

**Yarmouth Water District
Board of Trustees Meeting Minutes
November 6, 2018, Tuesday @ 7:00 p.m.
Yarmouth Water District Office
181 Sligo Rd, Yarmouth, ME**

Roll Call:

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

Absent:

Quorum present? Yes

Others Present: Robert MacKinnon, Jr., Superintendent, Eric Gagnon, Assistant Superintendent, Linda Earley, Recording Secretary

Proceedings:

- *Meeting called to order at 7:10 pm. by Irving Felker*
- *On a motion by Stephen Gorden , seconded by Thomas Brennan, it was VOTED: To approve October 2018 meeting minutes as written. (5-0)*

Treasurer's Report

<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	\$4,566.41	Savings Acct
Peoples United Bank	100209564	Standpipe Maintenance, Savings	\$1,964.02	Savings Acct
Bath Savings	1019557436	Standpipe Maintenance, CD	\$ 546,938.15	CD 10/19/18
Bath Savings	185902	Contingency Fund	\$219,264.08	Savings Acct
Bath Savings	1019557428	Submarine Main Dep., CD	\$823,378.83	CD 10/19/18
Peoples United Bank	101020495	Water Resource Protection Fund	\$61,414.01	Savings Acct
Total Special Funds			\$1,657,525.50	

Supt MacKinnon reported the following activity for October; the 2 special accounts were reinvested, transferred \$28,000 from the Standpipe Maintenance Savings to combine with the new Standpipe Maintenance CD, added \$30,000 to Contingency Fund, monthly contributions and interest to the 1989 Debt Service Reserve, and accrued interest in all accounts.

There are 2 final bond payments for due for this year. The 2015 Bond payment for \$34,764.75 is due December 1st for interest only and the 2010 Bond payment for \$144,275 is for \$140,000 in principle and \$4,275.00 in interest is due January 1. The District had refinanced a 20 year bond after 10 years in 2010 and realized great savings, there are only 2 years left on that bond.

Moody's completes an annual financial report on bond issuers that they have previously rated. A draft was sent to Supt MacKinnon for review and edit suggestions were accepted by Moody's. Considering the revenue rating was strong, expenses were fine, and debt was good, Trustees inquired if the rating could be higher. Supt MacKinnon stated that being a regulated utility impacts the rating.

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

Communications

No communications to report.

Old Business

- YWD Special Accounts Reinvestment
Supt MacKinnon distributed the required forms to the Trustees for the special account reinvestments. All Trustees submitted the required documents to Supt MacKinnon to complete the account openings.
- FPL Contract Renewal; *To hear an update on progress on the MPUC approval process.*
On October 15th, the signed version of the contract was received from the Wyman Station Power Plant. The contract was submitted to the PUC for approval and was assigned docket 2018-00303. The docket can be tracked by the public. Supt MacKinnon does not expect an immediate response given the existing contract does not expire until May 2019 but does expect a follow up from the PUC with questions in the near future. A courtesy copy of the contract was sent to the Portland Water District.
- Test Wells
The process to identify locations for new test wells in North Yarmouth is moving slowly. Matt Reynolds met with representatives from Skyline Farms and they are willing to work with the District for a test well. The District is scouting other locations and may use public right of ways.

The meeting in North Yarmouth regarding the Comprehensive Plan zoning was held on October 30th. There was some concern expressed about promoting building with density in the aquifer. The wastewater ordinances and enforcement will be important with the increased density. Outlining the

consequences of the ordinance violations will need to be included. This meeting was specifically for the comprehensive plan and the zone, not the ordinances.

Next spring would be a great time to implement the advance wastewater system presentations and seminar.

New Business

- 2019 Budget; *To review and discuss a preliminary proposed budget for 2019*
Supt MacKinnon has been working with Nick Henry on the preliminary budget. Nick Henry reviewed the proposed budget and his opinion is the 9% rate increase would be sufficient for a few years, and he concurs that an effective date of March 1st would be appropriate. Trustee Gorden mentioned some Districts are calculating rates with a fixed rate portion in addition to a consumption.

The timeline for a March 1, 2019 implementation was presented as follows: the rate case will be submitted to the PUC on December 15th, the notice and letter will go out to customers on January 1, 2019, a public hearing on January 15, and the final hearing on January 31st. The suggestion was made to inform both towns of the rate case for their budget planning. To prepare for the rate case, Supt MacKinnon will review the notes from the last rate case and will calculate the cost of business for fixed expenses.

On a motion by Thomas Brennan, Seconded by Susan Krauss, it was VOTED: *To approve the 2019 budget as proposed. (5-0)*

On a motion by Stephen Gorden, Seconded by Thomas Brennan, it was VOTED: *To authorize the management to move forward with a rate case for the upcoming year. (5-0)*

Operations

- October 2018 Production Report
Supt MacKinnon reported a significant difference in the production report for the same period last year. The variance may be attributed to high production last year due to two bad service leaks and much warmer temperatures in 2017. Trustee Taylor inquired whether the recent wet weather had affected the groundwater levels. .
- Dexter Lane Property
Trustee Gorden received an inquiry from Ben Grover regarding the status of the offer. The District cannot sell the parcel for less than the appraised value but can be given to land conservation trust to hold in conservation forever. There is little interest in the parcel from Land Trusts. The suggestion was made to request from the commission the option to put the land to auction to get the fair market value. Another suggestion would be legislative action with the possibility of the Maine Water Utilities Association (MWUA) taking the lead.

Other

- Maine Water Utilities Association's 2017 Journal was released. Chairman Felker mentioned that the Yarmouth Water District was well represented in this publication.

- The Maine Water Utilities Association will host workshops for Trustees on November 8th in Brunswick and November 14th in Waterville.
- Supt MacKinnon reported that the tank in North Yarmouth was inspected and cleaned by the same firm that completed the work last year on other tanks in the District. A formal report has not been received but the verbal report was fine. Minimal cleaning or maintenance was needed.
- Two newest hires in Operations have completed the probation periods. A condition of hire included acquiring licensing within one year of hire. The District has purchased test guides and they preparing for the license exam. A District operator has recently passed the testing for their next level of licensing.
- Executive Session was not requested.

At 8:29 p.m., on a motion by Thomas Brennan, seconded by William Taylor, it was VOTED: *To adjourn the regular monthly meeting. (5-0)*

Minutes submitted by:
Linda Earley, Recording Secretary

Minutes filed by:
Eric Gagnon, clerk