

**Bangor Water District
Board of Trustees**

**Minutes of a Special Meeting
December 17, 2020**

A special meeting of the Bangor Water District Board of Trustees was held at 7:15 a.m. in the Hughes Building, 614 State Street. Due to COVID 19 restrictions, Trustees and staff participated remotely with both audio and visual available to all participants. Remote participation for the public was provided, but no one joined the meeting. Present were:

Ralph Foss
John Hwalek
Gerry Palmer
Robert Syptkowski
Michael Timpson
Dan Wellington

being more than a quorum of Trustees. Absent: Trustee Hamilton. Also in attendance: General Manager Moriarty and Office Manager Marchegiani. The clerk kept the minutes.

The single item on the agenda was approval of the 2021 budget for O&M items and for capital items.

Absent a Finance Manager since October, Moriarty explained her budgeting process

- Recognizing that the 2020 budget had included a seven percent rate increase as of July 1, a rate increase that was postponed in consideration of COVID 19 economic impacts
- Noting the impact of COVID 19 on usage and revenue, and the lack of relief funds available for government entities
- Using actual data whenever available as well as including contractual items such as uniforms, trash, and health insurance
- Utilizing averages of some expenses (i.e. leak costs, overtime) from 2018, 2019, and 2020.
- Funding the Capital Reserve Account (max allowed by MPUC is 10 percent of net operating revenue and must be spent only on approved projects)
- Including a 1.3 percent COLA increase (matches Social Security COLA) and a 1.7 percent merit increase for eligible employees
- Funding depreciation to finance the capital budget
- Adding that the budget will be reviewed again when updated financials are available.

The 2021 budget proposes a 13 percent increase taking effect July 1 (the seven percent proposed for 2020 and six percent for 2021); however, Moriarty reiterated that the proposed increase is preliminary until actual figures for the current year are available and the annual audit is completed.

Trustees discussed a number of items, including employee retention, economic impacts on customers, and aging water infrastructure.

Moriarty then presented the 2021 capital budget including

- Part two of the power line upgrade for the ozone treatment plant and pump station
- Work on Washington Street to address water quality issues
- Scheduled replacement of two vehicles
- Continued infrastructure work with valve replacements and hydrant renewals
- Water meters and meter reading equipment

She reminded the Board that – per Bangor Water’s purchasing policy – items over \$25,000 would be returning to the Trustees for approval.

After discussion of both budgets, it was upon motion being made and duly seconded, unanimously

VOTED: to approve the 2021 O&M budget as presented.
(All Trustees present were visible during voting.)

It was then upon motion being made and duly seconded, unanimously

VOTED: to approve the 2021 capital budget as presented.
(All Trustees present were visible during voting.)

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

VOTED: to adjourn at 8:30 a.m.
(All Trustees present were visible during voting.)

Dan Wellington, clerk

Ralph Foss

John Hwalek

Gerry Palmer

Robert Sypitkowski

Michael Timpson