

BRUNSWICK SEWER DISTRICT
Board of Trustees Special Meeting
20 March 2012

Minutes for Approval

Call to Order

The special meeting of the Board of Trustees of the Brunswick Sewer District was called to order by General Manager (GM) Blanchette at 7:00 pm on Tuesday, 20 March 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, and Trustee Boochever. Trustee Barbour participated via Skype.

Absent: Trustee Green.

Others present: GM Blanchette, Assistant General Manager (AGM) Pontau, Camera Operator Rebecca Carleton, Mrs. Bonnie Shippen (Minutes); and Stuart Kay, Superintendent from the Topsham Sewer District.

Meeting Advertisement

The meeting was advertised in the Monday, 19 March 2012, edition of the *Times Record*.

Public Comment

There was no public comment.

Midcoast Regional Redevelopment Authority Rate Review Request

GM Blanchette noted the purpose of the special meeting is to review the payment deferment request from Midcoast Regional Redevelopment Authority (MRRA). The original request was for a six-month term beginning with the March sewer use charge. The request was amended to also include February charges. GM Blanchette and AGM Pontau met with Steve Levesque at MRRA on Friday, 16 March 2012, and developed three payment options to present to the Board of Trustees. They are as follows:

1. Defer the full amount of the I&I (inflow and infiltration) portion of sewer use charges.
2. Defer half the amount of the I&I portion of sewer use charges.
3. Defer half the full sewer use charges

GM Blanchette noted that Mr. Levesque was concerned that deferring the full amount would make the final balloon payment in September or October too high if they are unable to repair the I&I portion. Mr. Levesque also noted deferring half the I&I may not be enough, and therefore GM Blanchette agreed to present option #3.

Chair Priest asked what the possible amounts owed would be. GM Blanchette responded that the amount for a seven-month deferment, based on 2011 flows and assuming no removal of I&I from the system, would be \$112,000. The total amount deferred based on the past three-year average would be \$134,000. GM Blanchette believes that once MRRA starts fixing the I&I problem, the amount of the I&I deferment would decrease.

Trustee Schwindt questioned what the District would be charging MRRA for interest. GM Blanchette noted Treasurer Green had recommended not charging interest, although Chair Priest believes MRRA is more likely to reimburse the District if interest is being charged. AGM Pontau proposed not charging interest until the loan comes due, and if payment in full isn't made by the due date, a penalty equal to interest incurred from the beginning of the loan would be added.

Chair Priest asked how the District would handle the loss of revenue during the seven-month deferment. GM Blanchette replied that certain capital expense items can be put off until the end of the year. He also noted that the District can use reserves and reimburse the reserve account when the District is reimbursed by MRRA.

The Board discussed all the options given and agreed to defer half the I&I portion of MRRA's sewer use charges for seven months. At that time the full amount deferred will be due in one balloon payment. The Board agreed not to charge interest unless payment in full is not made by 30 September 2012, after which time a penalty of 1½% per month interest incurred from the beginning of the loan will be added to the debt.

IT WAS MOVED BY CHAIR PRIEST, SECONDED BY TRUSTEE BARBOUR, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO DEFER HALF THE I&I PORTION OF MRRA'S SEWER USE CHARGE FOR A SEVEN-MONTH PERIOD BEGINNING FEBRUARY 2012. THE FULL AMOUNT OF THE DEFERRED PAYMENTS WILL BE DUE WITHOUT INTEREST BY 30 SEPTEMBER 2012. IF, AFTER 30 SEPTEMBER 2012, MRRA HAS NOT MADE FULL PAYMENT OF THE DEFERRED AMOUNT, INTEREST OF 1½% PER MONTH IS TO BE CHARGED FROM THE BEGINNING OF THE DEFERMENT PERIOD.

GM Blanchette was directed to draft an agreement to that effect.

Sump Pump Removal Program – Bowdoin Park

AGM Pontau previously distributed to the Board the proposed outline for the Sump Pump Removal Program at Bowdoin Park. He noted the following steps for the Board:

1. Send informational pamphlets to all rate payers.
2. Send letter to residents of Bowdoin Park neighborhood by April 1, 2012.
3. Conduct inspections throughout the month of May.
4. Analyze results and update Board at June Meeting.

If analysis determines we should move forward,

5. Begin communications and attend meeting with the Town – Public Works and Town Manager.
6. Develop plans for installation of stormwater service lines to each residence, starting with MacMillan Drive.
7. Begin construction of service lines in mid-July.
8. Plan on completing construction by 01 September 2012.

- 9. Utilize \$160,000 in entrance charge funds to pay for the project by redirecting funds approved for the Richards Drive pipe up-sizing project.

The Board discussed the proposed steps to complete the Sump Pump Removal Project. Chair Priest noted pamphlets should only be sent to those affected, not in a general mailing to all ratepayers. He also noted a meeting with the homeowners should come immediately after mailing notifications. It is his opinion that homeowners will have a lot of questions once they receive the pamphlets, and having a meeting already scheduled would make things go more smoothly. Trustee Boochever recommended sending a smaller, more concise letter emphasizing that the homeowner will incur no cost as part of this process.

Chair Priest noted the Board is in agreement for the District to carry out the motions to move on this project. AGM Pontau stated the District will start with MacMillan Drive, sending out letters and organizing a neighborhood meeting. A second letter will follow up with final information, and then inspections will occur to determine the actual number of sump pump connections involved.

Stuart Kay, Superintendent for Topsham Sewer District and former Brunswick Sewer District Collection Division Supervisor, was in the audience. He noted that sump pumps have been a problem area, and this is a welcomed project.

Schedule of Upcoming Meetings and Events

The upcoming meetings are as follows:

- Trustee Regular Tuesday 17 April 2012 7:00 pm
- Trustee Regular Tuesday 15 May 2012 7:00 pm
- Trustee Regular Tuesday 12 June 2012 7:00 pm

Remarks from the Chair

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

Adjournment

There being no further business before the Board,

IT WAS MOVED BY TRUSTEE SCHWINDT, SECONDED BY TRUSTEE BOOCHEVER, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT TO ADJOURN MEETING AT 8:05 PM.

Attest: _____
 Emily Boochever
 Clerk, Board of Trustees