

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
17 January 2012

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 7:03 pm on Tuesday, 17 January 2012, in the conference room at District offices. A prepared agenda was noted and the meeting was recorded.

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

Others present: General Manager (GM) Blanchette, Finance Manager (FM) Caron Assistant General Manager (AGM) Pontau, Camera Operator Madison Brownne, and Mrs. Bonnie Shippen.

Meeting Advertisement

The meeting was advertised in the Friday, 13 January 2012, edition of the *Times Record*.

Minutes of Previous Meeting

The Trustees reviewed the minutes of the 13 December 2011 regular Board meeting. There was one change in wording requested from the Board.

IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ACCEPT THE MINUTES OF THE 13 DECEMBER 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 ended the year \$144,000 to the good and appears to be in good shape. He noted billing revenue was ahead of budgeted and that non-billing revenue ended the year lower than projected. Overall the District ended the year ahead \$122,000 in projected revenue.

Trustee Green noted the District's operating expense is less than what was expected at the end of the year. In non-operating expenditures, capital improvement is \$102,000 higher than expected. GM Blanchette explained that capital improvement is over budget due to the

purchase of a used generator and analysis of the secondary clarifier, which both cost more than anticipated.

Receivables: Trustee Green noted receivables are a little high, but it is not something to be concerned about right now. Liens continue to be low, currently at \$900 for the month of December, of which \$800 is from one customer.

Forecasted vs. Actual Revenue: Trustee Green noted that residential revenue was below forecasted and commercial revenue was above forecasted at the end of year. Brunswick Landing, formerly the Naval Air Station, is approximately \$9,000 below forecasted. Topsham Sewer District is considerably above end-of-year projection, and septage also ended the year ahead of projection.

Chair Priest noted that the end of the year finished very well even with the loss of the Naval Air Station (now Brunswick Landing) and the extra expense in capital.

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 payments to Bonney Staffing, cell phone reimbursements, uniform expenses, garnishments, and Technivet. GM Blanchette explained the Bonney Staffing payment was for Bonnie Shippen, who works as an A/P clerk and also completes the monthly Board meeting minutes. AGM Pontau noted management decided it was more cost effective to give several employees an allotted stipend for use of their personal cell phones for work purposes than having the District purchase new phones. All full-time employees in 2011 were allowed \$250 to purchase uniforms. Some purchases are to replace worn clothing, or the employee might choose to purchase an extra sweatshirt. Garnishments are State-ordered deductions from an employee's paycheck; in this case, it is for child support payments. FM Caron explained that Technivet is a company that has been paying the District in error; Ms. Dutton had researched the matter and determined the amount that needed to be reimbursed to them.

Trustee Boochever asked, in light of various fraud cases lately, what steps have been taken within the District to prevent fraudulent purchases. GM Blanchette noted all work completed within the finance department is first checked by FM Caron and then himself. All invoices that come in for payment must have backup paperwork and are reviewed by FM Caron before processing and then reviewed again by FM Caron and GM Blanchette before the check is signed. All checks are then reviewed by the Board listed in the monthly warrants.

Trustee Schwindt recommended the report of treatment operations be moved up in the meeting agenda to go along with the rest of the District's operations.

Monthly Report of Treatment Operations

AGM Pontau reported that the total flow to the treatment plant for December 2011 was 67 MG, up approximately 10% from the previous month and down 19% from the prior year. Flows of 12.2 MG and 4.8 MG for the month originated with Topsham and Brunswick

Landing, respectively. Average daily flow for the period was 2.1 MG, or 56% of that allowed by permit. Maximum daily flow processed was 2.7 MG, on 14 December 2011. Precipitation for the month totaled 3.61", with a daily maximum of .71" on 8 December 2011.

Septage receiving for the period totaled 84,950 GAL, down approximately 54% from the previous month. Removal rates for BOD and TSS for the period were 94.0% and 92.9%, respectively, in compliance with the minimum 85% required for each parameter by permit. A total of 168 CY of sludge was produced. There were no bypasses or spills, and all flow to the plant received full treatment.

Yearly Report of Treatment Operations

AGM Pontau reported the total flow for 2011 was quite low at 847 MG, which was 15.7% less than 2010. NASB/Brunswick Landing flow was 56.2 MG, down 21.6%, and Topsham flow was 135.4 MG, down 2.1% from 2010. Average daily flow for 2011 was 2.3 MG, or 60.2% of that allowed by permit. Maximum daily flow processed was 5.9 MG on 18 April 2011. Precipitation for the year totaled 45.94", with a daily maximum of 2.66" on 7 March 2011 and a monthly maximum of 7.14" in October 2011.

Septage receiving for the year totaled 1,543,050 GAL, up 11.1% from 2010. The monthly annual average removal rates for BOD and TSS for the year were 93.1% and 90.9%, respectively. A total of 1,553 CY of sludge was produced. There were no bypasses or spills in 2011, and all flow to the plant received full treatment.

Presentation of Adopted 2012 Operations Budget

The accepted 2012 Budget and Budget Narrative was bound and distributed to the Board of Trustees.

Amendments to Personnel Policy: Second and Final Vote for Adoption

GM Blanchette noted that, as was discussed during the December Board meeting, the District is seeking the final of two votes for three changes to the Personnel Policy.

- Operator License/Certification Supplemental Pay: GM Blanchette explained that this program allows an employee to receive a pay increase of \$0.25 per hour for each operator certification received above and beyond the requirements of his or her job description.

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, AS THE SECOND AND FINAL VOTE REQUIRED, TO ADOPT THE OPERATOR LICENSE/CERTIFICATION SUPPLEMENTAL PAY AMENDMENT TO THE PERSONNEL POLICY.

- Addition of a Goals Bonus Program: GM Blanchette noted this program is intended to get the most work (quality and quantity) from the District's employees. This is a performance-based rewards system that can be administered either individually or on a team basis. Employees would be rewarded 1% of their gross base pay for each goal accomplished, up to a maximum of 3% a year. Chair Priest noted he would like to see a cost-benefit analysis demonstrating the possible savings to the District. AGM Pontau distributed to the Board a two-page

Bonus Program Cost-Benefit Analysis. A report will be created at the end of 2012 to show where the savings were incurred.

IT WAS MOVED BY TRUSTEE BOOCHEVER, SECONDED BY TRUSTEE BARBOUR, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, AS THE SECOND AND FINAL VOTE REQUIRED, TO ADOPT THE ADDITION OF A GOALS BONUS PROGRAM.

- Revision to Sick-Leave Policy: GM Blanchette noted that approximately six employees carry over 680 hours of sick time, with some at the maximum of 960 hours. Under current policy, a departing employee with at least 240 hours is paid for one-half of all accumulated sick leave. This policy revision will reduce the District's future liability by buying out one-half of all leave beyond 240 hours, thereby reducing and limiting sick time to a maximum of 240 hours per employee at the end of 2012. This policy also states that when an employee leaves the District for any reason, he or she will not be compensated for any accumulated sick leave. In lieu of payment upon separation, at the end of each year employees will be eligible to "sell back" one-half of their unused sick time accumulated during that year. The funding is listed in the 2012 Budget as "other expense."

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, AS THE SECOND AND FINAL VOTE REQUIRED, TO ADOPT THE REVISION TO THE SICK LEAVE POLICY.

Appointment of District Legal Counsel for 2012

GM Blanchette respectfully suggests a motion to appoint the firm of Moncure & Barnicle as legal counsel to the District for 2012, provided that the General Manager may refer specific questions elsewhere as deemed in the best interest of the District.

IT WAS MOVED BY TRUSTEE GREEN, SECONDED BY TRUSTEE BOOCHEVER, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO APPOINT THE FIRM OF MONCURE & BARNICLE AS LEGAL COUNSEL TO THE DISTRICT FOR 2012.

Finance Manager's Report

- ADP (Payroll processor) Implementation Update: FM Caron noted that ADP took over payroll processing three weeks ago. She is still working on getting updated vacation accruals on pay stubs for the employees, but other than that everything else has been running smoothly.
- Update on 2011 Year-end Audit: FM Caron noted that they are preparing for the year-end audit scheduled for 7 February 2012. She also noted that two employees have been out on bereavement leave, but believes the staff will still be ready for the audit.

Assistant General Manager's Report

- State Revolving Fund (SRF) Proposal to MDEP: AGM Pontau reported that the District would apply for a SRF loan to pay for the administrative building remodel. He has proposed using a design-build format for the construction to the DEP. Maine

DEP has not had a good experience working with design-build projects in the past. AGM Pontau sent the DEP a proposal that outlined the proposed process. He has been speaking with Karen Heffler at the DEP, and it appears the design-build proposal will be approved. RFPs should be out by next meeting, and the District is looking to start renovations this summer. The staff may have to do some moving around but should have no problem continuing to work. The goal is to build to LEED standards, yet not pay the additional cost to be certified.

- Richards Drive Flow Data: AGM Pontau has been studying the flows at Richards Drive and was disturbed by the results. There appears to be a high volume of I&I from residential sump pumps flowing to the Main Street Pump Station. He estimates inflow at approximately 50 MG per year. Several homes in that area have drainage that ties into the sanitary sewer lines instead of town storm drains. AGM Pontau believes a hold should be put on the Richards Drive construction in order to do a study for a possible redirection of flow. The Board discussed the many possibilities and cost involved in this study and the best way to fund it without putting a burden on homeowners.
- Treatment Plant Evaluation Update: AGM Pontau reported that Ransom Consulting Engineers has been hired as the owners' representative to help with administration of the evaluation of the treatment plant.
- MMA Site Visit Report: AGM Pontau noted Ann Schneider sent the District a list of corrective actions from her 2 November 2011 visit. The District was given a 1 March 2012 completion date, although most of the items were completed that day. AGM Pontau also noted the Safety Committee has been meeting monthly and has been running very smoothly. They may start meeting every other month this spring.
- Rate Payer Survey Report: AGM Pontau noted 1,200 surveys were mailed to customers regarding other options for paying their sewer bill. Approximately 300 were returned, with only 19 customers filling out the survey online. The results show 6.3% already use automatic withdrawal, yet 16% weren't aware this option was available. As a result of the survey, several more customers have started using automatic withdrawal. AGM Pontau noted the District will look into pursuing credit card payments and will be publicizing the customer's option to use automatic withdrawal.
- Topsham Rental Center Auction: AGM Pontau noted the Topsham Rental Center had closed and an auction will be held on Thursday. He is interested in purchasing several small tools and considering the possibility of purchasing a forklift that is budgeted for 2012. Also attending will be Supervisors Wes Wharff and Greg Thulen.
- Tree Removal Efforts: AGM Pontau noted there has been significant removal of dead wood around the Administrative building. There has also been considerable trimming of trees around the pump stations.

General Manager's Report

- MMA Line Maintenance / Sewer Backup Notice: GM Blanchette reported that, in order to comply with the District's insurance policy, a memo was sent out to the

employees directing them to not claim any responsibility or volunteer that the District will take care of the cost and damages for sewer backups. Rather, it is recommended that employees tell customers the District is insured and will file a claim with its insurance company on behalf of the property owner.

- MMA Annual Audit Letter Report: GM Blanchette distributed to the Board the financial statement of the Maine Municipal Association Property and Casualty Pool. He noted the financial condition of the Pool continues to strengthen.
- 2012 Board Meeting Schedule: GM Blanchette distributed to the Board the preliminary twelve-month calendar of scheduled Board meetings. This list has been sent to the Town of Brunswick for the community calendar.
- People's United Bank Staff Changes: GM Blanchette received a letter from People's United Bank stating that Rob Snow had left and that the District will have new contacts at PUB.
- Merrymeeting Rowing Club Annual Report Letter: GM Blanchette distributed to the Board the annual update letter from Merrymeeting Rowing Club. The letter noted that a fence has been installed and that they have been using the property since 1 August 2011 and are looking forward to the 2012 rowing season.
- Fraud Alert, Embezzlement 101: GM Blanchette distributed the article *Fraud Alert, Embezzlement 101* to the Board. Discussion continued among the Board from the conversation earlier in the meeting regarding steps that are in place to prevent this from happening. GM Blanchette noted there had been discussion of forced vacations as one step in fraud prevention.
- Next on the Agenda Article: GM Blanchette distributed the article *Next on the Agenda*, which describes a city in Iowa that has done away with paper reports at its meetings and has instead provided the elected officials and committee members with I-Pads containing all the meeting documents and information. He felt this was something to consider doing in the future, although it is not in the budget for 2012.

Schedule of Upcoming Meetings and Events

The upcoming meetings are as follows:

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| • Trustee Regular | Tuesday | 14 February 2012 | 7:00 pm |
| • Trustee Regular | Tuesday | 13 March 2012 | 7:00 pm |
| • Trustee Regular | Tuesday | 17 April 2012 | 7:00 pm |

Remarks from the Chair

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

Executive Session to Discuss a Personnel Matter

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ENTER INTO EXECUTIVE SESSION TO DISCUSS A PERSONNEL MATTER AT 9:11 PM.

The Trustees returned from executive session at 9:29 pm after discussing a personnel matter. No action was taken in executive session and no action was taken subsequent to the executive session.

Adjournment

There being no further business before the Board,

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ADJOURN THE MEETING AT 9:29 PM.

Attest:

Emily Boochever
Clerk, Board of Trustees