

**Bangor Water District  
Board of Trustees**

**Minutes of the  
Regular Monthly Meeting  
August 16, 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  
Gerry Palmer  
Robert Sypitkowski  
Dan Wellington

being more than a quorum of Trustees. Absent: Trustees Lawler and Hamilton. Also in attendance: General Manager Moriarty, District Engineer Pershken, Finance Manager Bailey, and Office Manager Marchegiani.

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

**Employee recognition:** Taking the agenda out of order, the Board recognized General Manager Moriarty on 25 years of service.

**II. Administrative Items**

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

**Treasurer's Report:** Bailey said year-to-date revenue is up by one percent and expenses are down by two percent when compared to budget; part of the revenue gain was due to loan forgiveness. After discussion, the Treasurer's Report was accepted as presented.

**Progress Report:** as presented.

**III. Old Business:**

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

- Renovations at Johnston Pump Station – almost complete with new pumps in place. Well chambers inside the station may be filled with water before the weekend.
- Hammond Street phase II – design nearly complete. Work being done in conjunction with City of Bangor work; project to be bid and started this fall, with completion in the spring.
- Union Street – Bangor Water part of project complete.
- Emera substation (State Street) – Bangor Water part of project complete.
- Broadway – work is several weeks ahead of schedule. Some turbidity caused by valve operation, and one homeowner voiced concerns with night work.

**Board appointments:** Moriarty said the three-year terms of three Trustees would be over in January, and that the process to re-apply – if interested – had begun.

#### **IV. New Business**

**Work force planning:** Moriarty said very few applications had been received for the District Engineer's position, and she was extending the deadline as well as increasing placement of ads in various media.

**Capital Improvement Plan:** Moriarty reminded the Board of the three-year effort to produce the plan which examines Bangor Water's overall status, and provides short-, intermediate-, and long-term goals. She asked for a series of four one-hour workshops in September for the Board to review the plan as it will be used as an infrastructure planning and investment guide. The Trustees agreed with the schedule, noting it was important to complete their review before Pershken's departure.

**Forest harvest operations:** Moriarty reported on a recent meeting with Bangor Water's forest management consultants, noting that the closing of five paper mills since 2011 has impacted the market for wood products. Bangor Water's most marketable product going forward will be hardwood, and there will be no harvest in 2016 (revenue of \$30,000 had been budgeted). She added that

- Bangor Water's forest management plan will be due for its 10-year update in 2017
- the part of the watershed boundary last marked in 1995 will be remarked this year

**Electrical contracts:** Moriarty said that 11 of Bangor Water's 13 contracts will expire later this year, and that August and September are typically the best time to lock in contract prices. Because of the need for immediate action (generally 24 hours), it was upon motion being made and duly seconded, unanimously

VOTED: to authorize the General Manager to review, negotiate, and/or accept electrical contracts expiring in 2016 as best benefit Bangor Water.

**MMBB Loan:** In follow-up to last month's decision to increase the loan amount to \$1.2 million to provide funding for the JPS work, or to be used on 2016-2017 piping projects (i.e. Hammond Street phase II) or other infrastructure work, it was upon motion being made and duly seconded, unanimously

VOTED: (1) That, pursuant to authority granted by the Charter of the Bangor Water District and any other applicable law, the Board of Trustees of the Bangor Water District hereby authorizes and directs the Treasurer and Chair of the Board of Trustees to apply to the Maine Municipal Bond Bank for a loan of up to \$1,200,000 of permanent financing to fund rehabilitation of the Johnston Pumping Station, piping projects and road maintenance (the "Project"), said funding to include design and construction costs, transaction costs and any other costs reasonably related to the Project.

(2) That the District Treasurer and Chair of the Board of Trustees are hereby authorized to sell, execute and deliver to the Maine Municipal Bond Bank a Revenue Obligation Bond of the District (the "Bond") in an aggregate principal amount not to exceed \$1,200,000.

(3) That the Bond is to be sold upon such further terms and conditions and at such interest rates as may be approved by the District Treasurer and Chair of the Board of Trustees, not to exceed 21 years from date of issue, and is to be attested by the District Clerk. The Bond may be issued with or without call or early redemption provisions, and any such early redemption may be with or without premium (but not to exceed 5% of the principal amount of the call), as may be approved by the Treasurer and Chair.

(4) That the Board of Trustees hereby confirms its determination that the term of the Bond does not exceed 120% of the economic life of the Project.

(5) That the Board of Trustees hereby irrevocably pledges the user fees, rates, assessments and other charges of the District for the payment of the debt service on the Bond.

(6) That the District Treasurer and Chair of the Board of Trustees are hereby authorized to execute and deliver a Loan Agreement with the Maine Municipal Bond Bank in such form as the Maine Municipal Bond Bank shall require.

(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, as may be necessary or convenient to carry out the full purport and intent of the foregoing orders, or any one of them.

(8) That the Bond to be issued to the Maine Municipal Bond Bank is hereby designated a "qualified tax-exempt obligation" under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

**Lake levels:** Moriarty reported that although the water level in Floods Pond had decreased over the summer, there was no water shortage threat with more than 12 feet of water remaining above the highest intake pipe.

**Board 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 5:10 p.m.

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Dan Wellington, clerk

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Ralph Foss

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Richard Fournier

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Gerry Palmer

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Robert Sypitkowski