

**Bangor Water District
Board of Trustees**

**Minutes of the
Regular Monthly Meeting
May 20, 2014**

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:

Rick Fournier
Patty Hamilton
Stan Miller
Gerry Palmer
Robert Sypitkowski
Dan Wellington

being more than a quorum of Trustees. Absent: Trustee Lawler. Also in attendance: General Manager Moriarty, District Engineer Pershken, Finance Manager Bailey, Office Manager Marchegiani, auditor Keith Bourgoin, contractor Randy Gardner, and Paul Nicklas from the City of Bangor. The clerk kept the minutes.

2013 Financial Audit Review: Taking the agenda out of order, Keith Bourgoin from Haverlock, Estey, and Curran discussed the results of the annual audit, saying it was an “unqualified” (or problem-free) report. He discussed recent and upcoming GASB changes as well as the difference between standard financial reporting and the reporting required by the Maine Public Utilities Commission.

Bourgoin discussed BWD’s changes in assets and liabilities including the addition to fixed assets of the new UV plant, bonds payable maturities, and a three year analysis confirming that a rate increase was unnecessary for 2014. After discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to adjourn to executive session for a discussion of the audit which was likely to involve personnel items, and then to return to open session.

Upon return to open session, Trustee Palmer departed the meeting. After a brief discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to accept the 2013 financial audit as presented.

Auditor Bourgoin left the meeting.

Hammond Street standpipe right-of-way: Pershken explained that as part of development plans (including a quarry) for land near the standpipe, the District and the City were being asked to convey part of their private access to create a public street. Trustee Fournier disclosed his participation in the City's Banair development group, and the consensus of the other members was that no conflict existed. After discussion with Nicklas and Gardner as well as concerns previously expressed about impacts on the standpipe, it was upon motion being made and duly seconded, unanimously

VOTED: to authorize the General Manager to negotiate with the City on behalf of BWD regarding establishment of a City road at the entrance of the Hammond Street standpipe.

Gardner and Nicklas left the meeting.

BIA Terminal Pipe Replacement Bid: Pershken reminded the Board that, as part of significant infrastructure work at the airport, BWD would be replacing 900 feet of six- and eight-inch line in front of the terminals with 12-inch line. The water line work had been bid out as part of the Airport's bid. The Airport's overall low bid of \$816,000 would result in the second-lowest cost for the water line portion (\$181,000 vs. \$169,000) but Pershken recommended proceeding rather than losing the opportunity to perform the work. After discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to authorize the General Manager to enter into an agreement with the City/BIA for water main replacement work for the bid price of \$181,820, and to include a 10 percent contingency amount in the estimated construction budget.

Personnel Handbook Update: Moriarty explained that the District's current policy required employees to use sick or vacation time if they wished to be paid for the first seven days of a workers' compensation (WC) injury (after seven days, workers begin receiving 2/3 of their wages through the WC system). She said recommended revising the policy such that BWD paid for the first seven days, which is not an uncommon practice for water utilities in Maine. After discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to approve the revision as attached to these minutes, retroactive to May 1, 2014.

Minutes: Returning to the order of the agenda, the minutes of the April meeting were accepted as presented.

Treasurer's Report: Bailey presented a summary of April financials and noted that there were less expenses allocated to capital projects than budgeted. She also presented a 12-month cash flow analysis which she and Moriarty felt indicated that BWD could fund its construction work without a Bond Anticipation Note. Board members questioned the cost-avoidance of foregoing a BAN vs. potential cash flow issues, especially if unanticipated expenses arose. Bailey will keep the board updated on cash flow status and a BAN could be considered in the future if unanticipated expenses prove it necessary.

Progress Report: As presented.

Public Comment Period: None.

Old Business:

Engineer's Report: Pershken reported that

- Broad Street main replacement began on April 14 as part of the City's project.
- Main Street main replacement contract signed as part of the City's project. Cutting of pavement had begun this week.
- Union Street bridge line replacement work began April 14 as part of bridge replacement project.
- Cover installation on Thomas Hill standpipe tank was complete.
- Silver Road tie-in of service lines with new main was complete.
- Development of master plan with Wright-Pierce is continuing.
- Contract for lining of cross-base main at BIA has been signed, and work is scheduled for July.
- Contract for slip-lining of State Street bridge main has been signed, and work is scheduled for late July.

2014 Open House: Moriarty reported 120 students visited the facilities at Floods Pond. Staff will be evaluating whether development of in-school visits would better serve students as planning for next year begins.

Workforce planning: Moriarty reported that a utility worker had been hired for the Construction Department, and the ad for a water treatment operator would be running shortly. She noted that 53 percent of BWD's workforce is over 50, and that 37 percent had 20 or more years of service.

Trustee Miller left the meeting.

New Business:

2013 annual report: Moriarty asked Board members for comments by May 27.

2014 newsletter: Moriarty asked Board members for comments on the newsletter – which also contains the 2013 Water Quality Report – by May 27.

Conflict of Interest Forms: Moriarty distributed forms for the annual update, and asked that they be returned to her by or before the June 24 meeting.

Consumption Forecast: Moriarty briefly reviewed the top 25 non-residential water accounts, ranging from PERC at 140 million gallons per year to the Hampton Inn at 3 million gallons per year.

Board correspondence: as presented.

Other business: Board consensus was to reschedule the regular monthly meeting from June 17 to June 24 due to staff attendance at the American Water Works Assoc. meeting in Boston.

Hearing no further business to come before the meeting, it was upon motion being made and duly seconded, unanimously
VOTED: to adjourn at 5:45 p.m.

Dan Wellington, clerk

Rick Fournier

Patty Hamilton

Stan Miller

Gerry Palmer

Robert Sypitkowski