

**Bangor Water District
Board of Trustees**

**Minutes of the
Regular Monthly Meeting
May 20, 2008**

The regular meeting of the Bangor Water District Board of Trustees was held at 3:45 p.m. in the Hughes Building, 614 State Street. Present were:

Ralph Foss
Rick Fournier
John Hwalek
Dan Wellington

being a quorum of Trustees. The clerk kept the minutes. In the absence of the Board chair and vice-chair, Trustee Fournier was chosen to serve as chair pro tem. No members of the public were in attendance.

2007 Audit Report: Keith Burgoyne presented the audit report – the first done by Haverlock, Estey & Curran. Summarizing the report, he said there were no significant deficiencies. He noted the impact of the 2007 rate case and that liability for accrued sick time had been added to the balance sheet. After review, Chair Fournier asked that staff leave the room to allow the auditor to make remarks directly to the Board if desired, and after a brief absence, staff re-entered the room.

Fournier noted that no significantly different information had been presented to the Board in private, other than a suggestion by the auditor that he meet with the Board before as well as after the audit. Burgoyne thanked the staff and Treasurer Smith in particular for their assistance and cooperation, and then left the meeting. It was then upon motion being made and duly seconded unanimously

VOTED: to accept the 2007 audit as presented.

Minutes – of the April meeting were accepted as presented.

Treasurer's Report: Accounting and Finance Manager Smith presented the report, noting inventory was up due to receipt of meters in preparation for a major change-out effort. Year-to-date payroll is higher than last year, as the District's two newest employees did not join the staff until early summer 2007. Finally, Smith said payroll allocation would begin to shift from O&M to capital work as the summer progressed. The Treasurer's Report was accepted as presented.

- **Progress Report** – as written.

Old Business:

Long-term 2 treatment requirements/JPS renovations: General Manager Moriarty reviewed work at Johnston Pump Station and the Butler Ozone plant needed by 2013 to meet new regulations, as well as other projects that would be completed at the same time at these locations. Since the estimated \$7.5 million project centers on the addition of UV to the disinfection process and the possibility lowering of lake intake lines, Moriarty said Black & Veatch – the project engineer – recommended gathering more water quality data before finalizing plans. As a result, 12 month’s worth of additional data will be collected at Floods Pond, a measure that Moriarty said would not hinder meeting the 2013 deadline.

Project update: District Engineer Haskell updated the Board on ongoing projects, including:

- Tab to liquid chemical conversion at Johnston Pump Station – nearing completion
 - Essex Street bridge approaches and new pipeline – pressure-tested and chlorinated. Insulation installation needs to be corrected.
 - Thomas Hill Standpipe repairs – 18 of 25 ceiling sections installed. Work scheduled to be completed by mid-June.
 - Hermon well site – Final report was recently received by the District and will be reviewed at the next board meeting.
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- **FERC permit** - Moriarty reported on the response received from US Fish and Wildlife Services, and BWD’s rejoinder on the project’s scope.

 - **18th annual Open House** - held May 9 for 225 students from six schools, along with teachers and chaperones. Personnel from the Maine Drinking Water Program and several Trustees also attended.

 - **Spring tour of Thomas Hill Standpipe** – scheduled for May 21.

New Business:

Line of credit: Smith explained the need for pursuing a line of credit. The District maintains low cash reserves. A line of credit could provide the District funds in the event of a serious emergency. He proposed seeking proposals from Bangor banks for a line of credit to be utilized as necessary, adding any drawdown has to be paid off within 12 months per Maine Public Utilities Commission requirements. After discussion, the consensus of the Board was for Smith to proceed and return to the Board with results. Smith then left the meeting.

Water Operator’s License: Moriarty explained state licensing procedures and BWD’s licensing requirements, noting that many employees acquired license levels beyond that required by their job description. As an acknowledgement of their achievement, Moriarty said she plans to award employees a half-day off for each level of testing successfully realized – beginning with 2008.

Maine State Retirement System: Moriarty reviewed the District's history of retirement plans and its current offerings, explaining the District has a credit with MSRS being used to fund the employer's portion of contributions. She said her goal was to find a way to utilize the credit to provide improved retirement plan options for employees, perhaps by shifting to another MSRS plan. She proposed pursuing various possibilities with MSRS staff, holding an informational meeting with employees and seeking their feedback, and then returning to the Board with recommendations and any needed actions. The Trustees raised a number of issues and offered a number of suggestions, and upon conclusion of the discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to authorize Moriarty to explore additional MSRS retirement plan options, to meet with employees regarding the options, and to return to the Board with recommendations.

Fuel Bid: Moriarty explained that the District had been contacted by Maine Power Options (through whom BWD bids electrical power) about a group purchase of fuel. She recommended participation in the pool of 16.5 million gallons, explaining bid prices would be available on May 22 at 10 a.m., with a response by the District required by 3 p.m. After discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to authorize the General Manager to review fuel purchase prices presented by Maine Power Options on May 22, and to choose the option most beneficial to the District, with Board confirmation at the next meeting.

- **Trustee Disclosure Forms** – distributed for annual updating.
- **Board package correspondence** – as distributed.
- **Meeting attendance** – Trustee Hwalek will not attend the June, July and possibly the August meeting. Trustee Grosjean will not attend the June meeting.

Hearing no further business to come before the meeting, it was upon motion being made and duly seconded, unanimously

VOTED: to adjourn at 6:15 p.m.

Ralph Foss, clerk

Rick Fournier

John Hwalek

Dan Wellington