

**Yarmouth Water District
Board of Trustees Meeting Minutes
February 6, 2018, Tuesday @ 7:00 pm
Yarmouth Water District Office
181 Sligo Rd, Yarmouth, ME**

Roll Call:

Present: Irving Felker, Jr, Chairman, Stephen Gorden, William Taylor, Susan Krauss, Thomas Brennan

Absent:

Quorum present? Yes

Others Present: Robert MacKinnon, Jr., Superintendent, Linda Earley, Recording Secretary, Bill Harwood, Attorney

Proceedings:

- *Meeting called to order at 7:00 p.m. by Irving Felker*
- *On a motion by William Taylor, seconded by Susan Krauss, it was VOTED: To approve January 2018 meeting minutes as written. (4-0)*

<u>Institution</u>	<u>Acct Number</u>	<u>Description</u>	<u>Amount</u>	<u>Maturity Date</u>
Peoples United Bank	100209807	1989 Debt Service Reserve	\$5,309.48	Savings Acct
Peoples United Bank	100209564	Standpipe Maintenance, Savings	\$1,458.07	Savings Acct
Bath Savings	1019557436	Standpipe Maintenance, CD	\$513,238.73	CD 10/19/18
Bath Savings	185902	Contingency Fund	\$129,146.53	Savings Acct
Bath Savings	1019557428	Submarine Main Dep., CD	\$814,379.08	CD 10/19/18
Peoples United Bank	101020495	Water Resource Protection Fund	\$31,395.90	Savings Acct
Total Special Funds			\$1,494,927.79	

Supt MacKinnon reported the changes were the monthly contributions to the 1989 Debt Service Reserve and accrued interest in all other accounts.

On a motion by Thomas Brennan, seconded by Susan Krauss, it was VOTED: *To file the Treasurer's report for audit. (5-0)*

Communications

- North Yarmouth Communications
Supt MacKinnon followed up with the North Yarmouth Town Manager regarding two previous correspondences from the District. The first correspondence was sent about a year ago offering the first right of refusal to a 13 acre parcel of land for sale on Dexter Lane. The North Yarmouth Town Manager will move the offer forward to the Selectman and will have a response to the YWD soon. Supt MacKinnon confirmed the letter sent to the Selectman regarding the activity at Bowdoin Excavation across from the Hayes Well was received. The Town Manager received the letter and gave it to the Code Enforcement Officer. She advised that the COE sent a letter to the owner of the property. The District did not receive a copy of the code officer's letter to the property owner. Supt MacKinnon stated the YWD would like communication regarding this site since it has been an issue for three years.
- Stanley Watson
Stanley Watson, who served as the auditor for the district from 1967-2000, passed away last week. A donation was sent in his memory on behalf of the district.

Old Business

- PWD- FPL Contract Renewals; *To hear an update about progress on the two contract renewals. To consider a draft motion, approving the Draft Interconnection Agreement with PWD as presented.*

Supt MacKinnon distributed a draft agreement between the Yarmouth Water District (YWD) and the Portland Water District (PWD) on the Interconnection Agreement. Supt MacKinnon stated since the FPL contract does need PUC approval and many of the components of this contract will also be contained in the FPL contract, the YWD with the PWD will be taking this draft to the PUC in the near future for their comments and thoughts. Nick Henry and Jeff Musich had completed a present value assessment to see if it was worthwhile for YWD to develop our own source of supply to serve the power plant. It does not show to be beneficial yet but close. There will also be a mutual aid and emergency supply arrangement with PWD.

Bill Harwood, the attorney representing the District for the contract, reviewed some details of the contract. The term of the contract will be 7 years, a 5 year contract and with a required 2 year termination notice by either party. One issue Attorney Harwood wanted the Board to be aware is there is not a clear ruling from PUC as to whether YWD is a wholesale customer or a regular customer. PWD views YWD as a regular customer at the non-member rate which is higher than the member rate. If we ever have a dispute and are considered a customer, the Consumer Assistance Division of the PUC would be the contact. If the PUC does not have jurisdiction, we will enter into binding arbitration. The PWD has had success in advocating for deregulation and this deregulation allows them to change rates as they see necessary. Rate increases would get further review if there are at least 10 complaints. As a non-member customer, YWD is subject to these periodic rate increases. The Wyman contract uses the approved PWD rate as the billing rate for the power plant, any increases are passed on to the customer,

per the contractual agreement.. Attorney Harwood recommends the contract but there are those few items.

On a motion by William Taylor , seconded by Stephen Gorden, it was VOTED: *To approve the Draft Interconnection Agreement with PWD as presented. (5-0)*

- 2017 Master Plan; *To hear an update of the status of the 2017 Master Plan.*
The first draft of the Master Plan was distributed to the Board. The draft copy does not include the groundwater model completed by Matt Reynolds. Supt MacKinnon had a draft map of the Groundwater model, which was discussed.

The Executive Summary Section of the Master Plan was distributed to the board. Supt MacKinnon stated some of the street descriptions of the main replacements need to be tweaked. Supt MacKinnon will invite Jeff Musich and Matt Reynolds to the March meeting for a workshop on the Master Plan. Supt MacKinnon requested the board to review the draft and provide comments by March 1st. Supt MacKinnon will compile comments and present to Wright-Pierce to make necessary changes in advance of the March Board meeting.

New Business

- 2017 Unadjusted Financials
The 2017 Year-end Unadjusted Financials Summary sheet was distributed to the Board. The Superintendent noted that the Debt Service Coverage Ratio was expected to be approximately 1.80. This ratio must be greater than 1.25, but should probably target 1.75. A suggestion was made to consider a policy for a target debt service ratio once the financials are adjusted and presented. Nick Henry will be at the April meeting to present the audit and review the 2017 financials.
- Annual Meeting; *To consider setting the date of the annual meeting of the District.*
Supt MacKinnon requested the date of the annual meeting to be set. Since Jeff Musich will be present in March for the Master Plan Draft review, the Annual meeting will be held on April 3, 2018.

Operations

- January 2018 Production Reports
Supt MacKinnon distributed the January Usage Chart. The January production was higher in January 2018 than it was in January 2017. There is a possibility there may be a leak in the Yarmouth end. Another cause for the increase usage is the volume of car washes on warm days.
- 2012 Prius Replacement
Supt MacKinnon advised the budget included replacement of one car and one truck. The 2012 Prius is scheduled to be replaced. Supt MacKinnon went out for bid for the car. The truck that scheduled for replacement has the lift gate. There is a possibility for a safety grant for the lift gate so the bid for the truck will go out in April with an application for the safety grant. The lift gate will be installed after the truck is received.

- Reinsborough Well Update

The Reinsborough Well had trouble with right-angle drive. This equipment is difficult to get parts for replacement. YWD operator, Denis Blanchette, took apart the drive and successfully rebuilt the unit. The angle was reinstalled and is working great. There was also trouble with stand-by motor with the possibility the programming got scrambled through the power outages. Denis corrected the issues with the stand-by motor also. Supt MacKinnon acknowledged the great job by Denis.

Other

- Supt MacKinnon shared that a local Odyssey of the Mind Team had contacted the District for information about pumps and how they are used. June and Denis spent some time with the students explaining the operations. They took the students on a tour of one of the wells and had a chance to see the pump operate. Supt MacKinnon was glad for the opportunity and was very pleased with the demonstration.
- Chairman Felker advised it is the end of term for Tom Brennan and Stephen Gorden. Yarmouth papers can be picked up March 2nd and are due March 13th. North Yarmouth papers will be available March 5th.
- Executive Session was not requested.

At 8:02 p.m., on a motion by William Taylor, seconded by Thomas Brennan, it was VOTED: *To adjourn the regular monthly meeting. (5-0)*

Minutes submitted by:
Linda Earley, Recording Secretary

Minutes filed by:

Eric Gagnon, Clerk