

## **BRUNSWICK SEWER DISTRICT**

### **Board of Trustees Regular Monthly Meeting 12 April 2011 Approved Minutes**

#### **Call to Order**

The regular monthly meeting of the Board of Trustees of the Brunswick Sewer District was called to order by Chair Priest at 7:07 pm on Tuesday, 12 April 2011, in the conference room at District offices. A prepared agenda was noted and the meeting was recorded.

Members present: Chair Priest, Trustees Schwindt, Green, Barbour, and Boochever.

Others present: General Manager Blanchette, Interim Finance Manager Lorraine Caron, Camera Operator Hedy Blauvelt, and Kathleen Tyson and Timothy Gill of Runyon Kersteen Ouelette (7:00 pm to 7:58 pm).

#### **Meeting Advertisement**

The meeting was advertised in the 08 April 2011 edition of the *Times Record*.

#### **Minutes of Previous Meetings**

The Trustees reviewed the minutes of the 15 February 2011 regular Board meeting.

*IT WAS MOVED BY TRUSTEE GREEN, SECONDED BY TRUSTEE BOOCHEVER, AND VOTED BY THE TRUSTEES PRESENT, WITH TRUSTEE BARBOUR ABSTAINING, TO ACCEPT AS AMENDED THE MINUTES OF THE 15 FEBRUARY 2011 REGULAR MEETING OF THE BOARD OF TRUSTEES.*

The Trustees reviewed the minutes of the 15 March 2011 regular Board meeting.

*IT WAS MOVED BY TRUSTEE GREEN, SECONDED BY TRUSTEE PRIEST, AND VOTED WITH TRUSTEES SCHWINDT, BARBOUR, AND BOOCHEVER ABSTAINING, TO ACCEPT AS AMENDED THE MINUTES OF THE 15 MARCH 2011 REGULAR MEETING OF THE BOARD OF TRUSTEES.*

#### **Public Comment**

Leah Beauboeuf with Formax Hasler, a vendor to the District, sent an email correspondence in reference to Darcy Dutton (Accounts Specialist). The email noted that "Darcy was great to work with. She has not only been very welcoming every time we have spoken or stopped by, but she had also extended the courtesy of speaking with some prospective customers in the area on our behalf." The Board congratulated Darcy for a job well done.

#### **Auditor's Report of Financial Statements as of 31 December 2010 (7:11 to 7:42 pm)**

Kathleen B. Tyson, CPA, and Timothy Gill, of Runyon Kersteen Ouellette of South Portland, Maine, auditors to the District, reported on the audit of District financial operations at 31 December 2010. Ms. Tyson reported that the audit went very smoothly and they encountered no obstacles in preparing the audit. She commended the staff on their preparation, effort, and cooperation. She re-

viewed the audit responsibilities, scope and timing of the audit, management representations, Management's Discussion and Analysis, and significant findings. The Auditors' opinion as a result of the audit is that the statements present fairly in all material respects the financial position of the District at the statement date.

Ms. Tyson noted that she and Mr. Gill had met with management just prior to this meeting to review internal controls due to a change in personnel since the previous audit. She is comfortable with the changes proposed by staff assuming the changes do occur. The key is to have the right people and have effective internal controls. She indicated that RKO could, should the Trustees desire, conduct a mid-year review of the control system and its implementation. The Trustees indicated that would be appropriate and requested Ms. Tyson to provide an estimate of the cost and scope of work.

Ms. Tyson briefly reviewed the financial statements and notes to the statements, as well as reports on internal control and compliance, noting that the audit revealed no matters involving internal control and no instances of non-compliance considered to be material weaknesses. The Management Discussion & Analysis, which is required by government auditing standards and prepared by District staff, comments on a number of business indicators. The audit was conducted in accordance with generally accepted accounting principles and auditing standards for governmental entities, and no difficulties were encountered.

Mr. Gill next presented a series of reports graphically depicting performance indicators comparing fiscal years 2010, 2009, and 2008. The graphs included current assets, capital assets and long-term debt, current liabilities, revenues, expenses, unrestricted net assets, capital assets net of debt, income by source, and net income. Concluding the report, Ms. Tyson and Mr. Gill answered questions posed by the Trustees.

### **Executive Session to Discuss Financial Examination Matters [1 MRSA 13 §405(6)(G)]**

At the request of the General Manager,

*IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ENTER EXECUTIVE SESSION AT 7:42 PM SO THAT THE BOARD AND THE AUDITORS COULD DISCUSS THE FINANCIAL EXAMINATIONS UNDER M.R.S.A. TITLE 1, CHAPTER 13.405.6.G*

The meeting returned from executive session at 7:58 pm following discussion of the financial examinations. No action was taken during the executive session nor any subsequent to it. The Trustees thanked Ms. Tyson and Mr. Gill for their assistance. The auditors left the meeting at 7:58 pm.

### **Treasurer's Report and Warrants**

Financial: Board Treasurer Green noted billing revenues were up approximately \$28,000, non-billing revenues were up by \$16,000, and expenditures are in the negative by \$49,000 compared to the budget projections for March. Treasurer Green also noted that U.S. Government revenues are down 54% from this time last year, which comes as no surprise due to the closing of the naval base. Topsham Sewer District is up significantly (55%). Interim Finance Manager Caron noted Topsham had been billed for their share of the treatment plant capital projects, which include the HVAC improvement project.

Warrants: The Trustees reviewed the weekly warrant reports on disbursements for the preceding month, querying staff regarding the purpose of a number of those listed. Weekly warrants for general disbursements have been reviewed and signed by the General Manager. Disbursements unusual in amount or purposes were discussed. The General Manager reported payroll and payable disbursements have been issued on consecutively numbered instruments.

**Commitments: 01 April through 30 June 2011**

*IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY TRUSTEE BARBOUR, AND VOTED BY THE TRUSTEES PRESENT, WITH THE TREASURER ABSTAINING, TO COMMIT TO THE TREASURER FOR COLLECTION RATES FOR THE PERIOD 01 APRIL 2011 THROUGH 30 JUNE 2011, IN ACCORDANCE WITH PROVISIONS OF THE DISTRICT CHARTER, BYLAWS, RULES & REGULATIONS, AND SCHEDULE OF RATES, AS COMPUTED AND SET FORTH IN THE ACCOUNTS ON FILE AT THE OFFICES OF THE BRUNSWICK SEWER DISTRICT.*

**Personnel & Benefits Policy – Four-Day Workweek: First Vote for Adoption**

Following a brief presentation, the Trustees requested that consideration for action be tabled until the next Board of Trustees meeting on 17 May 2011, pending receipt of additional information from the General Manager.

**Vehicle Use Policy: First Vote for Adoption**

*IT WAS MOVED BY TRUSTEE SCHWINDT, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, AS THE FIRST OF TWO VOTES REQUIRED, TO ADOPT THE VEHICLE USE POLICY AS REVISED FROM THE ORIGINAL VEHICLE USE PROCEDURE.*

**Facebook Policy: Second & Final Vote for Adoption**

*IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND VOTED UNANIMOUSLY BY THE TRUSTEES PRESENT, AS THE SECOND AND FINAL VOTE, TO ADOPT THE FACEBOOK POLICY WITH THE GRAMMATICAL CORRECTIONS AS NOTED.*

**Update Regarding NASB Wastewater Utility**

GM Blanchette reported on his telephone conversation with Mr. Gregory Preston, Deputy Director/Base Closure Manager, BRAC Northeast. Mr. Preston confirmed that MRRA has submitted an Economic Development Conveyance (EDC) request to the Navy for the surplus land and the utilities, including the wastewater utility. It is the Navy's intent to award the EDC to MRRA with the goal of accomplishing the transfer by September 2011. This information now provides a timeline for the District in which to consider the request from MRRA for operations and maintenance services and for a reduced treatment services rate. Chair Priest scheduled 9:00 am, Friday, 22 April, for the next committee meeting.

### **Finance Manager Position**

GM Blanchette reported that he had advertised the Finance Manager position in-house and did not receive any other applications. As such, based on the knowledge, skills, and performance exhibited by Ms. Caron as Interim Finance Manager, and pending any concern from the Board this evening, it was his intent to promote Interim Finance Manager Lorraine Caron to Finance Manager effective 13 April 2011. The promotion will have a six-month probation period that involves several performance evaluations along the way. Ms. Caron's salary will be adjusted upward to meet the entry-level salary for the position. The Board congratulated Ms. Caron and thanked her for her performance as the Interim Finance Manager.

As a follow-up to last month's presentation, the Board was provided with the résumé of Accounts Specialist Darcy Dutton. The purpose is to provide the Trustees with a better understanding of the education, skills, and abilities of the administrative staff.

### **Monthly Report of Treatment Operations**

GM Blanchette reported flow for March had increased substantially from the previous month. The total flow to the treatment plant for March 2011 was 108.7 MG, up approximately 121% from the previous month and down 22% from the prior year. Flows of 19.7 MG and 7.5 MG for the month originated with Topsham and the Navy Base, respectively. Average daily flow for the period was 3.5 MGD, or 91% of that allowed by permit. Maximum daily flow processed was 5.52 MG, on 08 March 2011. Precipitation for the month totaled 5.14", with a daily maximum of 2.66" on 05 March 2011.

Septage receiving for the period totaled 43,500 GAL, up approximately 95% from the previous month. Removal rates for BOD and TSS for the period were 88.4% and 85.5%, respectively, in compliance with the minimum 85% required for each parameter by permit. A total of 120 CY of sludge was produced. There were no bypasses or spills, and all flow to the plant received full treatment.

### **General Manager's Report**

- HVAC Project Status. All buildings are now heated with natural gas. All three new boilers are on-line. Pipe insulation has begun.
- MMA Safety Scholarship Grant. GM Blanchette noted the District has received the \$2000 safety scholarship grant payment from MMA. The grant was reimbursement for the 2010 Scholarship Grant awarded for the District to conduct Confined Space Rescue Training for staff.
- Lincoln Street Sewer Replacement. GM Blanchette reported that the Advertisement for Bids for replacement of the Lincoln Street sewer has gone out. The bid opening is scheduled for 11:00 am, 28 April 2011. This work is in lieu of the Richards Drive pipe upsize project approved in the capital budget. The Richards Drive budget was \$120,000. Management will seek Board approval if the bids exceed that amount.
- Summer Interns. AGM Pontau has advertised at UMO for two summer intern engineering posi-

tions. The District included money in the budget for one position, but has since opted for two positions due to the availability of additional funds resulting from the departure of two employees. Expected start dates are 04 May and 11 May.

- Merrymeeting Rowing Club Lease Update. GM Blanchette provided a copy of the draft lease prepared by the District’s attorney for lease of a portion of the Water Street Pump Station property to the Merrymeeting Rowing Club. No action is being sought until next meeting. The club is seeking 501(c)3 status by becoming a chapter of the Portland Community Rowing Association and would be known as the Merrymeeting Community Rowing Association. The District’s attorney advises that this will not present an issue with the lease.

**Schedule of Upcoming Meetings, Events, etc.**

•Trustees Regular	Tuesday	17 May 2011	7:00 pm
•Trustees Regular	Tuesday	14 June 2011	7:00 pm
•Trustees Regular	Tuesday	12 July 2011	7:00 pm

**Executive Session to Discuss a Personnel Matter [1 MRSA 13 §405(6)(A)]**

At the request of the General Manager,

*IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ADJOURN AND ENTER EXECUTIVE SESSION AT 9:16 P.M. SO THAT THE BOARD COULD DISCUSS A PERSONNEL MATTER UNDER M.R.S.A. TITLE 1, CHAPTER 13.405.6.A.*

The meeting returned from executive session at 9:30 p.m. following discussion of a personnel matter. No action was taken during the executive session nor any subsequent to it.

**Remarks from the Chair**

Chair Priest thanked the Trustees and the General Manager for their time and assistance.

**Adjournment**

There being no further business to come before the Board, the meeting adjourned at 9:30 pm.

Attest:

Emily Boochever  
Clerk, Board of Trustees