

**SOUTHWEST HARBOR WATER & SEWER DISTRICT  
MONTHLY MEETING OF THE BOARD OF TRUSTEES**

**Approved Minutes**

Town Hall Meeting Room

Thursday, May 10, 2018

**Item 1            Convene meeting**

Meeting was convened at 6:09 pm. In attendance were Board members Jim Geary, Ralph Dunbar, Jim Vekasi, and Don Lagrange, and District Manager Steven Kenney. Lee Worcester was not present.

**Item 2            Visitors to be heard.** No visitors were present

**Item 3            Approval of minutes from previous meeting**

**Don Lagrange moved** that the draft minutes of the April 12, 2018 meeting be approved as presented. Seconded by Ralph Dunbar. Vote 4/0/0.

**Item 4            Financial**

A) Proposed rehab of Water Intake Pumping Facilities. The Town Select Board agreed to plan funds for the long term capital improvement of this project. The District received a letter from the Maine Municipal Bond Bank dated March 21, 2018 stating that the District has been approved for a \$537,320 loan with 20% forgiveness. The Board concurred that we should continue to move this process along as quickly as possible as the intake is the weakest point in the water system and has been the source of excessive maintenance and outages.

**Jim Geary moved** to authorize Steven Kenney to agree to the proposed loan. Seconded by Don Lagrange. Vote 4/0/0.

B) Financial Report

1. Ownership and financial accounting of water and sewer system assets funded by Town as long term capital improvements. It remains unclear how these assets should be handled in our financial statements. As Jim Wadman is now Auditor for both the Town and the District, he will be asked for a recommendation with input from Nick Henry of Horton, McFarland, and Veysey. Jim Geary requested that the pertinent section of accounting guidelines be cited in the recommendation.
2. 2017 Income Statement. As part of Wadman's 2017 audit, we have received draft 2017 Income statements. In general, they confirm the need for additional revenue in the Sewer Department and show increased revenue in both water and sewer due to the recent improvements in metering and billing.
3. QuickBooks statements. Year to date statements were reviewed. It was agreed that a good solution for monthly profit and loss statements would be to put the entire annual budget into January. All statements beyond January for partial year will then compare income and spending to date with the annual budget in both dollars and percentages.

- C) **Abatement Requests.** Written abatement requests were received from The Talaria Company and Ms. Sheryl Harper.
1. Talaria Company. They requested forgiveness of cost of leaked water. As Steven had given them ample notice of the leak when it was discovered and they did not fix it for several months, the Board concurred with Steven's finding that the owner is responsible for the charges.
  2. Ms. Sheryl Harper. Ms. Harper requested actions related to charges not paid by a tenant. The Board concurred with Steven's reference to the owner's ultimate responsibility for utility services.
- D) **Sewer Rate Increase.** Public notice will be made of an informational meeting to be held on Thursday, June 14, 2018 at the SWH fire house to provide information about the Board's decision to increase sewer rates by 10% and to set the fee for buildings not connected to the sewer system at \$30 per quarter.
- E) **Payments to Town for previous year's sewer operation deficits.** Don Lagrange presented a proposed change to the payments which would decrease the annual amount by increasing the loan term to twenty years and would help the projected 2018 deficit by deferring the 2018 payment. The Board agreed that this would be fair to both the District and the Town. It is anticipated that this would be discussed at the May 22, 2018 Select Board meeting.

**Jim Geary moved** to accept the draft Memorandum of Understanding as presented. Seconded by Jim Geary. Vote 4/0/0.

**Item 5            Approval of Warrants**

**Don Lagrange moved** to approve Water and Sewer Warrant #25 and April payroll reports. Seconded by Ralph Dunbar. Vote 4/0/0.

**Item 6            Old Business**

- A) **Administrative Consent Agreement update.** There has been no action on a letter to the State despite continued requests by Steven and assurances from Mary Costigan that a draft letter would be forthcoming. Steven will submit a written request to Bernstein Shur with a specific response time.
- B) **Employee Updates.**
1. Recruitment efforts for the two vacant positions continue. One Tech candidate has potential.
  2. Steven's continued shoulder injury problems have been aggravated with lack of rest due to the labor force vacancies. Worker's Comp has instructed him to stick to light duty.
  3. Steven's employment contract. Schedule discussion for next meeting.

**Item 7            New Business**  
None

**Item 8      Date of next meeting**

Thursday, May 10, 2018 at 6:00 in the Town Fire Hall.

**Item 9      Adjourn meeting**

**Don Lagrange moved** to adjourn at 7:35 pm. Seconded by Jim Geary. Vote 4/0/0

Submitted,



Attached:  
District Manager's Report

Approved July 25, 2018



Jim Vekasi  
Clerk

Attachment

SOUTHWEST HARBOR WATER & SEWER DISTRICT  
District Managers Report  
April Monthly Meeting 2018

**GRANTS UPDATES,**

Grant #2, Actuator Valve Replacement; The electrician, Ron Fortier, has been in and out of the hospital for the past couple months. He is recovered now and will continue finishing off this project. His work is 95% complete.

Grant #5, Emergency Response Plan; An initial meeting to start the Tabletop Emergency Response scenario design will meet on May 11.

Grant #9 & 10, Water Plant / Raw Water upgrades; The Board of Selectman have been notified of this project and the Town set aside funds in their current budget for any borrowing.

Grant #11, Road Work Infrastructure Upgrades; The borrowing process has started, MMBB and Bernstein Shur have initiated basic dialog on information and documentation. The MMBB Board approved this loan at their March meeting. We are waiting for the above grant to be authorized to move forward so we can combine the two.

**Employees;**

Workers Compensation is getting persistent that I be lowered to very light duty / part time because my ailments are not healing due to reinjuries. I have been delaying this move to assure the summer lines, turn ons, summer leaks and summer meters are taken care of. We are mostly done these items so at my next WC doctors appointment on May 16, I may be placed in a far less active role in getting work accomplished.

We have had very little responses to our ads in the Ellsworth paper and the MMA website. 5 applicants in total over 6 weeks. 1, way over qualified and 4 with no real experiences.

Tom will be on vacation for the next two weeks which will leave us very short handed so we will prioritize our activities. Josh will be manning the WWTP.

In the past, I have had my 16 year old son come in after school to help stuff envelopes, assemble meters, disassemble transmitters, etc.. It was a voluntary position, but as the need increased I have been paying him \$10.00 an hour to help, he is working about 4-6 hours a week currently.

**Financials;**

The Audit is still ongoing. Amy Atherton spent last Tuesday here going over questions and documents with Michelle and I. Once the Audit is complete, our new CPA reviewer, Nick, from Horton, McFarland and Veysey will scrutinize the reports and Audit. He is currently reviewing our financial reports and budget.

**Wastewater:**

There was only one day of hauling of sludge this past month and Tom, is dewatering the loads better. Our solids percentage is up from previous loads last year.

**Water:**

All District summer have been disinfected, tested and are on. All passed the first time except Shore Rd. which took three tests before it passed. We will be reconfiguring the lines on Shore Rd. so that disinfection can be done more efficiently. There were several leaks that needed to be repaired, mostly from plow damage and freeze ups in low spots.

The Dysart Marine water main project is almost complete. Pressure testing and chlorination is taking place today, April 7.

We continue to replace, and install, automatic readers, correct issues with accounts and billing and bring more customers into the billing system with accurate reads. To date we have installed over 100 new transmitters this year. We are up from 70% of transmitters reporting in at the first of the year to 75% currently

Thank you