

**Bangor Water District  
Board of Trustees**

**Minutes of the  
Regular Monthly Meeting  
May 17, 2016**

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  
Dan Wellington

being more than a quorum of Trustees. Absent: Trustees Lawler and Sypitkowski. Also in attendance: General Manager Moriarty, District Engineer Pershken, and Finance Manager Bailey. Keith Bourgoin and Danielle Gagnon from Haverlock, Estey & Curran (HEC) were also in attendance. The clerk kept the minutes.

**I. Public Comment Period: None.**

Taking the agenda out of order, Bourgoing presented the results of the 2015 financial audit. Among the items he noted were:

- HEC issued an “unqualified” opinion, meaning there were no audit findings.
- More than 80 percent of Bangor Water’s assets are in property, plant and equipment
- Revenues increased but were offset by investment in facilities (primarily water lines)
- Bonds payable total \$11,000,000 thru 2035, with \$863,000 to paid off in 2016.
- Implementation of GASB 68 (related to pensions) resulted in changes in presentation of financial statements

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 2015 financial audit as presented.

Bourgoin and Gagnon left the meeting.

**II. Administrative Items**

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

**Treasurer's Report:** Bailey said variations in metered revenue were due primarily to timing (5-week billing vs. 4-week billing as budgeted). After several questions, the Treasurer's Report was accepted as presented.

**Progress Report:** as presented. Moriarty noted that 1385 people had attended the "rain date" tour of Thomas Hill Standpipe on May 11 which featured visual effects projects by a UMaine class.

## II. Old Business:

**Engineer's Report:** Pershken updated the Board on:

- Johnston Pump Station upgrade – bypass running successfully since April 25 with few minor glitches. Much of the older equipment has been removed/demolished; new electrical equipment is in place. Contractor working on interior divider walls. Project is currently 2-3 weeks ahead of schedule.
- Union Street project (I95 to Vermont Avenue) – pressure-testing and chlorinating expected in a week. On schedule for July 3 completion.
- Hammond Street – off to slow start due to valve and temporary water issues, and short time between bid award and start date. Main line has been pressure tested and chlorinated, service lines now being installed. Contractor has asked for two-week extension.
- Emera (State Street) – waiting on easements
- Broadway – plans and specs being reviewed, bids due back before next month's meeting.
- Hammond Street (part 2) – design work started; being done in conjunction with City of Bangor sewer/stormdrain work.

**Rate Case update:** Moriarty said the public hearing was held May 12 with one person in attendance who did not speak. The information has been available on the City of Bangor's public access website and at Bangor Water's office and website. To date, neither the Maine Public Utilities Commission nor the Public Advocate have contacted Bangor Water. Moriarty recommended filing the final rate schedule with the MPUC 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.

**Workforce Updates:** Moriarty reported on

- Choosing a new utility worker from 67 applicants
- Promoting a water treatment operator to Chief Operator

**Lead update:** Moriarty said the Bangor School Department had sent letters to parents about testing in the schools, and had included a letter from Bangor Water. Additionally, the District had sent letters to the 10 other public and private schools served directly by the utility, as well as to 47 licensed child care facilities. She added that Bangor Water's next round of lead testing will occur in June, and instructions for collecting the samples have been modified based on new EPA recommendations.

### III. New Business

**Broadway bond authorization:** Moriarty reminded the Board about the need for formal Board approval to apply for a bond through the bond bank. After discussion, it was upon motion being made and duly seconded, unanimously

- VOTED:
- (1) That the Board of Trustees hereby approves the application made to the State Revolving Loan Fund at the Maine Municipal Bond Bank for approval to borrow up to \$1,074,570 (of which amount \$53,729 is to be forgiven) of permanent financing to fund water main replacement on Broadway, Center Street to Husson Avenue, including design and construction costs, transaction costs and all related expenses (the "Project").
  - (2) That, pursuant to authority granted by the Charter of the Bangor Water District, and specifically Section 8 thereof, and any other applicable law, the District is hereby authorized to issue and sell to the Maine Municipal Bond Bank a Taxable Water Bond of the District (the "Bond") in an aggregate principal amount not to exceed \$1,074,570 to fund the Project, said funding to include transaction costs and all other expenses reasonably related to the Project.
  - (3) That the District Treasurer and Chair of the Board of Trustees are hereby authorized to execute and deliver the Bond on behalf of the District to the Maine Municipal Bond Bank. The Bond is to be sold upon such further terms and conditions and at such interest rates as may be approved by the Treasurer and Chair of the Board of Trustees, and shall have the District seal affixed and be attested by the District Clerk. The term of the Bond does not exceed 120% of the economic life of the Project.
  - (4) That the District Treasurer is authorized and directed to issue a revenue obligation note or notes to the Maine Municipal Bond Bank in the amount of up to \$1,074,570 on behalf of the District at 1% interest for a term not to exceed one year, to fund the Project, said interim funding to include engineering and construction costs, transaction costs and all other expenses reasonably related thereto.
  - (5) That the District hereby irrevocably pledges the user fees, rates, assessments and other charges of the District for the payment of the principal of the Bond.
  - (6) That the Treasurer and Chair of the Board of Trustees are hereby authorized to execute and deliver Loan Agreements with the Maine Municipal Bond Bank, in such form as the Maine Municipal Bond Bank shall require, for the interim loan and for the permanent financing.
  - (7) That the District officers and officials are hereby authorized to execute and deliver any and all documents and certificates, and to take any and all actions, including affixing the seal of the District as may be necessary or convenient to carry out the full purport and intent of the foregoing orders, or any one of them.

**Vehicle bid:** Pershken reviewed bids received for a new pick-up truck to be used by the engineering department as authorized in the capital budget (replacing a 2006 truck), and the subsequent vehicle issues (blown motor) with a construction department vehicle. He recommended purchasing the truck from the bid results which meets the construction department needs and is on the dealer's lot, and issuing another bid to complete the internal vehicle redistribution. After discussion, it was upon motion being made and duly seconded, unanimously

VOTED: to approve the Engineer's recommendation.

**Disclosure forms:** Moriarty asked Trustees to update the forms as done annually, and return them at or prior to the June 14 Board meeting.

**Board correspondence:** Moriarty reminded the Board that the June meeting will be a week earlier due to the American Water Works Association conference.

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

VOTED: to adjourn at 5:35 p.m.

---

Dan Wellington, clerk

---

Ralph Foss

---

Richard Fournier

---

Patty Hamilton

---

Gerry Palmer