded the board that the district had budgeted \$88,000.00 and was hopeful that the project would conclude under budget for out of pocket expenses. The board instructed the manager to relay their satisfaction with the final product and to tell them "good job".

18. The manger reported he had made no further headway with the **Submerged Land Leases**.
19. The manager updated the board as to the **Truck Procurement** process. Both new vehicles were at Messer's being outfitted for district use.
20. The manager provided the board with a **Conflict of Interest Policy** adopted by the town of Boothbay. The board stated that they would review this policy and have instructions for the manager to either model the new district policy after the Boothbay plan or make modifications.
21. The manager reported that staff was still reviewing the use of **Credit Cards** as directed by the board.
22. The manager reported that on 8 October 2012 the Lincoln County Sheriff's Office had confirmed evidence of heroin use directly adjacent to the plant. Because security matters are not eligible to be discussed in executive session the board instructed the manager to take whatever steps he believed necessary to protect district property, short of fencing, and report back a cost in the 2013 budget to be approved or disapproved by the trustees. Trustees MacPhee and Marston did however discuss the eventual need for fencing and restriction of access to district property but made no motions and deferred any further discussion to a later date.
23. The manager presented to the board a petition delivered to the district from Pottle Realty asking the seasonal water is extended one week further than the new policy. The board briefly considered the petition and instructed the manager, if asked, "The board thanks Pottle Realty for their input and will take it under advisement".
24. The meeting was adjourned at 2018 hr.  
*Trustee Reed motioned, Trustee Marston second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra  
Manager