

28 August 2018

MEMORANDUM

From: Manager  
To: Board of Trustees

Subj: **MINUTES FOR THE TRUSTEE MEETING 24 AUGUST 2018**

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 Tibbetts, Boothbay Harbor; Trustee Anthony, Boothbay; Trustee Tharpe, At-Large; Jonathan Ziegler, Manager. **Guest:** Ms. Kirsten Hebert, Executive Director, Maine Rural Water Association (MRWA); Ms. Cathy Robinson, Rate Analyst, MRWA. **Absent:** None.

1. The board approved the minutes for 24 July 2018 without revisions.  
*Trustee Gamage motioned, Trustee Anthony second, vote unanimous*
2. The **Payroll** for weeks ending 24 July 2018, 31 July 2018 & 7 August 2018.  
*Trustee Gamage motioned, Trustee Anthony second, vote unanimous*
3. The **Transactions** for the period of 23 July 2018 through 10 August 2018.  
*Trustee Gamage motioned, Trustee Climo second, vote unanimous*
4. **FINANCIAL-** The manager presented to the board Table 1 – *Boothbay Region Water District Cash Account Status Report as of 14 August 2018*. Within the previous period the district has received 8 new service applications with 2 new services installed.

Table 1 <b>BOOTHBAY REGION WATER DISTRICT Cash Account Status Report as of 14 August 2018</b>	
<b>Account</b>	<b>Balance</b>
Business Checking	\$ 25,075.52
Deposit Sweep Account	\$ 166,002.15
<b>Liquidity Total</b>	<b>\$ 191,077.67</b>
<b>DESIGNATED FUNDS</b>	
BBH 2007 Sinking Fund	\$ 18,338.99
Land Acquisition Fund	\$ 14.66
Capital Reinvestment Fund	\$ 1.17
Mt Dora Easement Escrow	\$ 4,768.50
EBB Upgrade 91-20	\$ 2,411.54
Bank of Maine Unemployment CD	\$ 10,431.66
<b>Designated Fund Total</b>	<b>\$ 35,966.52</b>
<b>TOTAL CASH RESERVES</b>	<b>\$ 227,044.19</b>

- a. **Rate Case** – Chairman Pinkham recognized Ms. Hebert and Ms. Robinson who presented series of scenarios and levels of funding, as well as the estimated rate’s corresponding to the different scenarios with regard to depreciation and total cost of operations for the district. The board then weighed the merits of each strategy with an eye on protecting the most vulnerable customers within the district.

Trustees Lewis, Anthony, Climo and Tharpe discussed the merits of funding the district to its allowable funding level, accruing revenues to cover the depreciation of the district in order to maintain the physical plant as well as funding the projected needs of the district (infrastructure replacement) a few years into the future.

Trustee Tharpe pointed out to the board that there was a need to fully fund source water protection as well, a program historically underfunded, due to development and threat trends, including fully funding the land acquisition account for land protection.

Ms. Robinson then discussed the order of events necessary to be undertaken by the manager in order to meet all applicable right-to-know procedures for the rate increase. The manager was instructed to arrange the mandatory public hearing for 20 September 2018 at 1800 hr. at the Southport Town Hall. Ms. Robinson was tasked by Chairman Pinkham to provide the manager all legal announcements required for publishing as well as a timeline for him to meet all applicable legal notices.

After lengthy discussion the board settled on a rate regime that protected the most vulnerable customers within the district that for a year-round 5/8” meter, would raise the quarterly minimum charge from \$75.48 to \$80.00, reduce minimum usage from 900 cubic feet (ft<sup>3</sup>) to 600 ft<sup>3</sup>, increase revenue to fully fund depreciation and average a 33% across the board rate increase.

*Trustee Climo motioned, Trustee Gamage second, vote unanimous*

- b. **Meter Reading Cost of Service Study** –The manager provided the board with a letter authored by the superintendent of the Boothbay Harbor Sewer District (BHSD) disputing the adopted rates and the methodology used to make that argument. The chairman instructed the manager to forward the BHSD superintendents to Mr. Norm Lamie P.E. at MRWA to review and revise if necessary and report at the managers earliest convenience to the board any proposed changes for possible further action.

5. **NATURAL RESOURCES PROGRAM** – The following report was provided by the Natural Resource Program Manager (NRPM):

*1) Work on Boothbay zoning ordinance revisions for the watershed continues and we continue to provide input to the board.*

*2) We were able to persuade DEP to conduct sampling at Adams Pond and Knickerbocker Lake as part of their yearly lake sampling program. They have not sampled here since 2006. Of most interest, they collected sediment samples in both water bodies for analysis, which is key to understanding how much phosphorus in bottom sediment is likely to enter the water column and become available to algae. This data should provide us with a better indicator of lake vulnerability to algae blooms.*

*3) The District currently has a waiver from testing for synthetic organic compounds. That waiver is dependent on the lack of herbicide/pesticide and other SOC's in use in the watershed. Since obtaining that waiver, it is our understanding that the BHCC is using herbicides in the Adams Pond watershed. We have asked for details on the*

chemicals being used, the quantities used, how applied, etc. and BHCC has agreed to supply the information. The PB is also considering whether local pesticide ordinances are warranted.

4) We meet with Pat Farrin and his attorney, Linda Yarmosh, on August 16 to discuss possible acquisition of the Farrin property through which the Knickerbocker pipeline is laid.

5) The distribution will work this week to complete three 319 grant projects in the watersheds.

6) The Knickerbocker Lake Association meeting will be held on August 22. Sue Mello and John Orne will give updates on monitoring, grants and water withdrawals/lake levels. Forrest Bell Environmental, on our behalf, will present results from the community buildout analysis, lake loading model and shoreline survey, as well as presenting best practices for property owners.

6. **SAFETY & TRAINING UPDATE** – The manager reported no injuries, safety violations or known missed inspections during the previous period.

a. **Human Resources (HR)** – The manager requested an executive session to discuss personnel issues during new business pursuant to 1 MRSA §405(6)(A) *personnel matters*. Chairman Pinkham delayed discussion with regards to this topic until the end of the meeting.

b. **Union Contract** – The manager informed the board that during the previous week the United States Supreme Court ruled in the case of “*Janus vs. American Federation of State, County and Municipal Employees (AFSCME)*” ruled that employees who do not wish to be in a union of a public entity did not have to pay “fair share” fees, citing that fair share fees were a violation of the employees 1<sup>st</sup> Amendment Rights of the United States Constitution. In short, the Fair Share Clause in the currently defunct contract were now completely illegal.

Teamsters Union #314 had delayed the implementation of the contract for the Boothbay Region Water District, which, as luck would have it, gives the district an opportunity to clean out this ILLEGAL LANGUAGE! While we have no contract at this time, even though management of the BRWD negotiated in good faith, the fair share clause needed to be removed. The manager then stated that he would not recommend to the board to sign any contract that puts its employees in a situation, by contract, that violates federal law.”

c. **Training Update** – The manager provided the board a brochure issued by MRWA for an upcoming Trident® Users Group to be hosted by the district on 10 October 2018. The manager stated that he looked at being selected for the training as an honor and was proud that the district was selected as the model location for this training.

The Maine Water Utilities Association (MWUA) Lobster Bake, held on 9 August 2018 at Thompsons Point in Brunswick and was reported to be well attended. The BRWD tapping team, *The Watershed Tappers*, performed outstanding but due to a penalty, finished second in Maine for the second year in a row, losing to Kennebec Water District by a paper-thin margin of 2-seconds. That said, the manager relayed that staff was incredibly appreciative of the trustees for allowing them a day to perform and have a generally good time. The board concurred and stated “*we will whip em’ next year!*”

7. **TREATMENT DIVISION (TD)** — The manager reported that since switching to Knickerbocker Lake as the primary water source, filter train efficiency since the previous report remains at 90% for filter operations and 91% for clarifier performance. Both sodium hydroxide and aluminum sulfate dosing rates remained below normal for the time of year. Finish water production for the previous period remained below that of 2017 production rates with an average daily production 0.8517 MGD as compared to 2017 production for the same period of time equaling .8603 MGD.

The manager provided the board with following narrative from the chief treatment plant operator (CTPO):

*“August 9 while I was at JFK airport (a Treatment Plant Operator (TPO)) called and said that the backwash pump number 2 had failed to run. He said that he had switched lead to number one and backwashed the filter.*

*I told him to check the electric breaker on the motor control center and try the hand off auto switch located next to the pump in the filter room. If that did not work call Midcoast Electric to check the breaker and motor starter.*

*On August 10 I received a text from (the TPO) saying that Midcoast had found the problem.*

*(The TPO) switched lead on the backwash pumps from one to two but apparently had also left the pump off on the SCADA computer.*

*Later that night filter number two tried to backwash and was unable to clean itself due to the pump being in the off position. (The TPO on-call) called me at two in the morning with a high finish water turbidity alarm.*

*I went in to the plant and found that the backwash pump was in the off position instead of being in the auto position where it belongs.*

*Backwashed filter two and had on call personal dump the clear well.*

*At this time, I also saw that the backwash waste water pumps had not been set up correctly for number two to be lead for the month, they had been running constantly since the first of the month.*

The manager then informed the board that this occurrence once again put the district in the position of nearly violating one of the most sacred, not to be missed requirements (a turbidity violation) of the Safe Drinking Water Act. The manager stated that there exists a personnel problem which needed to be discussed in the following executive session. The manager stated unequivocally that this was not meeting the managers expectations for treatment plant operations and more stringent corrective actions were in-process.

- a. **Finish Water Pump #1 Variable Frequency Drive (VFD)** – The manager informed the board that the newly installed VFD exploded on 26 July 2018 during a lightning storm, of which the manager suspected, had little to do with the problem. Because the destroyed VFD was new, *Stultz Electric* was claiming the failure was due to either a lightning hit or a preexisting electrical problem. The manager went on to discuss with the board that *MidCoast Electric* was ordered to do a deep inspection of the FWP#1 electronics and as a result could find nothing out of specification. However, because of the time of year, regardless of the root cause, the fact was the district needed that pump to work and a new VFD was installed as a priority work order for *Stultz Electric*. The manager stated he would complete a more thoughtful evaluation as to root cause later.
  - b. **Backwash Rate Valve (BRV)** – No change in status.
  - c. **Knickerbocker Lake Withdrawal Operations** –The manager provided Table 2 as a synopsis of operations thus far. When queried by the board, the manager responded by stating he was targeting the week of 27 August 2018 to suspend Knickerbocker Lake withdrawal operations.
  - d. **Drought Monitoring** – The Boothbay region remained in a D-1 – *Moderate Drought* on the U.S. Drought Monitoring Scale. However, the manager stated that it should be noted that the area of the state in drought condition had shrunk since the previous report. Even though it appeared that the district was consuming the Knickerbocker Lake raw water allotment fairly quickly, taking into consideration raw water in storage and the projected weather trends, he saw no reason to be overly concerned with raw water supply for 2018. The manager reassured the board that he would continue to monitor the district’s raw water inventory and report to the board until such time as drought conditions had been alleviated.
8. **DISTRIBUTION DIVISION (DD)** – The manager reported the DD at present had a rather light workload with regard to distribution matters. Taking advantage of the lull, concentration on assisting the NRPM with completion of 319 Grant (source water protection) projects was now the priority. Additionally, much time had been spent catching up on the new service applications and fine tuning the GIS system with field work. The district would be assisting the West Harbor Pond Association in assembling the new siphon scheduled for installation in September. During the previous period the DD responded to 26 DigSafe requests which showed the construction season to be steady or winding down for the year.
    - a. **New Building Status Report** –Awaiting scheduling of a final meeting with Dirigo Engineering to develop a bid package as well as a presentation for the town of Boothbay planning board.
  9. **5 RIVERS REGIONAL WATER COUNCIL** –The General Managers conference originally scheduled for 2 August 2018 at Great Salt Bay Utilities District was cancelled due to the passing of Mr. Alan Frasier’s (General Manager, Brunswick Topsham Water District) wife on 31 July 2018. The manager informed the board that he had represented himself and the district at the funeral. The board thanked the manager for doing so.
  10. **LAND ACQUISITION UPDATE** – The manager reported that he and the NRPM would be meeting with Attorney Linda Yarmosh and Mr. Pat Farrin on 16 August 2018 to discuss the sale of the Adams Property, under which the district raw water feed line from Knickerbocker Lake was located as well as being property of moderate value for watershed protection.

11. **CAPITAL IMPROVEMENT PLAN (CIP) UPDATE** – The manager provided the board with the completed comments for the CIP, compiled from a list provided by the trustees, management and staff, to Dirigo Engineering for evaluation and completion of a final version. The manager stated to the board that it was his intent to present the final version to the board at the 24 August 2018 trustee meeting with the hope that it was adopted. V The manager concluded his report by stating once board approval of the plan was complete the most immediate action to be taken by staff would be a fire chiefs meeting to discuss the color code changes for the district’s 244 fire hydrants and at the insistence of the Vice-Chairman, a fire flow map would be distributed to each of the three-regional fire departments for reference.
12. **ISLE OF SPRINGS (IOS)** –No change in status.
13. **ALTERNATIVE ELECTRIC POWER OPTIONS** –No change in status
14. The board went into Executive Session pursuant to 1 M RSA §405(6)(A) *personnel matters*, at 2022 hr.  
*Trustee Climo motioned, Trustee Lewis second, vote: unanimous*
15. The board came out of Executive Session at 2030 hr.  
*Trustee Climo motioned, Trustee Anthony second, vote: unanimous*
16. The meeting was adjourned at 2031 hr.  
*Trustee Climo motioned, Trustee Lewis second, vote: unanimous*

END OF MINUTES

Respectfully Submitted,

Jonathan E. Ziegler  
 General Manager

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