

12 September 2017

MEMORANDUM

From: Manager
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 22 AUGUST 2017**

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

1. The board approved the minutes for 8 August 2017 without revisions.
Trustee Climo motioned, Trustee Marston second, vote unanimous
2. The **Payroll** for weeks ending 8 August & 15 August 2017 were approved.
Trustee Marston motioned, Trustee Anthony second, vote unanimous
3. The **Transactions** for 7 August 2017 through 18 August 2017 were approved.
Trustee Lewis motioned, Trustee Marston second, vote unanimous
4. **FINANCIAL** – The manager presented the board Table 1 - *Boothbay Region Water District Cash Account Status Report as of 25 July 2017*, Table 2 - *Boothbay Region Water District Budget Performance Summary of 31 July 2017* & Table 3 - *Boothbay Region Water District Capital Improvements Budget Performance Summary as of 31 July 2017*. The manager stated that cash reserves were improving due to public fire protection being paid in full by all three municipalities. The manager would be meeting with *The First* later this week to begin arranging a line of credit to make the 1 October bond payment. Over the past period the district had received 5 new service applications.

Table 1 BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 22 August 2017	
Account	Balance
Business Checking	\$ 25,000.00
Deposit Sweep Account	\$ 243,923.88
Liquidity Total	\$ 268,923.88
DESIGNATED FUNDS	
BBH 2007 Sinking Fund	\$ 18,318.42
Land Acquisition Fund	\$ 14.64
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 37,397.33
Bank of Maine Unemployment CD	\$ 10,431.66
Designated Fund Total	\$ 70,931.72
TOTAL CASH RESERVES	\$ 339,855.60

- a. **2017 Surcharge Filing** – The manager presented the board Revision #1 of the Draft Boothbay Region Water District Water Infrastructure Charge tentatively set for submission to the PUC for 28 August 2017. The manager informed the board that he had talked to the Maine Public Utilities Commission (PUC) and they were expecting this submission and would have it on the agenda of the September PUC Commissioners meeting. The manager stated that trustee approval was required before any submission is made.

Trustees Climo and Gamage commented on the recent frequency of revenue generating actions and cautioned that the pace of increased fees was worrying. Trustees Lewis and Anthony stated that the increase was modest and fairly applied. The manager provided the board with information including the effect on customers the surcharge would have showing an increase from \$0.29 to just under \$0.57 per 100 ft³ consumed. Additional charges for public fire protection were also discussed by the board. The board approved the surcharge filing.

Trustee Climo motioned, Trustee Marston second, vote unanimous

- b. **Meter Program Cost of Service Study** – No change in status since the previous report
- c. **Capital Improvement Plan** – No change in status since the previous meeting.
- d. **Policies and Procedures Revision III Update** – The board approved the Boothbay Region Water District Policies & Procedures, Revision III without comment.
Trustee Climo motioned, Trustee Gamage second, vote unanimous

5. **NATURAL RESOURCES PROGRAM** – The following report was submitted to the board by the Natural Resources Program Manager:

1) 319 grant work is in full swing. BRWD crew has been doing a great job on addressing problems in watershed. This work has gotten some positive attention and also provides a great opportunity for public outreach/ education.

2) Knickerbocker Lake Association meeting was held last Monday and it was the well-attended in years. Paul Hunt of Portland Water District was the featured speaker. We updated KLA on ongoing projects. Residents expressed concern about water levels. CMBG sent their Wright Pierce contractor and he was the focus of a lot of questions and unpleasant comments.

3) Stream WQ sampling has been impossible due to the hydrologic drought. After last week's rain, we were able to sample 6 streams (normally 20 sites). Pond sampling continues. With the drought, we are seeing better than average levels of total phosphorus and chlorophyll a in both lakes. Anoxia continues in Little Knickerbocker; was noted for first time in Big Knickerbocker on August 9 and Adams shows depressed oxygen at bottom but not anoxic.

4) Paving of Adams Pond draft site and Hamrin driveway completed.

Table 2
Boothbay Region Water District Budget Performance Summary as of 31 July 2017

	Jan - Jul 17	YTD Budget	Annual Budget
Income			
414-Gain on Sale-Misc Inc.	1,800.00		
415 - Jobbing	56,546.51	85,873.25	125,000.00
419 - Interest Income	420.75	291.75	500.00
461 - Revenue Accounts	1,452,837.40	1,493,414.73	2,582,244.00
	0		0
	<u>1,511,604.66</u>		<u>2,707,744.00</u>
Total Income	6	1,579,579.73	0
	<u>1,511,604.66</u>		<u>2,707,744.00</u>
Gross Profit	6	1,579,579.73	0
Expense			
403-Depreciation Expense	385,000.00	385,000.00	660,000.00
408 -- Taxes other than Income	30,196.02	29,543.75	50,174.16
427-Bond and Loan Interest (Long Term Liab. Interest)	1,127.39		
427-Interest Expense	167,451.93	160,132.00	274,512.34
601 - Wages	336,248.40	327,408.69	539,500.00
603 - Trustee Fees	9,345.70	9,859.21	9,859.21
604 - Employee Pen. & Benefits	235,818.69	192,840.07	339,200.00
615 - Electricity	30,692.25	35,174.79	60,300.00
616 - Generator Fuel	0.00	291.69	500.00
618 - Chemicals	20,854.07	18,755.62	37,000.00
620 - Materials & Supplies	100,844.53	142,162.82	229,700.00
620.7 - Postage	433.80	0.00	0.00
631 - Contr.-Engineering	10,580.00	6,230.00	10,000.00
632 - Contr. Accounting	40,400.00	45,166.62	66,000.00
633 - Contr. Legal	4,070.30	20,000.00	20,000.00
634 - Other Professional Fees	2,080.65	5,833.31	10,000.00
635 - Contr-Other	134,212.83	142,313.07	221,850.00
642 - Rental of Equipment	0.00	400.00	1,000.00
650 - Transportation	19,950.04	18,168.44	31,700.00
657 - Insurance - Gen. Liab.	15,915.00	32,000.00	32,000.00
658 - Insurance-Workers Comp.	12,297.15	8,500.00	13,000.00
660 - Advertising	1,414.50	300.00	300.00
667 - Regulatory Expense	13,326.50	18,426.00	19,000.00
670 - Uncollectables	0.00	0.01	0.01
675 - Misc. Expenses	4,579.27	7,127.40	14,300.00
680.00 - Uncategorized	45.77	0.00	0.00
	<u>1,576,884.79</u>		<u>2,639,895.72</u>
Total Expense	9	1,605,633.49	2
	<u>-65,280.13</u>	<u>-26,053.76</u>	<u>67,848.28</u>
Net Ordinary Income			
Net Income	-65,280.13	-26,053.76	67,848.28

Table 3
Boothbay Region Water District Capital Improvements Budget Performance Summary as of July 2017 **31**

Acct #	Description	YTD Jan-July	Amount
Capital Improvements			
105.01	Marine Construction	\$ -	\$ 1,200.00
105.02	Engineering & Excavation	\$ 17,954.29	\$ 20,000.00
105.05	GIS	\$ 6,987.49	\$ 15,000.00
105.10	Storage Building Project	\$ 4,410.00	\$ 10,000.00
105.16	Meter Upgrades	\$ 70,583.32	\$ 80,000.00
105.20	Meadow Cove Water Main Project	\$ 40,137.19	\$ -
105.19	North Adams Pond Fire Access	\$ 6,600.00	\$ 8,000.00
105.50	Work in Progress - Other	\$ 1,100.00	\$ 500.00
Total Capital Improvements		\$ 147,772.29	\$ 134,700.00
Principal Repayments			
221.3	Truck Leases		\$ 12,000.00
221.31	MBB Highland Park		\$ 30,997.00
221.32	MBB Pinkham Standpipe Rehab		\$ 5,170.00
221.33	RD Southport Interconnection	\$ 30,892.84	\$ 30,893.10
221.89	SRF Cape Newagen MMBB	\$ 10,458.00	\$ -
221.92	RD 91-20		\$ 22,801.62
221.93	FNB Consolidation	\$ 10,900.17	\$ 11,200.00
221.95	MMBB Sea Street		\$ 12,417.00
221.97	FNB Fluoride Bond	\$ 7,321.28	\$ 7,400.00
221.99	RD 91-18	\$ 5,700.00	\$ 6,045.83
221.992	FNB Line of Credit	\$ 100,000.00	\$ 100,000.00
221.993	MMBB Consolidation		\$ 329,221.96
Total Principal Repayments		\$ 165,272.29	\$ 568,146.51
Sinking and Reserve Fund Contributions			
131.82	Capital Reinvestment	\$ -	\$ 7,461.35
131.86	Land Acquisition	\$ -	\$ -
131.87	Southport Interconnection	\$ -	\$ 9,328.00
131.88	RD 91-18	\$ -	\$ 2,015.79
131.89	RD 91-20	\$ -	\$ 6,196.63
Total Sinking & Reserve Fund Contributions		\$ -	\$ 25,001.77

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.
- a. **Human Resources** – The manager reported no change in status with Teamsters Local #340. The manager reported that he was currently reviewing an ergonomics analysis provided by Mr. John Gaudet concerning workstations and would be purchasing new equipment for selected individuals with substandard workstations..
 - b. **Training Update** – The NRPM would be attending the annual Water Resource Protection Summit put on by MWUA in September. In addition the manager had investigated a 10 course suite of classes provided by the University of Maine at Augusta specifically tailored for municipal managers, with an eye of expanding the district’s ability to raise capital and manage for the future. The manager informed the board that he had enrolled in two courses and intended to take two per semester until complete, funding the training with his contractual professional development set aside for the tuition with all other expenses being fielded by him.

7. **TREATMENT DIVISION (TD)** — The manager reported filter train efficiency remained unchanged since the previous report for both clarifier and filter efficiency. Filter efficiency remained at 90% with clarifier efficiency 91%.

On 21 August 2017 the district switched water sources back to Adams Pond with key chemical additions changing dramatically. Since the previous report aluminum sulfate dosing rates have decreased to 80% that which was needed to treat Knickerbocker and is now considered normal. Sodium hydroxide additions are only 42% of what we were using and were now also considered normal.

Finish water flow for this time of year remains slightly below average for this time of year averaging 0.8282 MGD. Other significant DD events include:

- a. **Knickerbocker Lake Water Withdrawal** – The manager presented Table 4 which he explained was published on the district’s website 17 July 2017 and updated each Monday thereafter during routine withdrawal activities on Knickerbocker Lake. The first round of withdrawal was concluded on 21 August 2017 with the NRPA permit remainder in reserve for emergency or drought.
- b. **Drought Monitoring** – The Boothbay region is now in a D1-*Moderate Drought* to refresh the board the U.S. Drought Monitor is a scale which extends from D0 – *Unusually Dry* to D4 – *Exceptional Drought*. As of this morning Adams Pond had in reserve 202 MG. At this point I see no red flags as far as water quantity is concerned.

Table 4			
Boothbay Region Water District			
Knickerbocker Lake Water Withdrawal Report			
Start Date	End Date	Gallons Pumped	Gallons Remaining
Gallons Allowed to be Withdrawn by NRPA Permit			51,500,000
12-Jul-17	16-Jul-17	3,567,300	47,932,700
17-Jul-17	23-Jul-17	6,842,500	41,090,200
24-Jul-17	30-Jul-17	6,961,300	34,128,900
31-Jul-17	6-Aug-17	7,699,600	26,429,300
7-Aug-17	13-Aug-17	7,121,900	19,307,400
14-Aug-17	20-Aug-17	7,102,100	12,205,300
20-Aug-17	21-Aug-17	963,700	11,241,600
Knickerbocker Pumping Operations Suspended 21 August 2017			
Total Withdrawn		40,258,400	11,241,600

8. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD was continuing to concentrate on maintenance and summer job orders with a steady increase, and then decrease in “whiteboard projects”. Much work on 319 Grant projects had been completed (see Natural Resources). Construction activity remains steady with the DD responding to, and completing only 31 DigSafe notifications.
 - a. **Thompson Standpipe Storage Building** – The carrier had been notified of award but no date has been planned as of yet.
 - b. **New Building Status Report** – The manager reported that he had notified Dirigo Engineering that this was an approved conceptual plan and to proceed with plans, specifications and bid packages with periodic review required by the board. The manager expected the next submission for board review would be in late September.
 - c. **Uni-Directional Flushing Plan** – In-Process
 - d. **Adams Pond Paving Project** – On 12 August 2017 the remainder of the North Adams Pond Fire Department Draft Site was paved and it looks very good. On 18 August 2017 the Hamrin Road was also paved fewer than 319 Grant funding which also is an exceptional product. This will be the last report pertaining to these two items which were now complete.
 - e. **Fire Hydrant Maintenance** – Work is ongoing with the hydrants adjacent to all areas for the Maine Firefighters Federation Conference being high priority.
9. **5 RIVERS REGIONAL WATER COUNCIL** – Nothing new to report. .
10. **LAND ACQUISITION UPDATE** – Nothing new to report
11. **BOOTHBAY HARBOR COUNTRY CLUB, PHASE II** – Steady progress on the booster pump station was reported with no issues to report.
12. **ISLE OF SPRINGS (IOS) WATER PRESSURE** – Nothing new to report
13. **ANTHONY VS. COASTAL MAINE BOTANICAL GARDENS (CMBG) BOARD OF APPEALS (BOA) UPDATE** – As directed staff prepared comments for the upcoming 31 August 2017 Boothbay BOA meeting. The manager believed all of the parameters the board instructed management to address had been adequately covered. Trustees Climo, Marston, Lewis & Tibbetts made detailed edits on the draft document and approved the document as well as the manager delivering it at the 31 August 2017 BOA meeting.
Trustee Climo motioned, Trustee Lewis second, vote 6 Yea: Trustee Anthony abstained from all discussion, deliberation or approval of this document on the basis of Conflict of Interest
14. **MUIRGEN WAY WATER MAIN EXTENSION PROJECT** – The manager informed the board that on 12 August 2017 the distribution foreman and he attended the Muirgen Way Homeowners Association Meeting at the Boothbay Town Office. The board approved proposal for water main installation and cost sharing was delivered and the association and soundly rejected. Despite the failure the board thanked the distribution foreman and manager for their efforts in formulating the breakout, consistent with PUC rules, and taking time on a Saturday to deliver it to the association.

15. **SEASCAPE COMMERCIAL DEVELOPMENT** – The manager relayed to the board recently received plans for the Seascape Commercial Development to be completed in Boothbay Harbor adjacent to Hammond Lumber. The manager explained that the town of Boothbay Harbor had approved the plans but made no provisions for the water district approvals. Mr. Eric Wood, President, E.M. Wood Construction, who is the earthwork contractor for the project, was playing “catch up” with district regulations to install a two, possibly three phase project to install public water and fire protection to support this project. The manager reported that Mr. Wood was very proactive and that district staff were “fast tracking” the approval process in order to meet district requirements and the owners wish to have water installed by 19 October 2017. The manager explained that the district would be Mr. Wood’s subcontractor and provided the board with a billing agreement he drafted but had yet to receive back between E.M. Wood Construction and the district.

Additionally the manager explained that staff had marked up the plans so that what is built is acceptable to the district and was waiting for the corrected plans to arrive from the owner’s engineer. The manager anticipated all district requirements would be met by Mr. Wood by the 12 September Meeting at which time the manager would make a recommendation to proceed or not at that time.

16. The meeting was adjourned at 2020 hr.
Trustee Climo motioned, Trustee Anthony second, vote: unanimous

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler
General Manager