

# CARIBOU UTILITIES DISTRICT

Hugh A Kirkpatrick  
General Manager  
Sue Sands  
Office Manager, Clerk  
Fred Page  
Water Operator  
Paul Rossignol  
Wastewater Operator

WATER / WASTEWATER / FIBER  
PO Box 879 ~ 176 Limestone Street  
Caribou ME 04736  
(207) 496-0911 ~ (207) 496-0921 fax

TRUSTEES  
Gary Aiken  
President  
David Martin  
Treasurer  
Philip McDonough II  
David Belyea PE  
Jay Kamm

## AGENDA

The monthly meeting of the Board of Trustees for Caribou Utilities District will be held WEDNESDAY, MARCH 8, 2023 IN THE CITY COUNCIL CHAMBERS LOCATED AT 25 HIGH STREET, CARIBOU, MAINE BEGINNING AT 6:00 P.M.

1. Call Monthly meeting to order
2. Approve minutes of February 8, 2023 monthly meeting.
3. Approve minutes of February 16, 2023 special budget workshop
4. Approve Financial and Budget Report for February 2023.
5. Discuss and vote on 2023 projected budget for Water and Wastewater.
6. General Manager's Report
  - A. Water Projects, other
  - B. 35 York Street
  - C. River Road Lot
  - D. Fiber Project (Broadband)
  - E. Other issues

The monthly meeting of the Caribou Utilities District was held Wednesday, February 8, 2023 in the City Council Chambers located at 25 High Street, Caribou Maine.

Trustees Present;  
Gary Aiken, President  
David Martin, Treasurer  
Philip McDonough, Asst. Treasurer  
Jay Kamm, Trustee  
David Belyea, Trustee

Others Present;  
Hugh Kirkpatrick, Gen. Manager  
Sue Sands, District Clerk  
Gail and Bruce Hagelstein, Citizens  
Tim Todd, Citizen  
Janine Murchison, Citizen  
Dave Corriveau, Citizen  
Dan Bagley, City Councilor  
Penny Thompson, City Manager

President Gary Aiken opened the meeting at 6:00 P.M. Mr. Aiken welcomed those in attendance as well as thanking City Manager Penny Thompson for setting the council chambers up for the Utilities meeting. All of Penny's time and effort is greatly appreciated.

Sue Sands discussed the budget and financial reports for January, 2023. Some of the line items were reviewed especially Account # 501.00, Treatment Plant salaries for the wastewater. Sue explained an employee cashed in PTO hours which was included with regular salaries. The insurance line items were also discussed. Sue explained the worker's wump is paid quarterly and the property casualty coverage with MMA is paid in January and July. Jay Kamm moved and Phil McDonough seconded the motion to accept the budget reports. UNANIMOUSLY VOTED. The financial report showed revenue to 01/25/23 due to closing the books early in order to attend the MWUA conference in Augusta. Philip McDonough moved and Dave Belyea seconded the motion to accept the report as presented. UNANIMOUSLY VOTED.

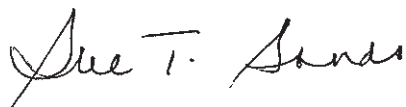
Philip McDonough moved and David Belyea seconded the motion to table voting on the 2023 Budget for water and wastewater and instead meet for a budget workshop February 16, 2023 in the conference room on Limestone Street to review line items as a group. UNANIMOUSLY VOTED. The commitment for water charges according to provisions of Section 6414-A of Title 35-A of the Maine Revised Statutes annotated for 2023 in the amount of \$1,176,500.00 was signed by the Trustees.

The manager's report from Hugh Kirkpatrick is attached.

After discussing the Manager's report, Dave Belyea moved and Jay Kamm seconded the motion to move forward with the Booster Pump Station Project Upgrade. UNANIMOUSLY VOTED. Although the bids were much higher than projected, the DWP (Drinking Water Program) is fully funding cost increases through an additional \$523,000. grant from the American Rescue Plan Act (ARPA).

Trustee Jay Kamm moved and David Belyea seconded the motion to adjourn the meeting. The next scheduled meeting is Wednesday, March 8, 2023 at 6:00 P.M. in the City Council Chambers.

Sue T. Sands, Office Manager, District Clerk



## Manager' Report

## A. Water Projects:

Booster Pump Station Upgrade Project (2022-14) – Although the bids for this project, which were received last Wednesday, February 1<sup>st</sup>, came in higher than the engineered estimate, the Drinking Water Program (DWP) has offered the District additional grant funding above and beyond the original \$140,000 of principal forgiveness. They are offering an additional \$523,000 grant from the American Rescue Plan Act (ARPA). See handouts for details. At the current interest rate offered by the DWP for these projects, we would finance the balance of \$327,000 for 20yrs at 2.1%. The yearly debt service payment would be \$20,200 for that balance. Of the \$440,000 budgeted for debt service, approximately \$60,000 is available for new projects.

Note: Previous approved amount was \$467,000 with \$140,000 of principal forgiveness (with a difference of \$327,000 to be financed). The DWP is fully funding cost increases through the ARPA grant.

Recommendation: Approve the offer from the DWP and start the project.

Water Tank Painting Project (2023-07) – Scored a 92 against all other projects submitted last fall (see handouts). Twenty-seven (27) projects made the primary list for funding with the lowest score of 99. This project could be funded if seven (7) or more projects drop off of the primary project list. We would likely find out if this project moved to primary list after the March 1<sup>st</sup> deadline to notify the DWP of the acceptance of funding for projects on the primary list. Otherwise, we will resubmit this project in the fall of 2023 for 2024 funding.

New River Crossing Project (2023-08) - Scored a 76 against all other projects submitted last fall. This project is not likely to move up to the primary list. We will resubmit this project in the fall of 2023 for 2024 funding.

B. 35 York Street – No update

C. River Road Lot – Met with the land owner the last two Mondays. He will sign the option to purchase this Friday, February 10<sup>th</sup>.

D. Fiber Project:

On January 27<sup>th</sup> we participated in a debriefing conference call with the Maine Connectivity Authority (MCA). Myself, Jay Kamm and Tim McAfee of Pioneer Broadband were on the call. The MCA explained the projects which were funded weren't just shovel ready, they were sparsely populated communities which do not have access to the 'three ring binder' (The Fiber One network that was installed in the early 2000's which traverses through Caribou). The next round of connect the ready grants will likely have identical criteria.

There is funding available through the ARPA funds given to the Aroostook County Commissioners to administer. Of the \$13m they are responsible to administer between 2022 and 2026, up to \$450,000 is available in 2023 for broadband initiatives for us to apply for. I am working on an application which would only include what we are calling application 1 of 18. Application 1 of 18 includes the communications hub on Sincock Street and all locations on Sincock Street, South Main Street (b/w Sincock & Rte 1), Rte 1 (to the Caribou – PI town line), Dow Siding Rd, Buck Rd (east), Doyle Road (east) and Maysville Siding Rd; 270 potential customers of which as many as 75 are unserved. Application is a rolling basis so the deadline is when the 2023 is fully granted.

The Trustees of Caribou Utilities District held a budget workshop Thursday, February 16, 2023 in the conference room located at 176 Limestone Street, Caribou, Maine

Trustees Present;  
Gary Aiken, President  
David Martin, Treasurer  
Philip McDonough, Asst. Treasurer  
David Belyea, Trustee  
Jay Kamm, Trustee

Others Present;  
Hugh Kirkpatrick, General Manager  
Sue Sands, Office Manager

President Gary Aiken opened the workshop at 5:15 P.M.

Manager Kirkpatrick explained the following District financial topics:

Budget category ratios and graph,

Budget % changes from 2002 to present vs CPI,

Debt vs depreciation concept and graph,

Wastewater fiscal sustainability plan (FSP) project costs for 20 years,

Current water debt service and future projects,

Finally, the CPI formula used annually to determine the cost-of-living adjustment (COLA) increase for employees. Mr. Kirkpatrick also discussed using this formula to determine projected water and wastewater rate increases on an ongoing basis.

Each line item on the water and wastewater budget was discussed.

President Aiken requested a list of all current employees and salaries. The list will be forwarded to Trustees.

The accounting line item was discussed and President Aiken would like to go out for bid this year. Sue stated she was very comfortable working with Chester M. Kearney and expressed the two auditors assigned for the audit know the District inside and out. However, later in the year the bid packet will be prepared. The Trustees asked for a trial balance monthly showing the activity of the District.

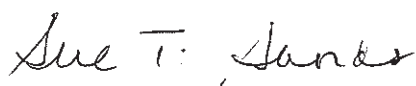
President Aiken and Trustees reviewed capital items listed in the budget and had a brief discussion on a few items.

The Trustees asked to have the draft projected budget available for discussion in November and early December of each year rather than February. The final approval will be by December 31<sup>st</sup> of each year.

There was a brief discussion of snow removal from fire hydrants.

The workshop was adjourned at 7:50 P.M.

Sue T Sands, Office Manager, District Clerk



**CUD Wastewater Division Expenses**

PERIOD

2 17%

	February Expense	Year to Date Amt.	Annual Budget	% of Total Budget
<b>Administration</b>				
701.00 Salaries	\$ 10,206.80	\$ 23,098.63	\$ 168,600	14%
701.10 401A Plan	\$ 992.92	\$ 2,013.15	\$ 9,600	21%
702.00 Office Expense	\$ 2,140.72	\$ 3,652.83	\$ 35,000	10%
711.00 Insurance, Workers Comp		\$ 2,909.38	\$ 7,500	39%
711.10 Insurance, Liability, PD		\$ 8,041.55	\$ 16,100	50%
715.00 Insurance, Health	\$ 820.31	\$ 820.31	\$ 51,800	2%
716.00 Social Security	\$ 1,817.56	\$ 4,938.57	\$ 28,100	18%
721.00 Accounting Expense		\$ -	\$ 7,500	0%
749.00 See below		\$ -		
750.00 Legal, Miscellaneous		\$ 19.00	\$ 1,500	1%
<b>Subtotal / Admin</b>	<b>\$ 15,978.31</b>	<b>\$ 45,493.42</b>	<b>\$ 325,700</b>	<b>14%</b>
749.00 <b>Annual Debt Service</b>		\$ -	\$ 250,000	0%
<b>Treatment Plant</b>				
501.00 Salaries	\$ 8,337.98	\$ 30,782.38	\$ 77,800	40%
502.00 Labor, Projects		\$ -	\$ 6,700	0%
503.00 Utilities	\$ 938.89	\$ 1,177.90	\$ 7,800	15%
504.00 Chemicals		\$ -	\$ 2,900	0%
506.00 Vehicle Maintenance	\$ 359.70	\$ 384.70	\$ 2,400	16%
507.00 Lab Supplies	\$ 250.06	\$ 250.06	\$ 2,600	10%
508.00 Plant Maint/Repair	\$ 981.02	\$ 1,028.02	\$ 4,500	23%
509.00 Plant Fuel	\$ 1,284.36	\$ 1,284.36	\$ 4,600	28%
510.00 Tools and Equipment		\$ 267.75	\$ 1,000	27%
513.00 Grimes Power	\$ 301.86	\$ 352.33	\$ 67,200	1%
521.00 Consultant/lab/technical fees		\$ 1,437.50	\$ 8,000	18%
550.00 Dues, Education, misc.	\$ 125.00	\$ 320.00	\$ 1,000	32%
<b>Subtotal / Treatment</b>	<b>\$ 12,578.87</b>	<b>\$ 37,285.00</b>	<b>\$ 186,500</b>	<b>20%</b>
<b>Collection System</b>				
601.00 Salaries	\$ 5,664.80	\$ 11,576.60	\$ 104,500	11%
602.00 Labor, Projects		\$ -	\$ 9,600	0%
603.00 Pump Sta. Electric Power	\$ 7,938.10	\$ 11,952.75	\$ 63,900	19%
603.10 Pump Sta. Expense		\$ -	\$ 2,500	0%
606.00 Truck Expense / Fuel	\$ 10,281.41	\$ 10,281.41	\$ 20,900	49%
607.00 Paving Expense		\$ -	\$ 900	0%
608.00 Line Repair & Maintenance	\$ 38.79	\$ 38.79	\$ 6,000	1%
610.00 Tools and Equipment	\$ 32.99	\$ 300.74	\$ 1,500	20%
341.10 Vehicles & Equipment		\$ -	\$ 1,000	0%
341.20 Asset Replacement Reserve	\$ 4,062.83	\$ 4,062.83	\$ 33,000	12%
<b>Subtotal / Collection</b>	<b>\$ 28,018.92</b>	<b>\$ 38,213.12</b>	<b>\$ 243,800</b>	<b>16%</b>
530.00 Depreciation	\$ -	\$ -	\$ -	
<b>Totals Wastewater</b>	<b>\$ 56,576.10</b>	<b>\$ 120,991.54</b>	<b>\$ 1,006,000</b>	<b>12%</b>

**CUD Wastewater Division Income**

Billed To Date	February Income	Year to Date Amt.	Annual Budget	% of Total Budget
<b>Subtotal / Billed</b>	<b>\$ 63,945.56</b>	<b>\$ 126,773.61</b>	<b>\$ 1,021,700</b>	<b>12%</b>
<b>Received To Date</b>				
401.00 Service Commitment	\$ 70,039.21	\$ 115,947.71	\$ 757,400	15%
401.50 Stormwater	\$ 386.51	\$ 1,073.02	\$ 5,000	21%
402.00 Trailer Park		\$ 191.25	\$ 500	38%
404.00 Lyon Farm Lease		\$ -	\$ 25,000	0%
405.00 AWS - Leachate	\$ 12,571.59	\$ 27,023.64	\$ 213,200	13%
405.00 AWS - Septage / Trucked ww	\$ 800.00	\$ 1,040.00	\$ 4,000	26%
413.00 Lateral, Fees		\$ -	\$ 1,000	0%
415.00 Interest / Dividends	\$ 126.93	\$ 126.93	\$ 2,500	5%
421.00 Lien Fees		\$ -	\$ 200	0%
425.00 Other Income		\$ 3,000.00	\$ 1,800	167%
430.00 Waterworks Rental		\$ -	\$ 11,100	0%
<b>Subtotal / Received</b>	<b>\$ 83,924.24</b>	<b>\$ 148,402.55</b>	<b>\$ 1,021,700</b>	<b>15%</b>

**CUD Water Division Expenses**

PERIOD

2 17%

	February Expense	Year to Date Amt.	Annual Budget	% of Total Budget
<b>Administration</b>				
408.10 PUC Expense		\$ -	\$ 8,200	0%
600.20 Tank Maintenance Fund	\$ 500.00	\$ 1,000.00	\$ 6,000	17%
601.80 Salaries	\$ 10,051.80	\$ 22,883.63	\$ 168,600	14%
604.00 Employer Payroll Taxes	\$ 1,660.47	\$ 3,484.07	\$ 25,400	14%
604.81 Employer Health Insur.	\$ 1,931.61	\$ 1,931.61	\$ 61,300	3%
604.82 401a Employer Share	\$ 930.85	\$ 1,841.42	\$ 11,800	16%
620.70 Office Expenses	\$ 3,290.96	\$ 5,373.11	\$ 45,000	12%
632.00 Accounting Services		\$ -	\$ 7,500	0%
633.00 Legal Services		\$ 42.00	\$ 1,500	3%
641.50 Garage,Office,Roof Rental		\$ 1,020.00	\$ 11,100	9%
657.00 Insurance/Liability, etc.		\$ 6,579.45	\$ 13,200	50%
658.00 Workers Compensation		\$ 1,131.42	\$ 3,100	36%
670.00 Bad Debt Expense		\$ -	\$ 500	0%
<b>Subtotal / Admin</b>	<b>\$ 18,365.69</b>	<b>\$ 45,286.71</b>	<b>\$ 363,200</b>	<b>12%</b>
600.10 <b>Annual Debt Service</b>	<b>\$ 24,144.75</b>	<b>\$ 33,177.51</b>	<b>\$ 440,000</b>	<b>8%</b>
<b>Plant Production</b>				
601.10 Production Labor	\$ 1,352.13	\$ 2,292.85	\$ 15,600	15%
601.20 Labor, Projects		\$ -	\$ 6,700	0%
615.10 Electric Power/Utilities	\$ 8,006.48	\$ 8,036.29	\$ 51,100	16%
618.30 Chemicals		\$ -	\$ 27,000	0%
620.20 Maintenance	\$ 68.49	\$ 68.49	\$ 6,500	1%
620.30 Lab Testing	\$ 191.70	\$ 341.70	\$ 6,900	5%
675.10 Dues, Education, expenses	\$ 28.10	\$ 78.10	\$ 3,200	2%
<b>Subtotal / Plant</b>	<b>\$ 9,646.90</b>	<b>\$ 10,817.43</b>	<b>\$ 117,000</b>	<b>9%</b>
<b>Transmission &amp; Distribution</b>				
341.00 Vehicles & Equipment		\$ -	\$ 1,000	0%
341.1/136.1 Asset Replacement Reserve	\$ 4,010.18	\$ 4,010.18	\$ 33,000	12%
601.50 Labor, Maintenance	\$ 10,656.50	\$ 21,070.02	\$ 140,400	15%
601.60 Labor, Projects		\$ -	\$ 9,600	0%
615.50 Electric Power,Utilities -Garage	\$ 2,026.57	\$ 2,566.96	\$ 10,700	24%
620.50 Tools and Equipment	\$ 246.87	\$ 1,708.12	\$ 8,400	20%
620.60 Main & Service Materials	\$ 3,526.76	\$ 3,526.76	\$ 24,300	15%
650.60 Equipment Maintenance	\$ 11,497.66	\$ 11,497.66	\$ 22,400	51%
675.50 Miscellaneous, Dues, Educ.	\$ 196.66	\$ 1,704.16	\$ 4,000	43%
<b>Subtotal / T&amp;D</b>	<b>\$ 32,161.20</b>	<b>\$ 46,083.86</b>	<b>\$ 253,800</b>	<b>18%</b>
<b>Totals Water</b>	<b>\$ 84,318.54</b>	<b>\$ 135,365.51</b>	<b>\$ 1,174,000</b>	<b>12%</b>

**CUD Water Division Income**

Billed To Date	February Income	Year to Date Amt.	Annual Budget	% of Total Budget
<b>Subtotal / Billed</b>	<b>\$ 100,823.70</b>	<b>\$ 200,188.22</b>	<b>\$ 1,211,000</b>	<b>17%</b>
<b>Received To Date</b>				
461.00 Service Commitment	\$ 77,101.59	\$ 124,853.31	\$ 829,500	15%
461.00a Service Commitment (City)	\$ 28,916.67	\$ 57,833.34	\$ 347,000	17%
419.00 Interest / Dividends	\$ 59.07	\$ 59.07	\$ 1,200	5%
421.00 Voicestream Lease		\$ 2,473.71	\$ 25,000	10%
474.00 Other Income	\$ (656.35)	\$ 2,643.65	\$ 1,500	176%
476.00 Lien Fees		\$ -	\$ 500	0%
0.00 Misc.	\$ 2,680.30	\$ 3,394.88	\$ 6,300	54%
<b>Subtotal / Received</b>	<b>\$ 108,101.28</b>	<b>\$ 191,257.96</b>	<b>\$ 1,211,000</b>	<b>16%</b>

Bureau of Labor Statistics

Consumer Price Index -

All Urban Consumers

1-Month Percent Change  
 Series Id: CUUR0000SA0  
 Not Seasonally Adjusted  
 Area: U.S. city average  
 Item: All items  
 Base Period: 1982-94=100  
 Years: 1914 to 2017

COLA		
10 yr-ra	yr	+/-
1.85	2017	
1.77	2018	(0.08)
1.58	2019	(0.19)
1.76	2020	0.18
1.72	2021	(0.04)
1.70	2022	(0.02)
2.06	2023	0.36
2.52	2024	0.46
2.64	2025	0.12
2.78	2026	0.13
2.90	2027	0.12
2.91	2028	0.01
2.91	2029	0.00
2.91	2030	0.00
2.89	2031	(0.02)
2.98	2032	0.08
2.51	2033	(0.47)
2.08	2034	(0.43)

Water rate increase tracker

CPI yr	CPI	yr	actual	+/-
16,17,18	4.10	2021	4.03	(0.07)
19,20,21	10.10	2022	6.17	(3.93)
22	6.30	2023	2.50	(3.80)
23	2.65	2024	2.50	(0.15)
24	2.01	2025	2.50	0.49
25	2.01	2026	2.50	0.49
26	2.01	2027	2.50	0.49

Wastewater rate increase tracker

CPI yr	CPI	yr	actual	rate	+/-
18,19,20	3.00	2021	2.00	\$ 255	(1.00)
21	6.70	2022	1.96	\$ 260	(4.74)
22	6.30	2023	1.82	\$ 265	(4.38)
23	2.65	2024	1.89	\$ 270	(0.76)
24	2.01	2025	1.85	\$ 275	(0.16)
25	2.01	2026	12.7	\$ 310	10.71
26	2.01				

0.17 Placeholder, 20 yr average per month 2001 through 2020

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Tot
2011	0.5	0.5	1.0	0.6	0.5	(0.1)	0.1	0.3	0.2	(0.2)	(0.1)	(0.2)	3.1
2012	0.4	0.4	0.8	0.3	(0.1)	(0.1)	(0.2)	0.6	0.4	0.0	(0.5)	(0.3)	1.7
2013	0.3	0.8	0.3	(0.1)	0.2	0.2	0.0	0.1	0.1	(0.3)	(0.2)	0.0	1.4
2014	0.4	0.4	0.6	0.3	0.3	0.2	0.0	(0.2)	0.1	(0.3)	(0.5)	(0.6)	0.7
2015	(0.5)	0.4	0.6	0.2	0.5	0.4	0.0	(0.1)	(0.2)	0.0	(0.2)	(0.3)	0.8
2016	0.2	0.1	0.4	0.5	0.4	0.3	(0.2)	0.1	0.2	0.1	(0.2)	0.0	1.9
2017	0.6	0.3	0.1	0.3	0.1	0.1	(0.1)	0.3	0.5	(0.1)	0.0	(0.1)	2.0
2018	0.5	0.5	0.2	0.4	0.4	0.2	0.0	0.1	0.1	0.2	(0.3)	(0.3)	2.0
2019	0.2	0.4	0.6	0.5	0.2	0.0	0.2	0.0	0.1	0.2	(0.1)	(0.1)	2.2
2020	0.4	0.3	(0.2)	(0.7)	0.0	0.5	0.5	0.3	0.1	0.0	(0.1)	0.1	1.2
2021	0.4	0.5	0.7	0.8	0.8	0.9	0.5	0.2	0.3	0.8	0.5	0.3	6.7
2022	0.8	0.9	1.3	0.6	1.1	1.4	0.0	0.0	0.2	0.4	(0.1)	(0.3)	6.3
2023	0.8	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	2.6

Ave (10 yr running)

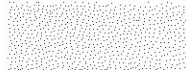
2024 Cost of Living Increase

2.52

[https://data.bls.gov/timeseries/CUUR0000SA0?output\\_view=pct\\_1mth](https://data.bls.gov/timeseries/CUUR0000SA0?output_view=pct_1mth)

CUD Wastewater Division P&L

	Capital Expense	Expense To Date	Total Expense	Total Income	P&L (+/-)
Check # Capital Expense, Direct	\$ -	\$ 120,992	\$ 120,992	\$ 148,403	\$ 27,411



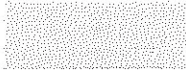
Check # Capital Expense, Financed

\$ -



CUD Water Division P&L

	Capital Expense	Expense To Date	Total Expense	Total Income	P&L (+/-)
Check # Capital Expense, Direct	\$ -	\$ 135,366	\$ 135,366	\$ 191,256	\$ 55,892



Check # Capital Expense, Financed

\$ 17,000.00

014441 Dirigo Engineering, River Crossing Proj.

\$ 17,000.00

