

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
13 September 2011

Minutes for approval

Call to Order

The regular monthly meeting of the Board of Trustees of the Brunswick Sewer District was called to order by General Manager Blanchette at 7:02 pm on Tuesday, 13 September 2011, in the conference room at District offices. A prepared agenda was noted and the meeting was recorded.

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

Others present: General Manager (GM) Blanchette, Assistant General Manager (AGM) Pontau, Camera Operator Madison Brownne, Mrs. Bonnie Shippen, and Mr. Thomas Brubaker from MRRA.

Absent: Vice Chair Schwindt, Finance Manager (FM) Caron.

Meeting Advertisement

The meeting was advertised in the Friday, 09 September 2011, edition of the *Times Record*.

Minutes of Previous Meeting

The Trustees reviewed the minutes of the 16 August 2011 regular Board meeting. Trustee Boochever noted she was in the process of making the formatting corrections and will be sending over requested changes soon.

IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ACCEPT THE MINUTES OF THE 9 SEPTEMBER 2011 REGULAR MEETING OF THE BOARD OF TRUSTEES.

Public Comment

There was no public comment.

Treasurer's Report

Financial: Trustee Green noted that the District is ahead in billing revenue from last month by approximately \$2,000. Non-billing revenue has improved from last month's \$14,000 below-budget projection to \$8,000 this month, and revenue subtotal is about \$44,000 to the good. Operating expenditures are below projection by approximately \$77,000, and non-operating expenditures are \$16,000 below the year-to-date budget expenses. Revenue less expenditures is \$137,000 ahead of the projected budget. Trustee Green believes the District will catch up with that amount with upcoming capital expenditures.

Receivables: Trustee Green noted that receivables aging is about \$3,000 higher than last month but that liens are down to \$400 from \$900 last month. GM Blanchette noted he was pleased with the great job Ms. True is doing.

Forecasted vs. Actual Revenue: Trustee Green noted that the U.S. Government revenue is down \$38,000 from the budgeted amount and continues to fall below the projected amount. The bottom line of operating and non-operating expenses is ahead of projection by about \$70,000.

Trustee Barbour noted that the entrance charge program is quite high. GM Blanchette responded that it is picking up, with two residential payments are currently due.

Warrants: The Trustees reviewed the weekly warrants on disbursements for the preceding month, querying staff regarding the purpose of a number of those listed. Weekly warrants from general disbursements have been reviewed and signed by the General Manager. Disbursements unusual in amount or purposes were discussed. GM Blanchette noted that all checks for disbursement and payroll were on consecutively numbered instruments, and consecutive from the previous month.

Line items questioned were several items listed with Cardmember Services, charges to E.A. Burns' Fencing, New England Organics, Tribridge Holdings and Dig Safe. GM Blanchette explained the Cardmember Services expense was for the credit card account, for which five employees hold cards; the E.A. Burns' Fencing expense was to repair the fence on Water Street; the New England Organics expense is the reservation fee the District pays during months it does not have compost to reserve space for when it is needed; the Tribridge Holdings expense was for the accounting software update; and Dig Safe is an expense of \$1.00 per request, and it is billed quarterly.

Commitments: 01 October through 31 December 2011

IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY CHAIR PRIEST, AND VOTED BY THE TRUSTEES PRESENT, WITH TREASURER GREEN ABSTAINING, TO COMMIT TO THE TREASURER FOR COLLECTION RATES FOR THE PERIOD 01 OCTOBER 2011 THROUGH 31 DECEMBER 2011, IN ACCORDANCE WITH THE PROVISIONS OF THE DISTRICT CHARTER, BYLAWS, RULES AND REGULATIONS, AND SCHEDULE OF RATES, AS COMPUTED AND SET FORTH IN THE ACCOUNTS ON FILE AT THE OFFICES OF THE BRUNSWICK SEWER DISTRICT.

Close-out of U.S. Navy Contracts

Thomas Brubaker from MRRA attended the meeting but chose not to speak. GM Blanchette noted he received a call from Unites States Navy in Norfolk, VA, inquiring as to the notice period required to close out its contracts with the District. GM Blanchette noted there is a 30-day notice requirement and asked the Board if the District would consider waiving the 30-day notice and allow the USN to close out their contracts by the end of their current fiscal year, which is 30 September 2011. At that time MRRA will take over all billing for wastewater services for Brunswick Landing and Capehart under the same conditions as currently in force, without a contract. The USN contract is not transferrable to MRRA.

GM Blanchette received a call the next day from the USN, Norfolk, regarding a change in the billing address. GM Blanchette believed they wanted the District to send it to MRRA. The person he spoke with was unaware that the Navy was closing out the contracts.

Mr. Brubaker, from MRRA, spoke to the board and noted the confusion might have been due to a change in property management within USN, Norfolk, operational structure.

Mr. Brubaker left the meeting at 7:28 pm.

Fixed-Asset Policy Revision: First Vote for Adoption

GM Blanchette noted the Fixed-Asset Policy was adopted by the Board in June/July 2001. At that time the fixed-asset capitalization threshold was set at \$2,000. It is the recommendation of the Finance Manager and the auditors that the level be increased to \$5,000.

As a policy matter, this revision will require two votes for adoption.

IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, IN THE FIRST OF TWO VOTES TO BE TAKEN, TO ADOPT AS PRESENTED THE REVISIONS TO THE FIXED-ASSET POLICY. A SECOND VOTE WILL BE TAKEN AT THE NEXT BOARD MEETING.

Procurement and Purchasing Policy Revisions: First Vote for Adoption

GM Blanchette noted the main purpose for the revisions is to streamline both the policy and its implementation. While still maintaining the requirement for purchase authorizations on all purchases, the District is amending the procedure so as to limit the number of purchase orders required to be filled out for purchases of \$250 or more. The District is also using the opportunity to remove redundant and unnecessary language.

Chair Priest requested a change be made under section K to read "...or alternatively, vendors within the State of Maine".

As a policy matter, these revisions will require two votes for adoption.

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE BOOCHEVER, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, IN THE FIRST OF TWO VOTES TO BE TAKEN, TO ADOPT AS AMENDED THE PROCUREMENT AND PURCHASING POLICY REVISIONS. A SECOND VOTE WILL BE TAKEN AT THE NEXT BOARD MEETING.

Acceptance of Constructed Wastewater Facilities: MacMillan V Subdivision

GM Blanchette presented the Board with a letter, easement, and map of the MacMillan V Subdivision provided by the developer in the request for wastewater facilities takeover. Inspections were completed in three construction phases in 2005, 2006, and 2007. Video inspections were completed in 2006 and 2007, and again in 2011. No deficiencies in the work were discovered. All warranty periods have expired. The town accepted Phase I roads in 2006 and Phase II roads in 2008. The easement rights have been executed and recorded.

*FACILITIES ACCEPTANCE RESOLUTION
MACMILLAN V SUBDIVISION, BRUNSWICK, MAINE 13 SEPTEMBER 2010*

WHEREAS the MacMillan Company of Brunswick, Maine, has constructed and is owner of wastewater facilities within the rights-of-way of Tamarack Drive, Magnolia Lane, Walnut Lane, Huckleberry Lane, and Alder Drive, and within the sewer easement along the boundary line of subdivision plan Lots 28 and 29 and Lots 21 and 22; collectively known as

MacMillan V Subdivision, all in the Town of Brunswick, Maine; which wastewater facilities comprise approximately 2,337 feet of 8-inch-diameter gravity sewer lines; approximately 245 feet of 2-inch-diameter pressure sewer lines; and nineteen (19) maintenance holes; and

WHEREAS the MacMillan Company of Brunswick, Maine, has expressed its desire to effect a transfer of ownership of these wastewater facilities from the MacMillan Company to the Brunswick Sewer District, all as more particularly described in a letter request by the MacMillan Company dated 18 August 2011 and on file at Brunswick Sewer District offices; and

WHEREAS the Brunswick Sewer District is the appropriate entity to own and maintain said wastewater facilities;

NOW, THEREFORE, IT IS RESOLVED that the Board of Trustees of the Brunswick Sewer District does hereby accept ownership of the sanitary sewer facilities herein described.

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, TO ADOPT, AS AMENDED, THE PROPOSED RESOLUTION DATED 13 SEPTEMBER 2011 FOR ACCEPTANCE OF THE WASTEWATER FACILITIES CONSTRUCTED WITHIN THE RIGHTS-OF-WAY OF TAMARACK DRIVE, MAGNOLIA LANE, WALNUT LANE, HUCKLEBERRY LANE, AND ALDER DRIVE, AND WITHIN THE SEWER EASEMENT ALONG THE BOUNDARY LINE OF SUBDIVISION PLAN LOTS 28 AND 29 AND LOTS 21 AND 22, TO SERVE THE MACMILLAN V SUBDIVISION.

Employee Educational Assistance Program: Review and Comments

GM Blanchette noted the District is not seeking any action at this time. This is the first draft of an employee educational assistance program based on the Town of Brunswick's plan and amended to meet our needs. The program follows the IRS guidelines, which provide for an annual tax-free benefit of up to \$5,250 per employee. This program allows the District to set standard and consistent guidelines and conditions under which it will offer and implement this program. The goal at this time is to obtain the Board's comments, concerns, and suggestions so as to develop an adoptable program that staff can plan for and implement in 2012.

GM Blanchette noted the District had in previous years paid for the books and tuition of an employee to obtain an Electrical Associate's Degree. A current employee has recently asked to take the same degree program at CMMC, and the District would like to adopt this policy to accept the employee under the new guidelines.

The guidelines of the Educational Assistance Plan state the conditions under which the employee must complete the requested courses. These include: (a) one must be an eligible employee, (b) the employee is not allowed to take more than eight credit hours in a semester, (c) the employee must complete and attain a passing grade, and (d) classes must pertain to work and be approved by management. Any guidelines not followed will result in the employee's paying course costs and reimbursing the District for any cost it has incurred.

The program also includes a separate signed agreement requiring reimbursement of stated amounts if the employee leaves District service within a three-year period following completion of the educational program. Following some discussion, the Board of Trustees requested that the details of the agreement also be placed in the policy, that the reimbursement amounts be stated as percentages, and that both program and agreement be reviewed by legal counsel. GM Blanchette agreed, reiterating that he had placed the

Educational Assistance Program on the agenda to start the discussion and not to seek action at this time.

Monthly Report of Treatment Operations

AGM Pontau reported the total flow to the treatment plant for August 2011 was 50.8 MG, down approximately 7% from the previous month and down 8% from the prior year. Flows of 8.0 MG and 2.5 MG for the month originated with Topsham and the Brunswick Landing (formerly the Naval Air Station), respectively. Average daily flow for the period was 1.6 MG, or 43% of that allowed by permit. Maximum daily flow processed was 1.9 MG, on 29 August 2011. Precipitation for the month totaled 5.48", with a daily maximum of 1.34" on 28 August 2011.

Septage receiving for the period totaled 213,800 GAL, up approximately 24% from the previous month. Removal rates for BOD and TSS for the period were 95.7% and 95.1%, 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.

Finance Manager's Report

In FM Caron's absents, GM Blanchette reported the following:

- Staff Training: The training process will continue with an Excel class Ms. True and Ms. Dutton are scheduled to attend. GM Blanchette believes there is an HR seminar that FM Caron and Ms. True will be attending.
- 2012 Budget Preparations: FM Caron is continuing to work on the budget. An Excel spreadsheet has been created showing the expense report. She is also working on condensing the budget list to group certain expenses together.
- Updating of Financial Reports: FM Caron updated the Capital report as requested and is currently working on changes to the Variance Analysis as requested by Treasurer Green. Those changes will be reflected on next month's report. GM Blanchette noted FM Caron has been working diligently on these items and is doing a great job.

Assistant General Manager's Report

- Administration Building Evaluation: The Board should have received copies of the Building Evaluation Report last month. Looking at the structural report, the existing structure is sound, and renovating is more cost effective than constructing a new building. The existing flat roof is structurally sound, but a 2½" deflection from snow loads during the winter months can cause the suspended ceiling to sit on the walls, with the attendant issues of puddling and bowing. The additional renovation cost to construct a pitched roof would be \$40,000.
- Treatment Plant Outfall Repairs: This work was completed the Friday before Hurricane Irene arrived. There may need to be some grass restoration due to loss of hay during the storm, but other than that H.C. Crooker & Sons did a great job. The final bill was \$3,300, which is less than the \$5,000 expected.

- Web Page: The new web page is being created by Charlie Banks at Designwrite. The home page is complete, and GM Pontau is working with Charlie Banks to include additional information.
- Summer Intern Wrap-Up: Andrew Strout is a University of Maine Survey Engineer Major who joined us as an intern working on GIS and computer maintenance over the summer. Mr. Strout developed a database on the iPad for plant walk-arounds. The program provides a checklist to follow while walking around the plant making sure everything is working properly, which is done twice a day. The program works much faster than the older system of handwriting notes and then having to enter the information in the computer. When he has time, Mr. Strout occasionally comes back in to work on updating programs. AGM Pontau noted he is a really “good guy” to work with. The Trustees suggested a letter of appreciation be presented to Mr. Strout.
- Generator Purchase: AGM Pontau informed the Board that the District has been looking into purchasing a generator for next year. One was found in Utah that had been purchased for a job and never used. The seller is asking \$60,000, which is more than was budgeted for a replacement generator. A new generator would cost approximately \$100,000. Discussion is ongoing, but management is considering making the purchase this year or rolling it into next year’s budget. AGM noted that if the generator is purchased this year, its funding would come out of the Capital and Depreciation Reserves, as approved in the budget.

General Manager’s Report

- Tobacco-Free Workplace Policy: The District is becoming a tobacco-free workplace, not just smoke-free. This policy will hopefully be presented for approval next month. Once the policy is adopted, staff will have six to nine months to get used to it before it becomes enforced. GM Blanchette is speaking with our health insurer, MMA Health Trust, to see what kind of help is available to employees if they choose to quit using tobacco products.
- WEF-TEC Attendance: Supervisor Greg Thulen will be attending the Water Environment Federation Conference, WEF-TEC, in Los Angeles in October. AGM Pontau noted that Supervisor Wes Wharff will be attending the APWA Conference in Denver next week.
- MMA Loss Control Leader Program: As part of our Workers Comp insurance program, the District participate in Maine Municipal Association’s Loss Control Leader Program. Ann Schneider from MMA came in last week to meet with management staff and go over the program and their concerns, which are attached in the report handed out. With the busy summer and change in employees, the safety meetings have not been held as often over the past year. GM Blanchette noted that regular meetings will be starting up again this month, and all items of concern in the report will be addressed. The Trustees requested a monthly update on our progress in completing the Action Items noted in the report.
- W/C Experience Modification Rating: The District’s Workers Comp Experience Rating for 2012 is 0.89, a four-point decrease from the 2011 rating. This represents an 11%

decrease in the District's workers comp insurance for 2012. GM Blanchette will have the actual billing numbers for next meeting.

Schedule of Upcoming Meetings, Events, etc.

The upcoming meetings are as follows:

- Trustees Regular Tuesday 11 October 2011 7:00 pm
- Trustees Regular Tuesday 15 November 2011 7:00 pm
- Annual Budget Tuesday 29 November 2011 7:00 pm
- Trustees Regular Tuesday 13 December 2011 7:00 pm

Remarks from the Chair

Chair Priest thanked the Trustees, GM Blanchette, AGM Pontau, Camera Operator Madison Brownne, and Mrs. Bonnie Shippen for their time.

IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, TO ADJOURN THE MEETING AT 8:37 PM.