

March 15, 2024

Office of

AUBURN WATER DISTRICT

Office Telephone # 784-6469

The regular monthly meeting of the Trustees of the Auburn Water District will be held at the office of the Auburn Water District, 268 Court Street, on Wednesday, March 20, 2024 at 4:00 P.M.

Regular Meeting AGENDA

1. Approve Minutes of Regular Meeting of February 21, 2024.
2. Annual Election of Officers
3. Financial Report Update - Brenda Palmer, MRWA.
4. Ratify Payment of Bills
5. Public Comment
6. Activity Report/Project Update - Matt Waite
 - Approve Capital Projects as funded.
7. New Business
 - Inventory, Value added services
 - District Service Territory
 - Paving Bid
 - Lake Auburn, Phosphorus Loading Report
8. Old Business
 - Water Quality Update
 - Cost Apportionment Discussion update
 - Lake Auburn Stakeholders Group/WQ Ad-Hoc Committee Update
 - Lake Shore Drive MPI
 - SRF Loan, Grant Award
 - DWP Letter
9. Trustee Open Session
10. Adjourn Regular Meeting

A true record:

Attest: _____

Edward Williams, Clerk

Upcoming: Water Trustee Meeting, April 17, 2024 4:00PM.

March 20,2024

The regular monthly meeting of the Trustees of the Water District will be held at the office of the Auburn Water District, 268 Court Street, on Wednesday, March 20, 2024 at 4:00pm.

Members present: Kevin Arel, Jason Pawlina (President), Dan Bilodeau, Mayor Jeffrey Harmon, Denis Bergeron and Robert Cavanagh (Treasurer). Also present: Superintendent Mike Broadbent, Assistant Superintendent Matt Waite and Brenda Palmer of Maine Rural Water.

Absent: Eric Gould

APPROVE THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 21, 2024

On motion of Robert Cavanagh, seconded by Kevin Arel, it was voted : To approve the minutes of the regular meeting of February 21,2024. Denis Bergeron abstained from the vote.

ANNUAL ELECTION OF OFFICERS- Jason Pawlina expressed an interest in being President.

The following officers were elected:

President : Jason Pawlina

Treasurer: Robert Cavanagh

Clerk: Edward Williams

Superintendent: Michael Broadbent

Auditor: RHR Smith & Co.

FINANCIAL REPORT UPDATE - Brenda Palmer (MRWA)

Water revenues are up 14%, interest on CDs up by 12%, operating expense are favorable. The cash balance at the end of February was \$3.4 million. There are a lot of capital projects planned for this year. The District may have to consider a small rate increase in 2025.

Brenda mentioned the existence of a new statute that allows you to adopt a 1.5% increase every year for 3 years without a public hearing. Superintendent said that the cash is good for this year. The District can look at the cash on hand in the Fall and possibly consider a 1.5% rate increase.

Trustee Denis Bergeron questioned why we ratify the payment of bills. The bills have already been paid. It was suggested that we remove "ratify payment of bills" from the agenda.

Superintendent Broadbent has wanted to establish a Purchasing Policy and possibly set a threshold which would require approval from the Board. President Jason Pawlina recommended that we get feedback from the Sewer trustees. Superintendent Broadbent told the trustees that the District has been working on drafting a Purchasing Policy.

Trustee Denis Bergeron has agreed to work with the Superintendent. This will be added to the agenda for both boards for the next trustee meeting.

RATIFY PAYMENT OF BILLS-

On motion of Dan Bilodeau, seconded by Robert Cavanagh, it was unanimously voted: **To ratify the payment of bills in the amount of \$292,092.23 as shown on the printout dated February 1, 2024 to February 29, 2024.**

PUBLIC COMMENT - Stephen Beale referred to the Executive Session to discuss an 8 year old problem. He mentioned that there is 6 year statute of limitation.

ACTIVITY REPORT/PROJECT UPDATE- Matt Waite

The crews are getting ready for upcoming projects and conducting winter hydrant maintenance.

The crews have intensified the initial preliminary work within the scope of MDOT projects.

It was mentioned that the gate at Goff Hill Reservoir is always open. The crews will be reminded to remember to always lock the outside gate.

We will start digging for lead services April 1st. Superintendent Broadbent will be meeting with Amy Lachance, Drinking Water Program Director, to hopefully get some Grant money to help with the cost of the lead project. We are looking for help with public relations and looking for assistance from the State.

We will need to submit the lead inventory by October, 2024. There may be some mandates as a result. Lead sampling is complex and difficult. The customer provides the sample. Since we are not getting the vector truck until August, a company by the name of Badger will be doing some of the work.

On motion of Dan Bilodeau, seconded by Mayor Jeffrey Harmon, it was unanimously voted: **To approve the Capital Projects Listed in the 2024 budget.**

NEW BUSINESS

INVENTORY - VALUE ADDED SERVICES -EJP -We did have VAS for years but we seemed to be being billed for materials not used. The crews were not accounting for materials used which created the problem with billing. Materials from other vendors were inferior. Our crews are doing a better job accounting for materials used. Superintendent Broadbent feels that it would be beneficial for the District to go back to the value added services with EJP. As a result, the District will gain some benefits such as rebates, training and emergency services.

DISTRICT SERVICE TERRITORY— It has come to Superintendent Broadbent's attention that both the Water and Sewer Charters do not accurately reflect our services territories. There is an agreement to extend sewer service into Poland that goes back to the year 2000. There have been several more agreements to extend water and sewer into Poland. The question is, do the Districts need to amend the Charters or are we covered by the Interlocal Agreements. Superintendent Broadbent recommended that we have a legal review of the agreements and take action to amend the Charters if necessary and brought back to the Boards for approval.

Mayor Jeffrey Harmon said that this can be very easily corrected. He suggested including all of Auburn as territory. This could be done without an attorney. The legislature would write the amendment that would say that the Districts are authorized to operate in Poland by the agreement with the Town of Poland. President Jason Pawlina supported Superintendent Broadbent moving forward with getting the change accomplished.

PAVING BID - Spencer Group Paving LLC was the only bidder. We are moving forward with Spencer Group for paving in 2024.

LAKE AUBURN- PHOSPHOROUS LOADING -The Watershed Commission hired Water Resource Services (WRS) to conduct phosphorous sampling, compile water quality data and assess the external loading of phosphorous to Lake Auburn. Their recommendation is to decrease the loading by 29%. Mayor Jeffrey Harmon thinks that the Commission should do core sampling before making a decision as to what needs to be done.

OLD BUSINESS-

WATER QUALITY UPDATE - The turbidity is averaging around 0.7NTU. This year has had a short duration of ice coverage.

COST APPORTIONMENT DISCUSSION - Superintendent Broadbent met with Kevin Gagne from Lewiston and developed a list of questions for the Drinking Water Program which were sent to Amy Lachance, Drinking Water Program Director. They will meet with her in early April to discuss the questions. Trustee Bergeron has done a lot of cost apportionment and is willing to help.

LAKE AUBURN STAKEHOLDERS GROUP/AD-HOC COMMITTEE UPDATE -Superintendent Broadbent and Trustee Dan Bilodeau volunteered to serve on the group looking at septic inspections within the watershed and consider ways to limit the number of new systems. Superintendent Broadbent and Stephen Milks attended the Water Quality Ad-Hoc Group meetings which are focused on septic inspections. They are working with the Watershed

Manager to apply for Source Water Protection Grants for both Lewiston and Auburn to Help develop and fund inspections.

LAKE SHORE DRIVE MPI — Superintendent Broadbent met with Kevin Gagne to discuss Lewiston's participation with an MPI project to replace the culvert on Lake Shore Drive. Kevin is willing to request funds from the City Council for the project which has to be completed in three years.

SRF LOAN GRANT AWARD -The new vector truck is on order. Unfortunately it will not arrive until August.

DWP LETTER - The Drinking Water Program had concerns about the proposed ordinance changes in Auburn in regards to curtain drain proximity to subsurface disposal systems.

Superintendent Broadbent sent a letter to the planning staff at the City advising them of the Drinking Water Program concerns. The City has drafted a change to their ordinance that will address the concern.

On motion of Kevin Arel, seconded by Dan Bilodeau, it was unanimously voted: **To move into Executive Session according to M.R.S.A § 405 (C) to discuss a legal matter.**

The meeting came out of Executive Session.

On motion of Dan Bilodeau, seconded by Kevin Arel, it was unanimously voted: **To adjourn the meeting.**

Respectfully submitted,

Diane Drinkwater

Approved: April 17, 2024

A true record:

Attest: _____

Edward Williams, Clerk

**AUBURN WATER DISTRICT
OPERATING STATEMENT - TRUSTEES' REPORT
THREE MONTHS ENDED MARCH 31, 2024**

	MARCH	2024	Y-T-D MARCH 2024		
	YTD - 2023	BUDGET	ACTUAL	BUDGET	VARIANCE
<u>REVENUES:</u>					
Water Sales	\$676,750	\$2,917,328	\$698,912	\$672,537	\$26,375
Rent income	18,968	78,876	20,415	19,719	696
Interest Income	8,949	12,027	21,123	3,007	18,116
Mdse. & Jobbing - NET	9,421	56,789	8,835	14,197	(5,363)
Hydrant Rental	204,445	817,781	204,445	204,445	0
Private Fire Prot.	114,712	446,020	118,156	111,505	6,651
Misc. Op. Revenue	22,064	102,041	14,966	25,510	(10,544)
TOTAL REVENUES	1,055,309	4,430,862	1,086,852	1,050,921	35,932
			24.53%	25.00%	< Standard
<u>EXPENSES:</u>					
Payroll	280,514	1,091,257	280,738	284,101	(3,364)
Treatment:					
UV Treatment Plant	112,489	469,043	162,722	117,261	45,461
Chloramine Facility	6,939	21,792	1,996	5,448	(3,452)
Laboratory	2,267	50,432	3,487	12,608	(9,121)
Trans & Dist Maint:					
Maint of Mains	14,901	106,267	22,704	26,567	(3,862)
Dist System	31,178	139,150	41,569	34,788	6,781
Other	3,180	21,796	2,675	5,449	(2,774)
Administration:					
Employee Benefits	121,242	474,140	106,741	118,535	(11,794)
Legal & Accounting	13,441	70,000	10,527	17,500	(6,973)
Customer Billing	10,087	27,223	9,906	6,806	3,100
Insurances	22,358	62,418	26,159	15,605	10,555
Other	20,983	64,349	18,801	16,087	2,714
Vehicles	40,332	156,096	25,426	39,024	(13,598)
Gull Management	21,625	63,320	15,830	15,830	0
Lake Auburn Watershed	17,914	85,000	22,307	21,250	1,057
SUB-TOTAL	719,450	2,902,283	751,588	736,858	14,730
			25.90%	25.00%	< Standard
Interest	25,008	138,855	39,141	34,714	4,427
TOTAL EXPENSES	744,458	3,041,138	790,729	771,572	19,157
Bonds - Principal Payments	113,950	791,291	114,275	114,606	(331)
SURPLUS FROM OPERATIONS	196,900	598,433	181,848	81,526	17,106

**AUBURN WATER DISTRICT
BALANCE SHEET
PERIOD ENDING - MARCH 31, 2024**

	<u>3/31/2024</u>	<u>12/31/2023</u>		<u>3/31/2024</u>	<u>12/31/2023</u>
Property, Plant and Equipment:			Capitalization:		
Plant in Service	42,073,003.89	40,894,093.30	Retained Earnings	19,087,641.80	18,197,596.68
Less: Accumulated Depreciation	<u>-16,166,567.41</u>	<u>-15,740,919.45</u>	Current Year Earnings	<u>115,153.38</u>	<u>840,508.79</u>
	25,906,436.48	25,153,173.85		<u>19,202,795.18</u>	<u>19,038,105.47</u>
Construction Work in Progress	150,771.68	985,288.10			
Net Utility Plant	26,057,208.16	26,138,461.95	Bonds	5,214,021.13	5,328,627.51
			Total Capitalization	<u>24,416,816.31</u>	<u>24,366,732.98</u>
Current Assets:			Current Liabilities:		
Cash & Working Funds	3,325,590.79	3,092,115.98	Accounts Payable	170,106.04	125,533.94
Accounts Receivable - Net	395,804.98	433,098.96	Customer Deposits	15,865.00	15,360.00
Prepayments	39,240.05	64,888.45	Accrued Interest	25,460.76	22,191.63
Inventory	<u>205,412.61</u>	<u>92,357.13</u>	Miscellaneous Liabilities	<u>132,382.87</u>	<u>111,832.19</u>
Total Current Assets	<u>3,966,048.43</u>	<u>3,682,460.52</u>	Total Current Liabilities	<u>343,814.67</u>	<u>274,917.76</u>
Investment CD	1,048,504.74	1,035,582.02			
Deferred Debits:			Equipment Leases	95,985.03	115,830.40
2014 Intake Cleaning	8,064.59	10,503.59	Contributions in Aid	6,223,209.91	6,109,526.94
Total Assets	<u><u>31,079,825.92</u></u>	<u><u>30,867,008.08</u></u>	Total Equity Capital and Liabilities	<u><u>31,079,825.92</u></u>	<u><u>30,867,008.08</u></u>