

SOUTHWEST HARBOR WATER & SEWER DISTRICT

Approved Minutes, Board of Trustees Meeting

Town Hall Meeting Room

Thursday, April 13, 2017

Item 1 **Convene meeting**

Meeting was convened at 6:03 pm. In attendance were Board members Jim Geary, Don Lagrange, and District Manager Steven Kenney. Jim Vekasi participated via Skype video all and participated in discussion, but did not vote. Lydia Goetze was present as a visitor.

Item 2 **Approval of minutes from previous meetings**

Draft minutes of March 9, 2017 meeting were reviewed. Item 5D was changed to show that the discussion related to the Water Treatment Plant upgrade grant rather than the Capacity Development grant.

Jim Geary moved that the draft minutes of the March 9, 2017 meeting be approved as amended. Seconded by Don Lagrange. Vote 2/0/0.

Item 3 **Public Hearing.**

The following notice was published in the Mount Desert Islander on March 30, 2017:

The Southwest Harbor Water & Sewer District intends to file an Application for Federal assistance with the United States Department of Agriculture Rural Development. This assistance is needed for financing upgrades to the District's raw water pump station. Any interested parties can attend the Board of Trustees meeting on April 13, 2017 at the Southwest Harbor Town Hall, 6:00 PM.

Don Lagrange moved that the Public Hearing be opened at 6:08 pm. Seconded by Jim Geary. Vote 2/0/0.

Visitor Lydia Goetze was present for the meeting. At her request, the project was summarized. There were no other questions or comments.

Don Lagrange moved that the Public Hearing be closed at 6:12 pm. Seconded by Jim Geary. Vote 2/0/0.

Item 4 **District Manager's Report**

A) Asset management grant- RCAP (Grant #5). Grant has been approved by EPA for \$8,000. Funds will go directly to Rural Communities Assistance Partnership (RCAP) who will prepare a list of assets for both water and wastewater systems and provide the District with an Asset Management Program. As an Asset Management Program will provide us with important information and is required for some grants, this will be quite useful. Steven attended a seminar on this program on April 12, 2007. Since we will not

receive the funds directly, we will not track the grant revenue and expense in our financial system.

B) DOL Inspection / MMA Inspection & training

A safety inspection report by the Maine Dept of Labor dated February 10, 2017 documented a number of violations. Steven Kenney responded to the report on March 2, 2017 and submitted "Certifications of Corrective Actions" on April 8, 2017. A number of the violations related to the need for documented training of new staff and the Maine Municipal Association was very helpful in providing the needed training. At this point, we believe we are in compliance with the issues, but may be subject to fines.

C) PUC meeting

Steven Kenney met with Public Utilities Commission Telephone and Water Division Director Jeff McNelly and several others on their staff on March 14, 2017. The meeting was cordial, but they expressed dismay that we were so late submitting the 2015 report, required a time extension for the 2016 report, and have not completed the transfer of sewer permit. They are understanding about startup issues, but do expect timely reports in the future.

D) New SRF Grant for WTP, (Grant #6).

We received notice from the Maine Drinking Water Program State Revolving Fund that our grant request to upgrade the Water Treatment Plant actuator valves, SCADA system, and associated work is currently on their 2017 Primary Project List. This is estimated to provide about \$83,830 with 75% loan and 25% grant. The work under this grant will address this pressing operational issue in the plant and will be coordinated with further work to be accomplished at the Plant under the proposed \$0.5M Rural Development grant.

E) DWS Water Plant Report & response.

We received the Sanitary Survey report dated March 17, 2017 from the State of Maine Public Water System Inspector. Minor problems have been addressed. The time requirement for a finished water turbidity meter was extended to June 1, 2017 to allow time to accomplish the work. SCADA upgrades will be accomplished in the SRF project discussed above. These actions should address all issues cited in the report.

F) Response to DEP inspection report Feb 17, 2017.

Steven has prepared a lengthy response dated March 28, 2017 emphasizing our progress on deficiencies and addressing factual issues. He will provide copies to the Board. Despite the fact that we have hired Olver Associates to prepare an updated Operations and Maintenance Manual, their timetable does not meet DEP's requirements and Steven and Tom Farley plan to prepare the O&M manual themselves.

G) Application for Maine Municipal Association safety grants.

Steven has applied for grants to purchase equipment for fall protection and traffic safety.

Item 5 Financial

Financial statements were not available for the meeting and will be sent out soon.

Item 6 Approval of Warrants

A \$2,600 invoice from Olver Associates for O&M manual was questioned as they have not submitted the product. It was flagged and Steven will investigate.

Don Lagrange moved to approve Water Warrants 16, 22, and 23; Sewer Warrants 17, 21, and 24; and payroll reports 19 and 20. Seconded by Jim Geary. Vote 2/0/0.

Item 7 Old Business

A) Permit transfer update.

The application to transfer the sewer permit from the Town to the District has been submitted.

B) Meter Reading program update.

Steven will be contracting with Zenner to replace our current electronic meter reading system. Cost is approximately \$60,000.

C) CUSI account billing program.

The initial work of going through the considerable account details has been completed and we have a documented agreement with CUSI. They will prepare the data base and we will prepare parallel bills with both TRIO and CUSI in the third quarter. If all goes well, we may be able to switch over completely to the CUSI system in the fourth quarter.

There are many account discrepancies that are taking considerable time to research and some will require Board discussion. This will be on the agenda of next month's meeting.

Item 8 New Business

A) Signatories on DEP 49 forms

Jim Geary signed the appropriate form to allow Tom Farley, as well as Steven Kenney, to sign DEP 49 forms documenting wastewater treatment performance.

Item 9 Executive session

Don Lagrange moved that the Board go into Executive Session at 7:11 pm pursuant to 1 M.R.S.A. § 405 (6) (e) for consultation between the District and its attorney concerning regulatory issues. Seconded by Jim Geary. Vote 2/0/0.

Donald Lagrange moved to leave Executive Session at 7:36 pm. Seconded by Jim Geary. Vote 2/0/0.

Item 10 **Date of next meeting**
Thursday, May 11, 2017, 6:00 pm.

Item 11 **Adjourn meeting**

Don Lagrange moved to adjourn the meeting at 7:37 pm. Seconded by Jim Geary. Vote 2/0/0.

Submitted,



Approved May 11, 2017



Jim Vekasi
Clerk