

**Yarmouth Water District
Board of Trustees Meeting Minutes
December 4, 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, Linda Earley, Recording Secretary, Kathi Grant, Customer

Public Comment

Chairman Felker offered Kathi Grant of 437 West Elm Street an opportunity to address the Board and the option to include the topic on a future meeting agenda. Ms. Grant requested clarification of the billing practice when transferring the service to a new occupant. Supt MacKinnon will follow up with Ms. Grant to review and discuss the District's billing policy and procedures regarding service transfers.

Proceedings:

- *Meeting called to order at 7:03 pm. by Irving Felker*
- *On a motion by Susan Krauss, seconded by Thomas Brennan, it was VOTED: To approve November 2018 meeting minutes as written. (4-0)*

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	\$4,691.60	Savings Acct
Peoples United Bank	100209564	Standpipe Maintenance, Savings	\$1,964.10	Savings Acct
Bath Savings	1019557436	Standpipe Maintenance, CD	\$ 548,093.46	CD 10/19/18
Bath Savings	185902	Contingency Fund	\$264,283.25	Savings Acct
Bath Savings	1019557428	Submarine Main Dep., CD	\$825,118.08	CD 10/19/18
Peoples United Bank	101020495	Water Resource Protection Fund	\$61,416.54	Savings Acct

Supt MacKinnon reported the following activity for November; three separate \$15,000 deposits to the Contingency Fund, monthly contributions and interest to the 1989 Debt Service Reserve, and accrued interest in all accounts.

Trustee Krauss asked if the Contingency Fund will have any impact in the rate case. Supt MacKinnon advised that the district is permitted to hold 5% of revenue for future projects. Supt MacKinnon will discuss utilizing the funding option for capital replacement projects through the PUC with Bangor Water's General Manager, Kathy Moriarty.

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

- 2017 Key Financial Ratios

Supt MacKinnon had previously received a report entitled The Financial Health of Maine Large Water Utilities with many key financial ratios of other area districts.. Superintendent MacKinnon incorporated the Districts 2017 data to calculate and compare to these other districts. One of the key changes from last year's data was that the expense of water production exceeded the revenue from the sale of the water, which in his opinion justifies the upcoming rate adjustment. Supt MacKinnon stated these are figures that are a good benchmarking tool, although many of the other districts in the comparison are much larger and have an economies of scale advantage.

Communications

- Town of Cumberland, Sweetser Road Sandpit

Supt MacKinnon advised there is a 7-10 acre parcel of land on Sweetser Road that is owned by the Town of Cumberland. Supt MacKinnon sent a letter to Bill Shane, Cumberland Town Manager, to restate the request for the District to have right of first refusal. Town Manager Shane responded and posed a land swap for the Cumberland Well. Supt MacKinnon advised the Cumberland Well site has planned future use and is not an option. Town Manager Shane will present the request to the Cumberland Town Council.

- Town of North Yarmouth, Comp Plan

The Town of North Yarmouth passed the revised Comprehensive Plan. Town Manager, Rosemary Roy, praised the work and time Asst Supt Gagnon gave to the project. Town Manager Roy mentioned a possibility to expand the municipal garage to hold the municipal busses near the school. This site is near the aquifer and could be a concern with the oil and auto fluid. Some preliminary discussion should

occur to communicate concern. Supt MacKinnon informed the Yarmouth and North Yarmouth town managers about the rate case as a courtesy.

- Royal River Conservation Trust - Thanked the District for their participation in their event.

Old Business

- FPL Contract Renewals; *To hear an update on progress on the Wyman Station contract renewal*
Supt MacKinnon advised the FPL Contract was on the PUC 12-04-18 consent agenda and was approved. Supt MacKinnon expects to receive a confirmation in a week or so.
- Proposed Rate Increase; *Scheduling of public hearing*
Supt MacKinnon completed the billing analysis and provided a copy to Nick Henry. Nick Henry created a draft filing to provide to the PUC. He recommends the letter to customers and the public notice in the newspaper to be completed in December and to follow with a public hearing in January. A couple of dates were offered and consensus was for Tuesday, January 15th at 6 pm at the YWD office on Sligo Road.

Trustees discussed options for the rate case such as including a list of future project funding requests and incremental automatic increases to build in rate case. A workshop will be held to discuss the details of the rate case.

New Business

- Hillside Street Water Main Replacement; *To review the bids for the water main installations for Hillside Street*
Supt MacKinnon distributed a bid sheet for the Hillside Street project. The proposed project is from West Main Street along Hillside Street, to the new District mains installed for McKearney Village. This would be in conjunction with the town project of the rebuilding the roadway. There were a total of 3 bidders for the project. The District's portion of the project was bid as two separate alternate portions of the overall project. Superintendent MacKinnon estimates the complete job, with both alternatives, would be approximately \$650,000; with \$275,000 currently in the Contingency Fund. Supt recommends going with both Alternate 1 and 2. Alternate 1 - which goes from West Main Street to McKearney (bid-\$443,947 and Alternate 2 for Cumberland Street, which goes from Hillside Street to West Elm Street (bid-\$99,232). The Town will be responsible for the ledge removal where the water main is being relocated, and the District has agreed to reimburse the Town for a portion of the costs of engineering. A memorandum of understanding will be executed to memorialize these agreements.. The Hillside Street portion of the project was previously approved and the materials have been purchased.

On a motion by Stephen Gorden, Seconded by Susan Krauss, *To authorize the Superintendent to negotiate with Storey Brothers for the options as presented. (5-0)*

Operations

- Community Day
Community Day was offered this year to allow employees to work one day for a non profit or request a \$100 donation to be sent to a non-profit of their choice. To date, one day of service was completed, 2 donation requests to the Barbara Bush Children's Hospital, and one to the Joe Andruzzi Foundation.
- November 2018 Production Report
Supt MacKinnon reported November was an average month of usage. He reported there was a main break the day before Thanksgiving near I-295 and was pleased the crews completed the repair quickly.

Other

- Supt MacKinnon received a call from Yarmouth Bluffs, the condominium complex adjacent the tank. There was a report that a tree on the site might need to be removed. Supt MacKinnon went to the site and will contact an arborist discuss removal.
- The SCADA system malfunctioned. Supt MacKinnon attributed the issue to be with the computer and operating system. The computer is > 5 years old and needs to be replaced.
- Executive Session was not requested.

At 8:27 pm, on a motion by Thomas Brennan, seconded by Susan Krauss, it was VOTED: *To adjourn the regular monthly meeting. (5-0)*

Minutes submitted by:
Linda Earley, Recording Secretary

Minutes filed by:
Eric Gagnon, clerk