



## Long Creek FY2018 (July 1, 2017 – June 30, 2018) Budget Narrative

### 5030 – BAD DEBT

This line item of \$38,499.55 is for Participating Landowner assessments that are difficult or doubtful for collection to ensure that these funds are not allocated to expenses until they are received. All Participating Landowners are required to pay annual assessments under Participating Landowner Agreements. Maine DEP can enforce this requirement as a permit condition; however, in some circumstances payments falling into this category may never be received, and, in others, the timing of payment is indeterminate and, therefore, are allocated to Bad Debt until received.

### 5042 – CONSTRUCTION – Engineering

This Account reflects consulting or engineering work that is directly related to:

- *Main Stem Restoration*: a line item of \$180,331.07 is allocated in FY2018 to select and engage an Integrated Design Team and for design and limited construction oversight of the Main Stem Restoration project.
- *Hannaford Basin (E-34)*: a line item of \$15,000 is allocated for a consulting firm to develop a design for the retrofit of this structure, prepare documents for bidding, assist with the bidding phase, and perform limited construction oversight of the work. It is anticipated that construction of this project will occur in FY2020 (i.e. fall of 2019). Starting design in FY2018 will provide lead time to get a detailed construction cost estimate for the FY2020 budget.

An overall line item of \$195,331.07 is budgeted for this Account.

### 5044 – CONSTRUCTION – Permit Fees

Recommend changing the name of this Account to “PERMIT FEES” (formerly “Permits”). These funds will be used for permits associated with construction of the Main Stem Restoration project. A line item of \$60,110.36 is budgeted for this Account.

### 5046 – CONSTRUCTION – Structural

This Account reflects consulting or engineering work that is directly related to:

- *Main Stem Restoration*: a line item of \$601,103.58 is allocated for construction of the Main Stem Restoration project.
- *Opportunistic Retrofits*: A line item of \$50,000 is allocated for contributions from LCWMD to take advantage of potential partnership projects with Participating Landowners for enhanced treatment of stormwater management and treatment from Participating Landowner parcels.

An overall line item of \$651,103.58 is budgeted for this Account.

#### **5047 – CONSTRUCTION – Inspection and Maintenance**

Recommend changing the name of this Account to “INSPECTION AND MAINTENANCE,” (formerly “Maintenance”). This Account has traditionally been used to budget for landscaping services as well as for structural BMP inspection and maintenance work. It is recommended that a separate landscaping account be established to better track BMP inspection and maintenance costs and separately track landscaping expenses (see Account 5049).

- *Routine BMP Inspections:* A line item of \$17,500 is estimated for inspections of LCWMD-owned-or-operated structural BMPs. Services agreements for this work are “indefinite delivery, indefinite quantity.” The budgeted amount assumes that some BMPs will be inspected once annually and some BMPs twice will be inspected twice annually.
- *Routine BMP Maintenance:* A line item of \$30,901.50 is allocated for anticipated maintenance of LCWMD-owned-or-operated structural BMPs. Services agreements for this work are “indefinite delivery, indefinite quantity.” The budgeted amount assumes that roughly half of the structural BMPs will require maintenance annually.

An overall line item of \$48,401.50 is budgeted for this Account.

#### **5048 – CONSTRUCTION – Non-Routine Maintenance and Repair**

This new Account, 5048, is recommended to better track unforeseen, unanticipated maintenance and repair work separate from anticipated maintenance and repair work and routine landscape maintenance.

- *Non-Routine Maintenance and Repair:* In FY2017, non-routine and/or repair work was performed on BMPs at several parcels and allocated to Account 5047 in the amount of approximately \$35,000. This line item of \$35,000 is allocated repair work that may be performed in FY2018.
- *South Branch:* A line item of \$25,000 is included for a one-time potential contribution to maintenance work in the South Branch channel.

An overall line item of \$60,000 is budgeted for this Account.

#### **5049 – CONSTRUCTION – Landscaping of Constructed Projects**

This new Account, 5049, is recommended to better track routine landscape maintenance separate from BMP inspection and maintenance services that are performed under Account 5047. The present landscape contract runs through December 31, 2018.

This line item of \$80,000 includes landscape tasks such as trimming trees, mowing, mulching, weeding, cutting back perennials, and trash removal.

#### **5061 – MONITORING – Watershed Monitoring**

This line item represents the following:

- *Routine Monitoring:* This line item of \$90,000 is for monitoring performed by GZA GeoEnvironmental, Inc. in year two of its three-year contract, which runs through December 31, 2018. The scope of this contract for conducting continuous water quality monitoring, conducting grab sampling, collecting surface water chemistry during spring-melt, base-flow, and storm-flow conditions, acquire meteorological data, and collect biological data.
- *Main Stem:* A line item of \$10,000 is allocated for additional in-stream monitoring or collection of biological data relevant to the Main Stem Restoration project. It contemplates pre-and post-project data collection to measure the effectiveness of the restoration.

- *Targeted Data Collection*: This is included as a placeholder to implement potential recommendations by the Technical Advisory Committee (TAC). A line item of \$10,000 is budgeted for FY2018.

An overall line item of \$110,000 is budgeted for this Account.

#### **5065 – MONITORING EQUIPMENT**

A line item of \$2,500 is budgeted for replacement of monitoring equipment that may fail during the monitoring season.

#### **5070 – DEPRECIATION EXPENSE**

This account is not reflected in the budget, however, each year an allocation of depreciation expenses is charged against the LWCMD BMP assets (non-cash transaction). In this fiscal year, the projected depreciation expense is \$139,641.45.

#### **5071 – AMORTIZATION EXPENSE**

This account is not reflected in the budget, however, each year a portion of the interest forgiveness received against the Maine Municipal Bond Bank bond is written off against LCWMD assets for the life of the bond. The annual allocation for this non-cash transaction is \$934.53.

#### **5080 – MEETINGS**

A line item of \$3,000 has been budgeted to host an Annual Meeting in FY2018 and to cover the costs of other meetings that may arise.

#### **6002 – PROGRAM EXPENSE – Loan Payment**

Annual payment for State Revolving Fund Loan. A line item of \$75,760 is budgeted in FY2018.

#### **6160 – DUES AND SUBSCRIPTIONS**

Account related to subscription fees for IT-related services and other dues and subscriptions. The website maintenance subscription is paid in full through FY2018. A line item of \$2,000 is budgeted in FY2018.

#### **6170 – EQUIPMENT RENTAL**

This line item includes the cost to rent equipment such as water quality monitoring equipment that may be needed to temporarily replace existing equipment that fails. Additional monitoring equipment may be rented for work related to other projects. A line item of \$2,000 is budgeted for this equipment rental.

#### **6181 – INSURANCE – Liability Insurance**

Annual premiums for Directors and Officers Liability Insurance for the Board and General Liability Insurance coverage for the LCWMD. A line item of \$7,000 is budgeted in FY2018.

#### **6250 – POSTAGE**

A line item of \$350 has been budgeted for postage, including costs related to mailing Annual Parcel Inspection Reports, annual assessments, and invoices.

#### **6271 – PROFESSIONAL FEES – Consultant - Engineer**

A line item of \$13,000 is budgeted for consultants to provide unanticipated expert services that are outside the scope of the routine budgeted services.

**6272 – PROFESSIONAL FEES – Legal Fees**

This account is for services performed by Perkins Thompson under its current agreement with the LCWMD. Services performed in FY2017 were valued at \$30,000. A line item of \$50,000 is budgeted in FY2018. The estimated allocation for FY2018 is as follows:

- \$30,000 under administrative to support contract, board, and policy needs.
- \$20,000 under construction to support development of easements and access agreements for construction projects, such as the planned in-stream work associated with the Main Stem Restoration project. This will require work with non-participating landowners as well as participating landowners for easements.

**6273 – PROFESSIONAL FEES – Accounting**

This is the cost for the annual audit of LCWMD’s financial statements. Smith & Associates was awarded this contract in FY2017 for a three-year term at a cost of \$4,825 per year.

**6275 – PROFESSIONAL FEES – Plan Implementation**

Recommend changing the name of this Account to Plan Implementation (formerly “Program Management”). This represents staff costs through Cumberland County Soil and Water Conservation District as follows:

- Admin: \$104,000
  - Administer invoicing and collection of semi-annual payments for Participating Landowner Assessments; annual budget announcement to Participating Landowners; and annual fees announcement to Participating Landowners, per the Participating Landowner Agreements;
  - Revising assessments for Participating Landowner parcels to account for new (or expanded) impervious cover since a prior assessment was calculated;
  - Provide support to Participating Landowners during property transactions;
  - Respond to Participating Landowner questions on assessments, invoices, and/or billing;
  - Management of outstanding assessment invoices;
  - Monthly processing of invoices and payments;
  - Reconciliation of bank statements, and development of monthly financial reports for review by Treasurer and Executive Director;
  - Work in association with Executive Director to conduct an annual review of the Internal Financial Controls document and to update it and other contractual elements, as needed;
  - Coordinate payroll and expense reimbursements for the Executive Director;
  - Work in association with Executive Director to develop the LCWMD FY2019 budget;
  - Annual preparation of financial audit documentation and review of the financial audit;
  - Project costs for long-term maintenance or replacement needs and estimated costs for LCWMD-owned-or-operated BMPs and infrastructure;
  - Provide support to Executive Director in preparation of LCWMD Board agendas and supporting materials;
  - Provide staff support at LCWMD Board meetings;
  - Provide support to the Executive Director to prepare the calendar year 2016 watershed management plan implementation report to Maine DEP;
  - Monthly Contract Check-in meeting between CCSWCD Contract Coordinator and the LCWMD Executive Director.

- Construction & Maintenance: \$75,764
  - Coordination of the Main Stem Restoration project through development of RFQ to hire design team, providing support to the LCWMD Board on assessment of proposals received in response to RFQ, management of design and construction contracts, performing landowner outreach, providing support on easement negotiation, providing design support, and providing support to implement construction.
  - Coordination of the E-24 Hannaford Basin design construction project through development of an RFP to hire design team, providing support to the LCWMD Board on assessment of proposals received in response to RFP, and providing design support.
  - Manage Stormwater BMP Inspection and Maintenance and landscaping contracts for all LCWMD-owned-or-operated BMPs, including reviewing requested change orders, processing change orders when appropriate, complying with processes and documentation as outlined in the most current version of the Standard Operating Procedure for contracts and the “Contract Checklist,” and ensuring timely and effective delivery of goods and services.
  - Provide technical support upon request on construction opportunities in partnership with participating landowners; and
  - Provide technical support upon request for new development and redevelopment projects in the watershed.
- Monitoring: \$28,633
  - Contract management and project oversight of surface water quality and biological monitoring;
  - Conduct annual audit and QA/QC of monitoring data;
  - Compile monitoring data for annual DEP permit reporting: report, trends, and comparisons for stormflow and baseflow samples; annual hydrographs and trends for continuous monitoring; metrological comparisons; update of chloride correlation curve;
  - Management, coordination, and support for installation, monthly data download, and removal of data loggers; and
  - Targeted investigations – coordination and facilitation of Technical Advisory Committee recommendations, as approved by the LCWMD Board.
- Non-Structural: \$133,288
  - Coordination of non-structural aspects of BMP inspection and maintenance agreement (e.g. sweeping, catch basin cleaning, pipe cleaning), assigning work to one or more service providers, reviewing reports received from service providers, and other field-based and office-based services associated with this work;
  - Developing attributes in GIS system to track maintenance and inspection costs by unique BMP number;
  - Performing annual inspection of participating landowner parcels to ensure compliance with the Long Creek General Permit, Participating Landowner Agreements, Operation and Maintenance Plan, and site-specific Operation and Maintenance Plans;
  - Updating site-specific O&M plans in accordance with LCWMD policies;
  - Maintenance and update of participating landowner database and GIS layers denoting stormwater infrastructure;
  - Education and Outreach activities, including coordinating use of the LCWMD catch basin stencil on participating landowner properties and securing permission for stenciling; developing targeted education and outreach for winter salt management and landscape management to property owners, municipal staff, and contractors;

- GIS investigations upon request; and
- Annual tracking and documentation of activities for Long Creek General Permit reporting to Maine DEP.

An overall line item of \$341,685 is budgeted for this Account.

#### **6276 – PROFESSIONAL FEES – Sweeping**

A new pavement sweeping services agreement was entered into in May of 2017, with the annual pavement sweeping costs set at \$97,189 through the end of the current permit cycle in June 2020.

#### **6277 – PROFESSIONAL FEES – Pipe Inspection and Cleaning**

This new Account includes the physical task of inspecting stormwater drain pipe in prioritized critical areas of the Long Creek watershed and cleaning drain pipe, when needed. A line item of \$10,500 is allocated for inspection and cleaning to troubleshoot or respond to identified problems.

#### **6278 – PROFESSIONAL FEES – Catch Basin Cleaning**

Catch basin cleaning services for LCWMD have traditionally been performed in fall, with the contractor frequently bumping up against cold weather. For FY2018, catch basin cleaning work begin in spring with the goal of cleaning all 800+ catch basins and as many as 250 drain manholes by the end of the current permit cycle in June 20, 2020.

This line item was increased to \$30,000 in FY2018 to reflect the current per catch basing cleaning contract price of \$75.00 per catch basin with the goal of cleaning approximately 400 catch basins and drain manholes annually.

#### **6279 – PROFESSIONAL FEES – Consultant - IT/Technology**

Recommend changing the name of this Account to IT/Technology Consulting (formerly “Consultant”). A line item of \$4,000 has been budgeted for support from third-party contractors. This line item will cover fees related to general ongoing IT support as well as specific project such as maintain the water quality monitoring database.

#### **6281 – PROFESSIONAL FEES – Website**

A line item of \$1,000 is budgeted for support from a third-party, if necessary.

#### **6283 – PROFESSIONAL FEES – Waste Management**

Historically, disposal of catch basin cleaning grit has been paid directly by LCWMD using Account 6278, although no value has been formally budgeted for disposal.

Disposal of sweepings from pavement sweeping has historically been included in the cost per acre of the contractor performing the service, using Account 6276 (Sweeping). Under the new pavement sweeping contract, LCWMD is responsible for the cost of sweepings disposal.

This new Account 6283 has been created to track the disposal cost of grit, sweepings, and other solid wastes generated as the result of LWCMD’s maintenance activities, and to expressly budget for this cost.

Annual disposal of grit, sweepings, and other solid wastes is estimated at approximately 350 tons. Assuming disposal of 325 tons at \$65 per ton, and the remaining 25 tons at \$110 per ton to account for disposal of wet catch basin grit, a line item of \$23,875 is budgeted for disposal costs.

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**6300 – MAINTENANCE AND REPAIRS – Routine Maintenance and Repairs**

Recommend changing the name of this Account to “MAINTENANCE AND REPAIRS” from “Repairs.” A line item of \$3,100 is budgeted based on a projected maintenance schedule to maintain and repair current monitoring equipment, much of which was purchased in February 2016 to replace the oldest of the LCWMD monitoring equipment deployed. This line item also includes consumable accessories, such as probe caps, associated with this equipment.

**6340 – TELEPHONE**

This line item, \$1,925, represents the cost for cell phone service of the Executive Director (\$1,200) as well as the cellular plan for in the field collection of data during property inspections (\$725).

**6351 – TRAVEL – Lodging**

This line item of \$500 is for the cost of the Executive Director’s attendance of conferences and meetings.

**6353 – TRAVEL – Meals**

This line item of \$500 is for the cost of the Executive Director’s attendance of conferences and meetings.

**6354 – TRAVEL – Travel**

A line item of \$4,700 is budgeted under this account.

**6355 – TRAVEL – Conferences**

This line item of \$1,000 reflect the cost of the Executive Director’s attendance of conferences and meetings.

**6550 – SUPPLIES**

A line item of \$2,500 is budgeted under this Account. This Account is used for office supplies for the Executive Director, field work, equipment replacement, and education and outreach.

**7200 – SALARIES AND RELATED EXPENSES**

Salary, benefits, payroll taxes, and worker’s compensation insurance for Executive Director. A line item of \$95,606 is budgeted under this Account.

**Long Creek Watershed Management District**  
**Profit & Loss Budget Overview**  
July 2017 through June 2018

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<b>Ordinary Income/Expense</b>						
					Income	
				4100	· ADMINISTRATION	125,762.24
				4200	· CONSTRUCTION AND MAINTENANCE	934,795.48
				4500	· GOOD HOUSEKEEPING	312,295.72
				4600	· MONITORING	149,938.88
				4820	· INTEREST	5,000.00
					Total Income	1,527,792.32
<b>Gross Profit</b>						
						1,527,792.32
					Expense	
				5030	· BAD DEBT	38,499.55
				5040	· CONSTRUCTION	
					5042 · Engineering	195,331.07
					5044 · Permit Fees	60,110.36
					5046 · Structural	651,103.58
					5047 · Inspection and Maintenance	48,401.50
					5048 · Non-Routine Repair and Maint.	60,000.00
					5049 · Landscaping of Const. Proj.	80,000.00
					Total 5040 · CONSTRUCTION	1,094,946.51
					Total 5060 · MONITORING EXPENSE	112,500.00
					5080 · MEETINGS	3,000.00
					6000 · PROGRAM EXPENSE	
					6002 · Loan Payment	75,760.00
					Total 6000 · PROGRAM EXPENSE	75,760.00
					6160 · DUES AND SUBSCRIPTIONS	2,000.00
					6170 · EQUIPMENT RENTAL	2,000.00
					6180 · INSURANCE	
					6181 · Liability Insurance	7,000.00
					Total 6180 · INSURANCE	7,000.00
					6250 · POSTAGE AND DELIVERY	350.00
					6270 · PROFESSIONAL FEES	
					6271 · Consultant - Engineer	13,000.00
					6272 · Legal Fees	50,000.00
					6273 · Accounting	4,825.00
					6275 · Plan Implementation	341,685.00
					6276 · Sweeping	97,189.00
					6277 · Pipe Inspection and Cleaning	10,500.00
					6278 · Catch Basin Cleaning	30,000.00
					6279 · Consultant - IT/Technology	4,000.00
					6281 · Website	1,000.00
					6283 · Waste Management	23,875.00
					Total 6270 · PROFESSIONAL FEES	576,074.00
					6300 · Routine Maint. & Repairs	3,100.00
					6340 · TELEPHONE	1,925.00
					6350 · TRAVEL	
					6351 · Lodging	500.00
					6353 · Meals	500.00
					6354 · Travel	4,700.00
					6355 · Conferences	1,000.00
					Total 6350 · TRAVEL	6,700.00
					6550 · SUPPLIES	2,500.00
					7200 · Salaries & Related Expenses	
					7220 · Salaries & Wages - Other	82,307.11
					7250 · Payroll Taxes, etc.	11,453.00
					7260 · Payroll Processing & Fees	1,239.91
					7270 · Workers Comp Insurance	606.00
					Total 7200 · Salaries & Related Expenses	95,606.02
					Total Expense	2,021,961.08
<b>Net Ordinary Income</b>						
						-494,168.76
<b>Net Income</b>						
						-494,168.76



**Long Creek Watershed Management District**  
**Statement of Cash Flows**  
2016 through June 2020

Jul '15 - Jun 16

<b>OPERATING ACTIVITIES</b>	
Net Income	752,610.44
Adjustments to reconcile Net Income to net cash provided by operations:	
1200 · ACCOUNTS RECEIVABLE	26,107.44
2000 · ACCOUNTS PAYABLE	-321,180.96
1114 · Credit Card	-1,335.82
2200 · Deferred Revenue	-8,484.06
2320 · Performance Bonds	-56,887.98
Net cash provided by Operating Activities	390,829.06
<b>INVESTING ACTIVITIES</b>	
1700 · FIXED ASSETS:1780 · Construction in Process	-243,122.69
1700 · FIXED ASSETS:1790 · Accumulated Depreciation	71,676.02
1850 · Deferred Charges	934.53
Net cash provided by Investing Activities	-170,512.14
<b>FINANCING ACTIVITIES</b>	
2700 · MM BOND BANK	-75,758.30
3000 · NET ASSETS	294,976.46
3050 · Prior Period Adjustment	-294,976.46
Net cash provided by Financing Activities	-75,758.30
Net cash increase for period	144,558.62
Cash at beginning of period	1,476,875.88
Cash at end of period	1,621,434.50
Project Cash Income FY 2017	1,527,792.23
Project Cash Expenses FY 2017*	970,911.47
Projected Net Cash FY 2017	2,178,315.26
Projected Cash Income FY 2018	1,527,792.32
Projected Cash Expenses FY 2018	2,021,961.08
Projected Net Cash FY 2018	1,684,146.50
Projected Cash Income FY 2019	1,527,792.32
Projected Cash Expenses FY 2019	1,180,089.87
Projected Net Cash FY 2019	2,031,848.95
Projected Cash Income FY 2020	1,527,792.32
Projected Cash Expenses FY 2020	1,588,129.25
Projected Net Cash FY 2020	1,971,512.02

\* Reflects FY 2017 Budget less the structural components of \$1.5 million.