**SOUTHWEST HARBOR WATER & SEWER DISTRICT**

**MONTHLY MEETING OF THE BOARD OF TRUSTEEES**

Town Hall, 26 Village Green Way

Thursday, December 13, 2018

**Draft Minutes**

**Item 1 Convene meeting**

Meeting was convened at 6:03 pm. In attendance were Board members Ralph Dunbar, Lee Worcester, Jim Vekasi, and District Manager Steven Kenney. Three members constitute a quorum.

**Ralph Dunbar moved** that Lee Worcester be appointed Acting Chair for the meeting. Seconded by Jim Vekasi. Vote 3/0/0.

**Item 2 Guests or Visitors to be heard**

Visitors included newly appointed District Board member Greg Tillman, Selectman Lydia Goetze, and Town resident Charley Ditmar. As Mr. Tillman’s term begins in January, 2019, he was present as a visitor.

Mr. Ditmar was present to discuss repair of damage he sustained to his vehicle when he struck an open manhole on Main Street. Reportedly, the manhole lid was not adequately secured and had been flipped up by a passing State truck. The Board consensus was that we must pay for the truck repairs. Steven will reimburse Mr. Ditmar for the repairs. In an e-mail subsequent to the meeting, Steven reported that after the incident, the District crew removed the manhole extension ring, reset the lid lower, and placed asphalt cold patch over it to avoid similar problems until a more permanent repair can be made in warmer weather.

**Item 3 Election of Officers**

**Ralph Dunbar moved** to elect the following officers for terms beginning January 1, 2019:

Chair: Lee Worcester

Treasurer: Justin VanDongen

Clerk: Justin VanDongen

Second by Jim Vekasi. Vote 3/0/0

Further discussion on preparation of the minutes will take place when Justin is present.

**Item 4 Approval of minutes from previous meeting**

**Ralph Dunbar moved** to approve the draft Board meeting minutes of November 8, 2018 and December 6, 2018 without change. Second by Lee Worcester. Vote 3/0/0.

 **Item 5 Financial**

1. Financial Reports. Financial reports were reviewed.
	1. Steven stated that he discovered that some income related to adjustments is not being recorded properly due to the interface between CUSI and QuickBooks. About $20K credited to water income will be moved to sewer income.
	2. Sewer expenses through November have exceeded the full year budget, due largely to overages in chemicals, sludge hauling and treatment, and accounting. While accounting expenses should be lower in 2019, the budget for chemicals and sludge will be increased to reflect actual expenses.
	3. Jim Vekasi urged Steven to consult with our accountant and bookkeeper on a method of showing capital income and expenses on both the P&L statement and balance sheet rather than just on the balance sheet as is done presently. As these expenses are paid from current year income, he believes that they should be shown in the Other Income and Expense section of the P&L report to alert the Board about the net amount being dedicated to capital items and to avoid over-expenditures that could result in deficit spending or cash flow problems.
	4. The Board discussed potential ways to reduce sewer expenses. Ideas included:
		1. Educate users through a newsletter on avoiding flushing grease, oil, wipes, and other items that cause problems in sewage, but can be disposed safely as solid waste.
		2. Require pre-treatment for potentially hazardous in-flows such as floor drain and sump pump discharge from commercial or industrial operations.
		3. Provide better sludge treatment to reduce the amount requiring hauling and treating. This will probably not happen until the plant is rehabilitated.
		4. Provide better headworks to remove unsuitable materials before aeration. This will probably not happen until the plant is rehabilitated.
2. CPA updates. Steven stated that due to the efforts of Nick Henry and Louise Soucy, the books are in good shape for audit.
3. Abatements.

John Angelbeck of 12 Harbor Avenue requested abatement of a portion of sewer charges due to heavy yard and garden irrigation. The Board consensus was that installation of a deduct meter was the responsibility of the homeowner and not a sufficient reason for abatement.

**Ralph Dunbar moved** to deny the request. Second by Lee Worcester. Vote 3/0/0.

D) Truck Bids. Per the Board’s request, Steven solicited bids for a standard cab half ton 4x4 pickup truck. Due to the scarcity of such trucks at local dealers, it was difficult to obtain bids, but he was able to get two bids for the desired truck and one bid for an extended cab truck. Snow plowing options were also discussed.

**Ralph Dunbar moved** to authorize Steven Kenney to purchase the low bid 2018 Dodge Ram 2500 from Darling’s Auto Group and to also purchase a snow plow for the truck. Second by Lee Worcester. Vote 3/0/0.

**Item 6 Approval of Warrants**

**Ralph Dunbar moved** to approve Water and Sewer Warrants #32 and November Payroll. Seconded by Lee Worcester. Vote 3/0/0.

**Item 7 Old Business**

1. Update on Sewer ACO/SEP. Materials related to the proposed SEP have been submitted to DEP, but we have not received a response.
2. Update rehab of Sewage Treatment Plant.
	1. Olver Engineering will proceed with design, although payment will be delayed until we receive approval from the Town for bond funding and obtain the bond.
	2. The Board requested information on the Engineering fees.
	3. The Board requested additional information on Bond length alternatives (30 years vs. 40 years).
	4. The Board encouraged Steven to continue discussions with the adjacent land owner on potential land acquisition required for the project. The Board would like to have the purchase or purchase agreement in place as soon as possible to avoid delays or re-design.
3. Submerged Land leases

The Town holds two 99 year no cost leases from the State for sewage discharge piping in the harbor and water intake piping in Long Pond. These leases should be changed to name the District.

**Ralph Dunbar moved** to authorize Steven Kenney to sign the revised leases. Second by Lee Worcester. Vote 3/0/0.

**Item 8 New Business**

1. Budget discussion. Budget will be discussed at the January meeting.
2. Vacation time carryover.

Steven has not been able to use all of his accumulated leave and requests carryover or buyout. The Board recognizes that it has been very difficult for Steven to take time off due to newly hired staff inexperience and staff shortages. Steven states that this should improve in 2019. The Board encouraged Steven to schedule and take all of his 2019 vacation leave in 2019 and to also try to make inroads in his accumulated leave.

**Ralph Dunbar moved** to allow Steven Kenney to carryover 165 hours of vacation leave unused in 2018. Second by Lee Worcester. Vote 3/0/0.

1. Board members
	1. The Board of Selectmen has appointed Greg Tillman for a three year term starting January 1, 2019.
	2. Jim Vekasi has completed his three year term and will be stepping down from the Board. Board members expressed their appreciation for his service.

**Item 9 Date of next meetings**

Regular Board meeting, 6:00 Thursday, January 10, 2019

**Item 10 Adjourn meeting**

**Ralph Dunbar moved** to adjourn at 8:10 pm. Seconded by Lee Worcester. Vote 3/0/0

Submitted,



Attached:

District Manager’s Report

Draft December 15, 2018



Jim Vekasi

Clerk

SOUTHWEST HARBOR WATER & SEWER DISTRICT

District Managers Report

December Monthly Meeting 2018

**Grant Updates,**

Grant #10, The Raw Water Station upgrade was awarded to Apex Construction. There was a delay in the awarding of the project due to bids coming in over estimated cost. I was able to work with Larry Girvan of the SRF program and Gregg Connors of MMBB and was able to secure additional funds through the State without having to go through a new round of PUC and MMBB Board approvals.

Pumps and vacuum systems have been ordered and a requisition for funds release has been filed with SRF to pay for those items, design engineering and reimburse the District for the preliminary engineering and legal fees.

Grant #11 The Town's Road Reconstruction project is ongoing. All infrastructure is complete on Cedar St. and a rough base coat of paving is down. The remaining project is shut down till April, 2019. We had to order 3 insertion valves outside the project umbrella to isolate some of the water mains. A request to pay these invoices out of the Town's CIP funds was sent to the Town Manager, along with requests to use said funds to replace a couple hydrants and jump services over from the *611* to 12" main on Main St.

**Employees/ Trustees**

This will be Jim Vekasi's last regular meeting. I want to thank him for his dedication and assistance through the past 3 years. His ability to take minutes, participate, keep us on track and remind us of old business will be greatly missed. He was also very active and instrumental in the budget and financial processes and was a huge help in steering these issues in the right direction.

With his resignation the Board will need to vote in Chairman, Treasurer and Clerk, at this, or the next meeting. · I request that any of my remaining vacation be carried forward at years end. I will be using a week on Dec 24, but will still have 165 hours on the books.

**Financials;**

Louise continues to review, balance and adjust our financial and bank statements. She has made great strides in getting the reports accurate and will soon just be needed to come in once a month and review reports and balance the bank statements.

Overdue notices were sent out two weeks ago and a customer information update form was sent out as well. I enrolled the District in the state of Maine Surplus Property system. This will allow us access to Federal and State surplus equipment and property.

**Wastewater:**

Even with all the rain the Plant has been running well.

**Lift Stations;**

We had a training session for the two new employees in basic troubleshooting and repair of the Lift Stations.

**Water:**

Another Disinfection By Products violation was received, (which we were expecting). Until we can get past a couple quarters, the running total of the maximum limit number will haunt us. There was also a delay in sample bottles getting to us which caused one sample to be 5 days late. We are switching Labs so this won't be repeated.

Thank you

Steven Kenney