

9 August 2016

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 26 JULY 2016**

The Board of Trustees convened at 1900 hrs. **In attendance:** Trustee Pinkham, Boothbay Harbor (Chairman); Trustee Gamage, Southport (Vice-Chairman); Trustee Reed, Boothbay Harbor (Clerk); Trustee Lewis, Boothbay (Treasurer); Trustee Marston, At-Large; Trustee Higgins, Boothbay Jonathan Ziegler, Manager. **Guest:** None. **Absent:** Trustee Climo, Southport.

1. The board approved the minutes for 12 July 2016 with revisions.
Trustee Gamage motioned, Trustee Marston second, vote unanimous
2. The **Payroll** for weeks ending 12 July 2016 & 19 July 2016 were approved.
Trustee Marston motioned, Trustee Gamage second, vote unanimous
3. The **Transactions** for 11 July 2016 through 22 July 2016 were approved.
Trustee Marston motioned, Trustee Gamage second, vote: unanimous
4. **FINANCIAL** – The manager presented the board with Table 1. *BRWD Budget Performance Summary as of 30 June 2016* reporting no major abnormalities or unexpected balances. The manager did inform the board that wages were up due to work on both the Cape Newagen Road Water Main Looping Project and the Southport School Water System Consolidation Project but he expected those numbers to stabilize over time.
 - a. **System Development Surcharge** – This program was reported on-track. The manager reported that he had a meeting the following week to with the Maine water Company (MWC) to complete the next steps in implementing the surcharge program/policy and would report to the board the next steps when dates became clear.
 - b. **Fire Protection Rate Realignment Filing** – The manager reported that On 13 July 2016, with letters of endorsement from the municipalities of Boothbay, Boothbay Harbor and Southport, the district submitted this rate filing with the Maine Public Utilities Commission (PUC). The new rate structure remained on-track for a start date of 1 October 2016.
 - c. **Billing** – Since the previous meeting billing for August was reported to be \$332,405.87 with 4 new service applications, 63 customers now using paperless billing and 31 now on autopay.
 - d. **Vehicle Replacement** – On 21 July 2016 The Chairman, Vice-Chairman and manager met with O'Connor GMC and negotiated the procurement of two new replacement vehicles. The new vehicles include:
 1. One (1) *AWD Chevrolet Traverse* for the price of \$27,510.00, to be delivered this week; and

2. One (1) *Diesel, Chevrolet 2500* for a chassis price of \$38,815.00 and a new body system installed for \$12,328.00, turn-key for \$51,143.00 to be delivered within 6-weeks.

Table 1

	<u>Jan - Jun 16</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense			
Income			
415 - Jobbing	104,093.91	62,137.83	100,000.00
419 - Interest Income	580.73	462.34	1,000.00
460-RD Grant Revenue (KHS-RD Grant & Loan)	45,488.96		
461 - Revenue Accounts	<u>1,347,560.18</u>	<u>1,371,500.81</u>	<u>2,465,082.78</u>
Total Income	<u>1,497,723.78</u>	<u>1,434,100.98</u>	<u>2,566,082.78</u>
Gross Profit	1,497,723.78	1,434,100.98	2,566,082.78
Expense			
403-Depreciation Expense	297,500.00	339,996.00	680,000.00
408 -- Taxes other than Income	24,735.52		
427-Interest Expense	141,603.14	143,497.92	288,952.12
601 - Wages	285,810.38	280,723.25	575,173.44
603 - Trustee Fees	8,926.02	9,723.09	9,723.09
604 - Employee Pen. & Benefits	168,073.10	159,752.97	324,471.34
615 - Electricity	22,355.43	28,073.55	66,523.90
616 - Generator Fuel	0.00	750.00	750.00
618 - Chemicals	21,859.94	21,394.74	37,171.57
620 - Materials & Supplies	124,179.67	87,608.52	215,250.00
620.7 - Postage	287.29		
631 - Contr.-Engineering	6,737.09	11,610.55	15,000.00
632 - Contr. Accounting	33,520.00	65,000.00	70,000.00
633 - Contr. Legal	259.50	968.75	5,000.00
634 - Other Professional Fees	14,962.29	26,196.27	40,000.00
635 - Contr-Other	93,151.10	105,550.90	197,450.00
642 - Rental of Equipment	462.92	1,000.00	1,000.00
650 - Transportation	12,957.88	13,452.91	32,650.00
656 - Insurance-Vehicles	0.00	2,600.00	2,600.00
657 - Insurance - Gen. Liab.	15,282.00	30,000.00	30,000.00
658 - Insurance-Workers Comp.	8,388.10	9,824.59	13,000.00
660 - Advertising	120.00	468.35	500.00
667 - Regulatory Expense	13,207.74	13,556.57	18,000.00
675 - Misc. Expenses	3,960.19	9,695.73	13,179.17
680.00 · Uncategorized	0.00		
Total Expense	<u>1,298,339.30</u>	<u>1,361,444.66</u>	<u>2,636,394.63</u>
Net Ordinary Income	<u>199,384.48</u>	<u>72,656.32</u>	<u>-70,311.85</u>
Net Income	<u><u>199,384.48</u></u>	<u><u>72,656.32</u></u>	<u><u>-70,311.85</u></u>

5. **NATURAL RESOURCES PROGRAM UPDATE** – The manager reported the following efforts:
- a. The final environmental assessment for the Hamrin property had been completed and submitted paving the way for the release of the first payout of approximately \$64,000.00 for the conservation grant;
 - b. included in that evenings warrant was the fee for the permit-by-rule (PBR) with the Maine Department of Environmental Protection (DEP) for the storm water work scheduled to be completed on Adams Pond Road;
 - c. work continued on a legally defensible and useful standard operating procedure for environmental sampling and record accessibility with a rough draft due on the managers desk by weeks end;
 - d. work continued with Mr. Terry Leighton concerning a boundary survey at the Boothbay Region Water District/Mr. Pat Farrin property line as directed by the board; and
 - e. work was scheduled to begin on an inspection of Knickerbocker Lake for invasive species by the summer intern.

The manager then reported that on 25 July 2016, with no notice provided by the Maine Department of Transportation (DOT) sprayed herbicide directly adjacent to Adams Pond in an effort to minimize bamboo growth. If it were not for a concerned citizen reporting this occurrence to the town of Boothbay neither the district, not the town would have known the DOT was spraying pesticides within the limits of Boothbay and adjacent to the regions primary water supply. The Boothbay code enforcement officer (CEO) investigated the allegations and found them to be accurate.

The manager reported that he then contacted the Maine Department of Health And Human Services, Drinking Water Program (DWP) as to ramifications of the DOT's errant actions chief of which the probable loss of our synthetic organic compound (SOC) waiver the district had worked diligently to achieve. The manager warned the board that the ramifications of losing the SOC waiver would result in a heavy regulatory expense should this clear incompetence of the Maine DOT trigger the threshold.

The manager then provided the board a request of the Natural Resources Program Manager (NRPM) concerning supporting the Maine Volunteer Lake Monitoring Program (VLMP):

The Maine Volunteer Lake Monitoring Program trains, certifies and provides technical support to hundreds of volunteers who monitor a wide range of indicators of water quality, assess watershed health and function, and screen lakes for invasive aquatic plants and animals. VLMP is the primary source for lake water quality data for the state of Maine. They are a non-profit organization and charge nothing for all the work they do.

This summer, VLMP will have provided BRWD staff with 25 hours of training in water quality monitoring at no cost to us. VLMP will also provide technical support at any time during the year when we have a question about sampling protocol, equipment and data.

In light of all the support that VLMP provides to the district, I ask that the Trustees approve a donation to support VLMP and to compensate for our training.

The board tabled action for financially supporting the VLMP until a recommendation of cost was available. The board instructed the manager to make a proposal at the 9 August 2016 meeting with a fixed dollar amount.

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
 - a. **Human Resources** – Nothing new to report
 - b. **Training Update** – Nothing new to report
7. **TREATMENT DIVISION (TD)** – The manager reported clarifier efficiency over the previous period remained at 100% while filter efficiency stayed unchanged at 93% efficiency. Key chemical additions remained below what would be expected due to high incoming water quality.

The manager then informed the board that as of 0700 hr. the district had switched to Knickerbocker Lake. As to be expected the treatment plant was adjusting to Knickerbocker Lake water quality and was producing safe drinking water albeit in an inefficient and erratic manner. However the manager did reassure the board that this was normal and expected the plant to settle in within 24 to 48 hours.

Average flow for the previous period, as compared to 2015 remained well elevated, averaging 0.9274 MGD with two more 1 MGD days since the previous report

Adams Pond's usable capacity had dropped to 189 MG with Knickerbocker Lake's usable capacity remaining in at 572 MG.

The **U.S. Drought Monitor** showed the Boothbay region remaining in a *D1 Moderate Drought* which was unchanged from the previous report. The board was then informed that the **U.S. Drought Forecast** predicted that the Boothbay region will most likely stay in drought conditions through 31 October 2016. Trustee Lewis inquired if the district had sufficient water resources to withstand the forecasted drought of which the manager stated at this time he anticipated no raw water shortages.

8. **DISTRIBUTION DIVISION (DD)** – Since the previous meeting the DD had completed 9 Digsafe work orders and completed 3 new service installations. Cross-connection control testing for July was complete. An emphasis in project support was taking many man-hours but maintenance efforts were picking up.
9. **5 RIVERS REGIONAL WATER COUNCIL** – Nothing new to report
10. **LAND ACQUISITION UPDATE** – See 6. **NATURAL RESOURCES PROGRAM UPDATE.**
11. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** – Construction was reported to be moving along well. The manager provided the board with a weekly report concerning the project compiled by Mr. Dan Flaig P.E., Wright-Pierce.

Good Morning Zig,

I wanted to give you an updated following the construction meeting yesterday.

After blasting and excavation for the villa foundations, the Owner has decided not to build the villas until 2018

The tennis pavilion construction will begin in the spring

All utilities going in this season.

Water main, PRV station, and booster station work to be completed and tested before service needed to tennis pavilion in 2017.

PRV enclosure will be a Hot Rok

Services for villas will be stubbed with a curb stop at easement boundary line. Tee with a valve will be installed for future fire service line to villas

WP proceeding with design of booster station. Knickerbocker Group intends to construct building this fall. Completion of booster station planned for spring 2017.

I met with Jim Fritz last week at treatment plant

WP hiring EII to complete FCC license update and test radio signal from new sites to treatment plant and Pinkham Tank.

EII provided quote for PRV control panel, which I will forward to Knickerbocker Group.

EII will provide antennas for PRV and booster station and complete install

EII provided quote for all District SCADA programming for Country Club project. They will be a sub. to WP on this.

Pump Skid Update

WP working with vendor on skid design. Will send District drawing once refined and included on our plans

VFD, PLC, Radio, instruments will be provided per District specs.

Design Schedule

WP plans to issue 90% drawings to district for review at end of August.

12. **SYSTEM CONSOLIDATION PROJECT** – The manger reported that construction meeting #2 was held earlier that day with Pay Request #2 approved for \$108,718.59 for work completed through 22 July 2016. As of that morning the transmission main was installed, two hydrants were installed, all services were installed with the exception of the bakery and the school and the road had been partially trench paved. The DWP had been on-site that morning inspecting the disconnection of the well with the permanent connection of the new waterline to the school to be completed by 29 July 2016. The district was instructed by the DWP to take pictures after the completion and setting of the meter and publish it on Facebook, which then the state would inspect and begin the process of releasing the \$100,000.00 grant.

The manager then reported that on the previous day the water main received an inoculation of chlorine after it had successfully passed the required pressure test. District personnel were scheduled to take required samples on 27 July 2016 and it was the manager hope that by 28 July 2016 the district would be able to put the new transmission main into service and more importantly get the Southport School up and running with legally compliant drinking water.

Pay Request 3 would be put together by 2 August 2016 via e-mail once Dirigo, Hagar and the District develop a punch list for the project, punch list is completed and final quantities are tabulated.

13. **BIGELOW LABORATORY WATER MAIN EXTENSION** – The manager reported that construction began on 25 July 2016 by Crooker Construction with no issues to report at that time.
14. **BOOTHBAY BOTANICAL GARDENS EXPANSION** – Nothing new to report.
15. **ADAMS POND FIRE DEPARTMENT ACCESS PROJECT** – The permit-by-rule (PBR) would become effective if the district had heard no comments by DEP by close of business 26 July 2016. In addition the district had applied for and received a building permit from the town of Boothbay. The manager reported that bid packages would be ready soon with a tentative bid opening slated for 23 August 2016.
16. The meeting was adjourned at 1926 hr.
Trustee Climo motioned, Trustee Reed second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegra
General Manager

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