

**Bangor Water District
Board of Trustees**

**Minutes of the
Regular Monthly Meeting
April 21, 2015**

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
Patty Hamilton
Gerry Palmer
Robert Syptkowski
Dan Wellington

being more than a quorum of Trustees. Also in attendance: General Manager Moriarty, District Engineer Pershken, Finance Manager Bailey, and Office Manager Marchegiani. A number of representatives from various banks were also in attendance. The clerk kept the minutes.

Minutes: The minutes of the regular March meeting were accepted as presented.

Treasurer's Report: Bailey noted the impact of a winter filled with water main breaks and leaks.

Leaks	Cost		Number	
	2015	2014	2015	2014
January	\$7,312	\$6,991	3	3
February	\$20,445	\$6,586	7	2
March	\$26,404	\$5,465	10	2
YTD	\$54,161	\$19,042	20	7

As a result, expenses are up 9 percent for the month and 3 percent year-to-date while revenue year-to-date is on budget.

Progress Report: as presented.

I. **Public Comment** : None.

II. Old Business:

Engineer's Report: Pershken updated the Board on

- Plans for the 20-inch main behind State Street complex. Bangor Water is coordinating with the Dorothea Dix Center and the Saxl Park committee to discontinue part of the problematic line while still maintaining flow and pressure. The change will also allow the Dix Center to discontinue 1400 feet of old pipe. BWD will fund the \$150,000 project.
- Relocation of the Emera substation at State Street. A relocation agreement being drafted by BWD; the anticipated project cost is \$193,000 including work to be done by BWD.

Rate Case Update: Moriarty reviewed the rate case schedule, noting the public hearing scheduled for May 14 at 5 p.m.

III. New Business

MainePERS update: Moriarty explained the District's participation history, the changes in MainePERS contribution plans over the years, and the District's assessment (in 2014) of \$62,000 in support of employees participating in the system. Due to changes in MainePERS, BWD has a current credit of approximately \$486,000 toward future employee contributions, managed and invested by MainePERS. However MainePERS will no longer be managing the credit pool, but will return the money to the individual municipal entities to manage. Moriarty noted that the money – when refunded to BWD – could be used for any purpose, but her recommendation was to invest it in order to continue funding retirement contributions. Without investment of some sort, the refund would be depleted in eight years, and the District would have to fund retirement contributions from its operating budget.

Banking bids: Prior to discussion of the item, Trustee Fournier declared a conflict of interest and his intention to leave the room. It was upon motion being made and duly seconded, unanimously

VOTED: to acknowledge Trustee Fournier's conflict of interest.

Trustee Fournier left the meeting. Bailey then reviewed the results of an RFP for banking services that was sent to eight banks with seven respondents. In comparing fees, services, interest rates, and investment services, the bank proposals ran from an estimated loss of \$3,800 to an estimated gain of \$32,000 for the next twelve months (some of which was dependent on a three- or five-year commitment to the bank).

The Trustees discussed the pros, cons, and details of the various proposals at length, and it was then upon motion, being made and duly seconded, unanimously

VOTED: to approve staff recommendation to 1) move banking services for current accounts to Katahdin Trust in accordance with its RFP and including a five-year commitment, and 2) invest the MainePERS refund – when received – with The First in accordance with its RFP.

Trustee Fournier returned to the meeting and the bank representatives departed.

Johnston Pump Station bids: Pershken reported that of the three contractors who took out plans, only one submitted a bid with a price of \$3.35 million (the engineer's estimate was \$3.6 million). The project will get underway in the spring of 2016, with materials and other items being acquired during the remainder of 2015. After review, it was upon motion being made and duly seconded, unanimously

VOTED: to award the JPS bid to the low bidder – T Buck Construction – as outlined.

Union Street water main replacement: Pershken reviewed the work to be done between Main and Hammond streets prior to City sewer and State road work. Nine contractors took out plans with four responding (the engineer's estimate was \$714,000). The low bid was \$577,250, and it was upon motion being made and duly seconded, unanimously

VOTED: to award the Union Street project to the low bidder – Eastwood Contractors – as outlined and contingent on reference checks.

Hermon standpipe mixing options: Moriarty reviewed the need to mix water in the various standpipes and provide rechlorination – especially during the summer months – to maintain water quality. The Hermon mixing system is in need of repair, and as part of that project, staff was recommending purchase of a different mixing system called PAX. The existing system runs only six months a year whereas PAX would be in service year-round, with the added benefit of reducing ice build-up in the tank. Moriarty noted 20 utilities in Maine, including Old Town, use a PAX mixer, and that – assuming a 20-year life span – the mixer would save \$30,000 in energy costs while providing better tank conditions. After review, it was upon motion being made and duly seconded, unanimously

VOTED: to authorize the General Manager to sign a contract for a PAX mixer installation of \$40,483.

2015 Construction bid: Moriarty explained the bid provided supplies for projects, maintenance, and repairs for the upcoming year, and that bids were awarded based on the low price for each line item. It was upon motion being duly made and seconded, unanimously

VOTED: to award the \$68,684 construction bid to the low bidder on each line item.

Paving bid: Moriarty presented the results of three bids to pave trenches throughout the system as needed. After review it was upon motion being made and duly seconded, unanimously

VOTED: to award the bid for paving trenches to the low bidder – Wellman Paving – as outlined.

Maine Public Utilities reports for 2014: Moriarty briefly reviewed the annual report that provides information on utility finances, physical plant, and water sales.

Water related legislation: Moriarty updated the Board on proposed legislation to

- Hold water utilities responsible for property damage due to water main breaks without meeting the “negligence” criteria of the Maine Tort Claims Act
- Modify standards for separation of gas lines from water and sewer lines
- Amend fluoridation rules related to customer input (recommended “ought not to pass”)
- Move the Drinking Water Program from DHHS to DEP

Board package correspondence: as distributed

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

VOTED: to adjourn at 5:42 p.m.

Dan Wellington, clerk

Ralph Foss

Richard Fournier

Patty Hamilton

Gerry Palmer

Robert Sypitkowski