

Orono Veazie Water District Board

March 10, 2021, 7:00 pm

Present: Farahad Dastoor, David King, Boyd Smith, Laura Mitchell, Deb Blease (present as of #6)

1. Role call
2. Agenda – no changes
3. Minutes - Farahad moved to approve minutes, Laura second. All approved.
4. No public comment.
5. Financials – no questions.
6. Explore potential rate increase. Farahad moved to “Empower the Supt to explore a rate increase for the OVWD”, Deb seconded.

Discussion:

- Rates have not increased in many years. This in combination with the districts low revenue to expense level, and upcoming expenditures, warrants consideration of a rate increase.
- In 2011 the quote to explore a rate increase was \$16k. Boyd will get an updated quote for this.
- It can take up to a year to research and implement a rate increase. Process entails: get projections from auditors, engage other advisors and board reviews and makes a recommendation. PUC, Town, and public also need to weigh in.

VOTE: All approved

7. Supt'd Report:
 - o Water supply - Wells redone last summer are still doing great. We had planned to drill 2 new wells, but the supply has been sufficient so far from the current wells.
 - o Filter plant/quality – increased back wash rate has continued to work well
 - o Finances – The board has several things to consider as it begins the process of evaluating a rate increase. These include:

Upcoming expenditures and timing of these:

- Drilling 2 new wells identified for long-term water supply summer 2020 (\$800k)
- Filter plant improvements
- Infrastructure improvements (mains)
- DOT Rte 2 project (\$200k)
- Paint standpipe

Potential income and how to proceed on these:

- OVWD has been approved for a \$1.1 million dollar low interest loan for drilling the two new wells identified last summer, and the Rte 2 DOT project.
 - Board needs to consider whether to take this loan out. It might be able to delay drilling the new wells and the need for this loan by a year or

two. However, because the district is seeking a rate increase, it will likely make sense to do everything together now.

- Rate increase and when to do this. District had a high reserve before that would make it ineligible, but they are down to ~\$300k. This is likely low enough. Need to be able to justify the increase to the board, PUC, and the public.

8. No public comments.

9. Board discussion/ Request for Information

- a. Laura reach out to State Representative Osher on behalf of the Board and cc Boyd and the full board:
 - i. Are you aware of the State DOT Route 2 project occurring in Orono and the ~\$200,000 expense that OVWD will have to incur moving a water main?
 - ii. Is there a way communities manage/reduce these costs associated with DOT projects? OVWD has been in contact with Derek Carlton at the DOT.
- b. Board needs Boyd to develop a list of upcoming expenditures that support the need for a rate increase

10. Next meeting: April 13, 2021

11. Farahad moved and Deb seconded to adjourn ~7:40 pm.