

BOONSBORO KEEDYSVILLE WATER ADVISORY BOARD
Wednesday May 18, 2016 6:30 PM
Keedysville Town Hall

AGENDA

Rules of procedure: Members of the Water Advisory Board, alternates and town staff or others involved with the operation of the joint water system are welcome to sit at the table during our meetings provided there is sufficient room. Discussion is open but with priority given to members of the Board. The Chair reserves the right to limit discussion to Board members at his/her discretion in accordance with the Board's Bylaws. Voting is restricted to the 5 members of the Board or alternates serving in the place of a Board member.

- I. Approval of minutes from February 24, 2016 meeting

- II. Review of FY16 and FY17 capital projects (Megan)

- III. Review of development in process in Boonsboro (Megan)

- IV. Continued discussion of new water agreement (Austin)

- V. New business

- VI. Public comment

NEXT SCHEDULED MEETING: August 17, 2016 6:30 PM at Boonsboro Town Hall

(Regular meetings are 3rd Wednesday of February, May, August and November)

Standard Agenda Schedule:

February

- Review of current year CIP projects
- Review of proposed CIP projects for coming year

May

- Review of current year CIP projects
- Review of proposed CIP projects for coming year

August

- Update of current year CIP projects

November

- True-up of prior year costs
- Projected costs for current year
- Review of current year CIP projects (included in projected costs for current year)
- Review of proposed CIP projects for coming fiscal year

Other items to add:

- Reports from Towns on state water allocations, expected water use increases, recharge area

BOONSBORO KEEDYSVILLE WATER ADVISORY BOARD

MEETING MINUTES

Wednesday, February 26, 2016

Voting members present: Austin Abraham, Chairperson; Terry Davis (B); Eric Kitchen (B-alternate); Victoria Gudeman (K); Barry Levey (K)

Members absent: Paul Loeber (B)

Others present: Megan Clark (B), Boonsboro Town Manager; Pete Shumaker (B), Utilities Superintendent; Cindy Harris (B), Recording Secretary); Matt Hull (K-alternate)

The meeting convened at 6:30 PM at Boonsboro Town Hall.

- I. **Approval of minutes from December 9, 2015 meeting.** Motion by Member Hull, second by Member Levey to approve the minutes with no corrections. (Member Gudeman arrived at 6:45pm and was unavailable to vote). Motion carried unanimously.
- II. **Review of FY16 and FY17 capital projects (Megan).** Town Manager Clark reviewed the FY2016 WF CIP Budget Update. She pointed out several line items that were revised and several items that were no longer needed and thus removed as indicated. Additional water meters were expected to be purchased but would remain within budget. Also, one item not included is the upgrade of the billing software. The software currently in use is antiquated and has resulted in numerous costly modifications over the past several months. Boonsboro is in the process of evaluating different software programs and securing cost proposals. There was clarification that Keedysville pays for the cleaning and maintenance of the reservoir/clear wells/water tower but Boonsboro ensures the work is performed. Member Davis provided an update on the purchase of the correlator which is still in process. One demo has come in although additional demos have been delayed due to the weather and will proceed once the weather improves.
- III. **Review of Town water rates (Megan, Barry).** Town Manager Clark reviewed Boonsboro's tiered rate structure which went into effect July 1, 2015. Benefits include increased tracking of usage, encourages water conservation and is more equitable, especially for smaller users. Discussion ensued over benefits, current rates and whether Keedysville residents would gain benefit from such a change. Member Davis added that coupled with new meters, Boonsboro's goal is 12% water loss in two years.
- IV. **Preliminary subject matter for new water agreement (Austin).** Chairperson Abraham presented a list of proposed subject matter (attached) for the Board's consideration,

which summarized the key points of the current BKRWB Agreement. A concern was raised regarding the stability of the Agreement should a future Town wish to back out unexpectedly. Chairperson Abraham assured the members that there is an amendment process in place to protect both towns should future members decide to back out unexpectedly. Several ideas were discussed including moving to a single governing body such as WSSC where one entity takes ownership of the assets although there was not much interest in entertaining this idea. After much discussion, the Board was favorable to: 1) Continued ownership by each Town of current assets, 2) Consolidation of agreements, 3) Cost calculations should be simplified and 4) the agreement should be one of long term. Chairperson Abraham recommended the Board review his proposed list as a guide to springboard ideas to build upon and to discuss further at the May meeting. All agreed the current climate of the Board is prime to secure an amicable Agreement.

V. **New business.** There was no new business.

VI. **Public Comment.** There was no comment from the public.

Chairperson Abraham made a motion to adjourn, seconded by Member Levey. Chairperson Abraham declared the meeting adjourned at 8:52 PM. The next meeting date is scheduled for Wednesday, May 18, 2016 at 6:30 PM at Keedysville Town Hall.

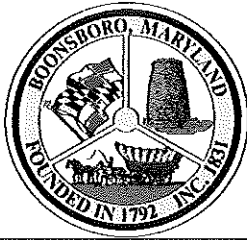
Submitted by: Cindy Harris, Recording Secretary

Water Fund
Income Statement
For The Month Ending May 31, 2016

	Current Month	Year to Date	Year to Date Budget	Variance
Revenues				
Water Charges-Boonsboro	\$ 0.00	\$ 417,437.10	\$ 545,040.00	(127,602.90)
Debt Service Charge-Boonsboro	0.00	5,999.00	0.00	5,999.00
Keedysville Admin. Charges	0.00	61,586.00	54,546.00	7,040.00
Debt Service-Alt 40 Waterline	0.00	11,364.50	20,000.00	(8,635.50)
Connection Fees	0.00	18,000.00	20,000.00	(2,000.00)
User Fees	0.00	143,000.00	130,000.00	13,000.00
Interest Income	0.00	0.95	400.00	(399.05)
Returned Check Fees	0.00	(15.00)	0.00	(15.00)
Other Income	0.00	0.00	100.00	(100.00)
Hydrants - Boonsboro	0.00	0.00	11,200.00	(11,200.00)
Total Revenues	0.00	657,372.55	781,286.00	(123,913.45)
Expenses				
Operations & Maintenance				
Salaries	0.00	147,524.12	180,000.00	(32,475.88)
Salaries-Overtime	0.00	6,986.24	5,000.00	1,986.24
Salaries-SP Overtime	0.00	4,241.72	5,000.00	(758.28)
Insurance - Property	0.00	4,901.59	4,000.00	901.59
Payroll Taxes	0.00	11,903.22	9,500.00	2,403.22
Audit Fees	0.00	6,199.99	5,000.00	1,199.99
Legal Fees	0.00	0.00	500.00	(500.00)
Advertising	0.00	105.82	500.00	(394.18)
Testing	0.00	549.53	1,000.00	(450.47)
Major Repair Expense	0.00	32,745.94	100,000.00	(67,254.06)
Maintenance & Repair	300.00	33,031.38	35,000.00	(1,968.62)
Uniforms	0.00	2,205.10	1,500.00	705.10
Cell Phones	0.00	1,647.84	2,000.00	(352.16)
Electricity	2,264.43	46,581.11	50,000.00	(3,418.89)
Heating	0.00	316.32	1,500.00	(1,183.68)
Health Insurance Expense	0.00	37,272.48	36,000.00	1,272.48
Workers' Comp Ins Expense	0.00	9,899.62	11,000.00	(1,100.38)
Vehicle Expense	0.00	1,649.21	4,000.00	(2,350.79)
Vehicle Gas	0.00	3,584.51	6,000.00	(2,415.49)
Meeting Expense	0.00	635.00	1,200.00	(565.00)
Training/Certification	393.38	3,065.06	2,000.00	1,065.06
Miscellaneous	0.00	8,495.00	100.00	8,395.00
Equipment Expense	0.00	7,760.44	10,000.00	(2,239.56)
Pension Expense	0.00	9,320.12	9,000.00	320.12
Chemicals	0.00	13,272.42	12,000.00	1,272.42
Maintenance Supplies	0.00	4,778.01	5,000.00	(221.99)
Office Supplies	0.00	5,303.57	3,500.00	1,803.57
Postage	0.00	1,500.00	2,500.00	(1,000.00)
Telephone	0.00	3,386.17	3,500.00	(113.83)
Contingency Fund	0.00	0.00	55,436.00	(55,436.00)
Connections - Water Meters	0.00	6,072.96	20,000.00	(13,927.04)
Loan Interest	0.00	16,250.50	20,000.00	(3,749.50)
Loan Interest Alt40 Waterline	0.00	2,983.56	4,000.00	(1,016.44)
Loan Interest Maple Ave	0.00	3,688.21	0.00	3,688.21
Capital Outlay	0.00	99,904.99	105,250.00	(5,345.01)
Long Term Debt	0.00	0.00	51,000.00	(51,000.00)
MDE Alt40 Waterline Loan	0.00	18,913.85	19,300.00	(386.15)
Total Expenses	2,957.81	556,675.60	781,286.00	(224,610.40)
Incr (Decr) Ret Earnings	\$ (2,957.81)	\$ 100,696.95	\$ 0.00	100,696.95

For Management Purposes Only

EXHIBIT A



**TOWN OF BOONSBORO, MARYLAND
WATER FUND
FISCAL YEAR 2017 BUDGET**

Proposed Water Rates July 1, 2016	IR	OR	IC	OC
Water Fixed Fee	\$12	\$35	\$17	\$33
1-18000 gallons	\$5.40/1000 gal	\$8.00/1000gal	\$5.40/1000gal	\$8.00/1000gal
18001 + gallons	\$6.60/1000gal	\$10.00/1000gal	\$6.60/1000gal	\$10.00/1000gal

	FY14	FY15	FY16	FY17
Revenues				
Water Charges-Boonsboro	365,000	465,810	545,040	601,896
Keedysville Admin. Charges	45,196	45,196	54,546	68,629
Debt Service-Alt 40 Waterline	0	18,475	20,000	20,000
Connection Fees	0	0	20,000	20,000
User Fees	65,000	130,000	130,000	130,000
Interest Income	400	400	400	400
Other Income	100	100	100	100
Hydrants - Boonsboro	11,200	11,200	11,200	11,200
Total Revenues	486,896	671,181	\$781,286	\$852,225
Expenses				
Operations & Maintenance				
Salaries	107,000	131,000	180,000	235,000
Salaries-Overtime	5,000	5,000	5,000	0
Salaries-SP Overtime	0	4,000	5,000	0
Insurance - Property	4,000	4,000	4,000	4,000
Payroll Taxes	8,000	8,000	9,500	11,000
Audit Fees	6,000	6,500	5,000	6,000
Legal Fees	500	500	500	500
Advertising	0	500	500	500
Testing	1,000	1,000	1,000	1,000
Major Repair Expense	20,000	180,000	100,000	120,000
Maintenance & Repair	25,000	25,000	35,000	35,000
Uniforms	1,000	1,000	1,500	2,500
Cell Phones	1,000	1,000	2,000	2,500
Electricity	50,000	50,000	50,000	47,000
Heating	1,500	1,500	1,500	1,500
Health Insurance Expense	34,000	34,000	36,000	40,000
Workers' Comp Ins Expense	10,000	10,000	11,000	11,000
Vehicle Expense	3,000	3,000	4,000	4,000

EXHIBIT A

	FY14	FY15	FY16	FY17
Vehicle Gas	5,000	5,000	6,000	6,000
Meeting Expense	1,200	1,200	1,200	1,200
Training/Certification	1,000	1,000	2,000	2,000
Miscellaneous	100	100	100	100
Equipment Expense	2,500	2,500	10,000	10,000
Pension Expense	8,000	8,000	9,000	15,000
Chemicals	10,000	12,000	12,000	12,000
Maintenance Supplies	2,500	5,000	5,000	5,500
Office Supplies	3,500	3,500	3,500	4,000
Postage	1,500	1,500	2,500	3,000
Telephone	3,500	3,500	3,500	3,500
Contingency Fund	28,965	10,756	55,436	23,160
Connections - Water Meters	0	0	20,000	20,000
Loan Interest (SHA & Maple Ave)	28,965	32,000	20,000	8,900
Loan Interest Alt40 Waterline	0	2,610	4,000	4,000
MDE Alt40 Waterline Loan	0	19,300	19,300	19,300
Debt Service (SHA, Maple & CDA)	0	0	51,000	67,365
Capital Outlay	43,800	91,500	105,250	125,700
MDE Filtration Debt Serv. Loan	5,715	5,715	0	
Total Expenses	427,215	671,181	\$781,286	\$852,225

DEBT SERVICE/LOAN INTEREST SUMMARY		
	PRINCIPAL	INTEREST
SHA Main Street	28834	3991
Maple Avenue Waterline	16000	4300
CDA Infrastructure	22531	609
TOTAL DEBT SERVICE/LOAN INTEREST	67365	8900

Capital Outlay Projects	
Water Plant Filters (6 total)	\$32,000
Replace Casing in Well #8	\$10,000
Replace 2004 Ford F350	\$13,500
Bobcat	\$6,700
New Handheld Meter Reader	\$6,500
Water Modeling	\$30,000
Weir Wall Stabilization	\$5,000
Meter Replacement	\$22,000
TOTAL PROPOSED FOR FY17	\$125,700
<i>Estimate \$130,000 based on 20 tap fees @\$6500ea</i>	