

**Bangor Water District
Board of Trustees**

**Minutes of the
Regular Monthly Meeting
May 19, 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
John Lawler
Gerry Palmer
Robert Sypitkowski
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. Keith Bourgoin from Haverlock, Estey, & Curran (HEC) was also in attendance. The clerk kept the minutes.

2014 Financial Audit: Taking the agenda out of order, Bourgoin presented the results of the 2014 audit, noting additional review and testing was required this year due to the District's use of federal monies for various projects. Bourgoin said HEC issued an "unqualified" opinion, meaning there were no red flags. Additionally:

- 88 percent of the utility's assets are in plant, property and equipment
- Current bonds total \$9.7 million through 2034
- Operating expenses increased from \$3.3 million to \$3.5 million
- Debt decreased from \$1.2 million to \$873,000
- Revenue required to operate held steady at \$5.3 million

After discussion by the Board, it was upon motion being made and duly seconded, unanimously VOTED: to adjourn to executive session for a discussion of the audit which would likely involve personnel items, and then to return to open session.

Upon return to open session, it was upon motion being made and duly seconded, unanimously VOTED: to accept the 2014 financial audit as presented.

Auditor Bourgoin left the meeting.

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

Treasurer's Report: Bailey said expenses for the month were lower than budget as more costs were allocated to capital projects, but were higher year to date due to the large number of leaks earlier in the year. After discussion, the Treasurer's Report was accepted as presented.

Progress Report: as presented.

I. **Public Comment** : None.

II. **Old Business**:

Engineer's Report: Pershken updated the Board on

- Union Street bridge work – tie-ins completed and most of BWD's work now done.
- Union Street between Main and Hammond – contract signed with contractor, and tie-in to Main Street completed.
- Webcams – request from company that has webcams in other towns to place them on BWD's standpipes. Board consensus was to continue discussion with contractor, with particular emphasis on BIA and airport security.

Rate Case Update: Moriarty reviewed the rate case schedule, noting the public hearing had been held on May 14. Based on input – or lack of – from members of the public, customers, and other entities, she recommended filing the final rate schedule with the Maine Public Utilities Commission with no changes from the initial filing in April. It was upon motion being made and duly seconded, unanimously

VOTED: to submit the amended rate case filing to the MPUC with no changes from the initial filing.

III. **New Business**

Bond resolution for Johnston Pump Station upgrades: Moriarty reminded the Board that the Johnston Pump Station upgrade project is estimated at \$4.3 million dollars. Partial funding for this project in the amount of \$2,681,602 has been approved by the Maine Drinking Water Program using Drinking Water State Revolving Funds, and that an application to the Maine Municipal Bond Bank has been approved by the Board in March. The Maine Public Utilities Commission has added its approval on May 13, and Moriarty recommended the Board execute the bond resolution in preparation for an anticipated closing on May 22, 2015. The 20-year note has a 0.25 percent interest rate. It was upon motion being made and duly seconded, unanimously

VOTED: to approve the 2015 Bond Resolution for Johnston Pump Station renovations totaling \$2,681,602 as attached to these minutes.

Investment Policy: Bailey reminded the Board that the District will shortly be managing funds associated with its MainePERS retirement account. She distributed a draft of an investment policy pertaining to these funds, and asked Board members to review it in preparation for the June Board meeting. Several Trustees suggested the policy be reviewed by legal counsel and/or the District auditor before it was finalized.

Fiber optic cable request: Moriarty said Pisgah Mountain LLC has received all approvals to install wind turbines on Pisgah Mountain, just outside the District's watershed boundary. The company was now following up on an earlier discussion, requesting use of a portion of BWD's power and telephone poles on its private road to hang its T1 communication line. Moriarty explained the District would have use of several lines within the optic bundle. The Board discussed development of a maintenance agreement regarding the poles, and suggested obtaining a quote to run the fiber optic line over the remainder of the pond road at the same time the first section was being installed for Pisgah Mountain LLC. The Board's consensus was approval of the request, contingent on development and approval of an appropriate operating and maintenance agreement.

Meeting with City Infrastructure Committee: scheduled for May 26 with planned pipe projects as the topic.

Updated Trustee disclosure forms: Moriarty noted the forms had been e-mailed to Board members, and asked that completed forms be returned by the June meeting.

Board package correspondence: as distributed. Moriarty also reminded the Board that

- The spring tour of Thomas Hill Standpipe was scheduled for May 20.
- The June Board meeting would be held on June 23 (fourth Tuesday) due to scheduling conflicts. Trustee Lawler indicated he would not be in attendance.

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

VOTED: to adjourn at 5:20 p.m.

Dan Wellington, clerk

Ralph Foss

Richard Fournier

Patty Hamilton

John Lawler

Gerry Palmer

Robert Sypitkowski