

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
20 December 2012

Approved Minutes

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 7:08 pm on Thursday, 20 December 2012, in the conference room at Building #27, 8 Ventura Boulevard, Brunswick Landing, Brunswick, Maine. A prepared agenda was noted and the meeting was recorded.

Members present: Chair Priest, Trustees Harvey, Sartoris, and Barbour.

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

Absent: Trustee Green; Finance Manager (FM) Caron

Meeting Advertisement

The meeting was advertised in the Friday, 07 December 2012, edition of the *Times Record*.

Public Comment

GM Blanchette received a request in November from the homeowner at 5 Sumac Drive seeking an adjustment for possibly two quarters due to an outside watering hose leak. Ms. Dutton has granted an adjustment per the District's policy. The owner is requesting an additional adjustment. This is an agenda item for this meeting.

Minutes of Previous Meeting

The Trustees reviewed the minutes of the 19 November 2012 Regular Board meeting.

IT WAS MOVED BY TRUSTEE SARTORIS, SECONDED BY TRUSTEE HARVEY, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, (4-0) TO ACCEPT THE MINUTES OF THE 19 NOVEMBER 2012 REGULAR MEETING OF THE BOARD OF TRUSTEES, WITH MINOR CHANGES NOTED.

Petition for Relief of Sewer Use Billing, Petrovitz, 5 Sumac Drive

GM Blanchette noted Mr. Petrovitz had high usage due to a leak from the exterior watering hose caddy. He has been granted a reduction of 2400 c.f. from 4900 c.f., a reduction of one-half per policy, and was billed for 2500 c.f. He is requesting an additional adjustment from the Board. GM Blanchette noted it was his recommendation to grant a further adjustment of 700 c.f. for a final billed amount of 1800 c.f. He explained the basis for this recommendation is based on averaging the prior 3rd quarter usage from 2003 to 2011. The average is 1800 c.f. and the District feels this is a reasonable basis for billing.

Trustee Barbour questioned if Mr. Petrovitz had paid his invoice. GM Blanchette noted he requested Mr. Petrovitz wait for action from the Board before paying. Trustee Sartoris noted the District usually denies a reduction and questioned why GM Blanchette is recommending approval for Mr. Petrovitz. GM Blanchette noted that it was a leak from an outside hose and the extra water usage had not entered the municipal sanitary sewer system.

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE HARVEY, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, (4-0) TO GRANT A FURTHER ADJUSTMENT OF 700 C.F. TO MR. PETROVITZ AT 5 SUMAC DRIVE.

Treasurer's Report

GM Blanchette presented the Treasurer's report in Trustee Green's absence.

Financial: GM Blanchette noted that the District's billing revenue was ahead of projection by \$116,000 and non-billing revenue was a \$225,000 loss. GM Blanchette noted FM Caron has removed items from the fixed asset list and has reduced it to six categories. Items that were being depreciated that shouldn't have been taken off the books. GM Blanchette noted that this will show a loss in the accounting.

Chair Priest questioned what the life of the new Admin building will be. GM Blanchette explained that the building will be broken down by structure. Instead of the whole building being depreciated at 50 years, the structure will be 50 years, the roof at 25 years, windows at 20 years, etc.

GM Blanchette noted that expenses were \$38,000 less than expected, but noted that some divisional operating expenses show a loss due to 2012 studies which had been budgeted as capital have, at the recommendation of the auditors, been re-categorized as an expense and moved to the Expense Reports.

Receivables: GM Blanchette noted receivables are high, which he believes it is due to the billing cycle. Liens are down to \$300.

Forecasted vs. Actual Revenue: GM Blanchette noted that residential revenues and commercial revenues were above forecasted. Brunswick Landing is approximately \$20,300 below forecasted. Topsham Sewer District is approximately \$70,700 above forecasted. Catch basins are approximately \$70 above projection and septage revenue is below projection by approximately \$500. GM Blanchette noted overall operating revenue is ahead by just under \$115,300. GM Blanchette noted the increase in Topsham Sewer District was due to increased work requested by Topsham during the year that was not anticipated.

Capital Budget & Expenditure Report: GM Blanchette noted that it was the decision of RKO Auditor Mr. Timothy Gill to expense the two redlined studies instead of capitalizing them. He noted going forward all studies will be expensed.

Warrants: The weekly warrants were distributed to the Board for their review. 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 purpose were discussed. GM Blanchette noted that all checks for disbursement and payroll were on consecutively numbered instruments, and consecutive from the previous month.

The Board questioned line items Rays Electric, Staples, Maine Central Railroad, Credit card charges, late fees and customer reimbursements. GM Blanchette noted Rays Electric was to

reset a main breaker; Ms. Shippen explained Staples charges were replenishment of ink and supplies for T/P; GM Blanchette noted Fairfield Inn reimburses the District for Maine Central Railroad's charges; Credit card charge was for two AED's for the District that were budgeted under safety; Late fees have been credited.

Commitments 01 January 2013 to 31 March 2013

IT WAS MOVED BY TRUSTEE HARVEY, SECONDED BY CHAIR PRIEST, AND VOTED BY THE TRUSTEES PRESENT (4-0), TO COMMIT TO THE TREASURER FOR COLLECTION RATES FOR THE PERIOD 01 JANUARY 2012 THROUGH 31 MARCH 2013, IN ACCORDANCE WITH THE PROVISIONS OF THE DISTRICT CHARTER, BY-LAWS, 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.

Presentation of Adopted 2013 Operations Budget

GM Blanchette presented to the Board a bound copy of the 2013 budget.

Lien Mature: 11 Cedar Street – Disposition of Property

GM Blanchette noted the owner of 11 Cedar Street has paid off the matured lien, all other outstanding liens and all fees and costs due to the District. The Chairperson has signed the deed transferring title back to the Owner.

GM Blanchette is in the process of changing the internal procedures to insure that notice of maturing liens are presented to the Board within the final 3 month period to provide adequate time for discussion and determination should foreclosure be required. He will keep the board informed of the changes.

Monthly Report of Treatment Operations

AGM Pontau reported that the total flow to the treatment plant for November 2012 was 40.0 MG, down approximately 9% from the previous month and down 25% from this time last year. Flows of 8.4 MG and 3.1 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.53 MG, or 40% of that allowed by permit. Maximum daily flow processed was 1.79 MG, on 01 November 2012. Precipitation for the month totaled 1.24", with a daily maximum of 0.99" on 08 November 2012.

Septage receiving for the period totaled 169,200 GAL, down approximately 6% from the previous month. Removal rates for BOD and TSS for the period were 95.9% and 95.1%, respectively, in compliance with the minimum 85% required for each parameter by permit. A total of 158 CY of sludge was produced. All the plant systems were working and there were no bypasses or spills, and all flow to the plant received full treatment.

AGM Pontau noted that other than the two breaks this summer there have not been any problems and the plant is running great. He also noted that Chemical cost has been cut by 20% and the flows have been extremely low this year.

Entrance Charge Program – Refund option

GM Blanchette noted at the September Board meeting he initially proposed the possibility of amending the Entrance Charge policy to allow the option of waiving or abating an entrance charge if

the permittee is proposing to also remove inflow amounts that may be less, equal to, or greater than the new flow being introduced being subject to the entrance charge. He noted this came about because a homeowner was adding on an addition, which would be subject to the entrance charge, although in this process he was removing a roof drain that, under District policy, is not allowed. AGM Pontau also noted that this home was 2 doors down from where the Board has approved a sump pump removal program. GM Blanchette noted this policy would not pay the customer or reimburse old fees, only waive the entrance charge if it applies. GM Blanchette referred the Board to a section of the Entrance Charge policy that allows a limited refund on a non-residential entrance charge. He suggested that this provision might be used as a basis to grant a refund on a residential entrance charge. The Board was uncomfortable with this concept, and suggested that Staff propose for adoption specific language to accomplish such a refund option. No action was taken by the Board.

Rate Review Discussion

GM Blanchette noted the adopted 2013 Operations Budget anticipates a 6% rate increase and he requested approval from the Board to begin the process of implementing changes to the user rates. GM Blanchette distributed to the Board the proposed rate schedules and the tasks and timetable of the process.

IT WAS MOVED BY TRUSTEE SARTORIS, SECONDED BY TRUSTEE BARBOUR, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4-0), TO ENTER INTO THE RATE CHANGE PROCESS.

Health Insurance Discussion

GM Blanchette noted further information was requested from the Board regarding the district's health insurance plan. He distributed to the Board the questions asked, the limited survey results, plan rates for 2012 and 2013 and information on the current health plan. GM Blanchette also included the cost of the current health plan based on family structure and a breakdown of the cost impact if the employees were required to pay 15% for their spouse, dependent, and domestic partner.

GM Blanchette also included a breakdown of cost savings initiated by employees that has saved the District funds that helps benefits such as this to be paid by the District.

Per an earlier request by Trustee Sartoris, copies of the 2007 Wage & Benefit Study were distributed to the Board. GM Blanchette noted that one of the final tasks of former GM McVey was to organize the study for publication and this had been the first opportunity to actually publish the study. He also noted that the Maine Rural Water Association is just now compiling the results of a recently completed wage and benefits survey. He is awaiting a copy of those results. Trustee Sartoris noted she was not concerned with the quality of the District's employee's work, only that the incentives the employees receive are being paid for by the ratepayers. She noted she would look over the Wage & Benefit Study and discuss the matter at the next meeting.

Assistant General Manager's Report

- Administrative Office Building Project Update: AGM Pontau noted the Admin building is completed and the move is scheduled for January 2, 2013. He noted furniture will be arriving December 26 and the offices will be closed January 2 – 4, 2013 to complete the move. GM Blanchette noted this has been advertised in *The Times Record*.

- Admin office Site / Landscape Plan Review: AGM Pontau distributed to the Board the plan showing the proposed landscaping to be completed in the spring. Trustee Sartoris noted she would like to see all the plantings be native. AGM Pontau noted he would look into this. Chair Priest questioned if there were lights for security, and AGM Pontau noted the building will have lights.
- Status Report – Macmillan Drive Area I & I Reduction: AGM Pontau noted Phase I is complete. The District hired Ransom Engineering to complete a hydrogeology survey of the groundwater table; and Wright Pierce to complete a road survey and flow monitoring. He noted that there was very little rainfall to get accurate readings so they will try again in the spring. Based on the hydrogeology study, twelve groundwater monitoring wells have been installed. District staff will monitor the groundwater levels but AGM Pontau noted the process will be slow due to dry weather. He noted that with the groundwater level information, it may be more cost effective to lower the groundwater level than to remove sump pumps or to turn existing lines into storm drains and add new sewer lines. He is looking into the most cost effective way to fix the problem.

General Manager's Report

- Strategic Plan Status Report: GM Blanchette presented to the Board an outline he developed to create the Strategic Plan. He noted that a Board member may want to participate in the process. GM Blanchette noted he hoped to have the first draft for the February meeting.
- MMAHT Vision Plan Benefit: GM Blanchette noted Debbie Bridges from MMA came to speak to the employees and review the benefits of the current health plan and answer questions. Ms. Bridges also noted that MMEHT is now offering a Vision Benefits Plan at minimal cost to the employees. There appeared to be an interest among the employees. GM Blanchette noted to the Board that this plan would be paid for by the employee and at no cost to the District. This would require Board authorization and would be presented to the Board at the next meeting.
- Wage & Benefit Study Report: GM Blanchette distributed to the Board a copy of the Districts Wage Study for their review.
- Work Schedule: GM Blanchette noted that with the Christmas and New Year holidays being on a Tuesday, it was decided to close on the proceeding Mondays and work the following Fridays.

Coastal Protection Zone Mandates Update

AGM Pontau noted that he spoke with Jeff Hutchinson of the Brunswick Code Enforcement office and it was Jeff's opinion that there is no good way to enforce this mandate. Trustee Sartoris questioned if a data base was being maintained. AGM Pontau noted that Jen Nicholson from the District's lab generates and maintains a list, based on the septic pumpers' logs, of Brunswick residents that pump and she sends this information to the town. Trustee Sartoris requested Chair Priest compose a letter to the town requesting enforcement on this Mandate. GM Blanchette noted that he believed when this ordinance was being considered there was some talk of the possible creation of a wastewater district with possibly the sewer district having some involvement, but nothing materialized. Chair Priest requested further information on the issue before writing a letter. He requested a copy of the ordinance.

Appointment of General Manager

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE SARTORIS, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4-0), TO APPOINT THE CURRENT GENERAL MANAGER TO THE POSITION FOR THE PERIOD 01 JANUARY 2013 THROUGH 31 DECEMBER 2013, AT AN ANNUAL SALARY OF NINETY-SIX THOUSAND FOUR HUNDRED AND SEVENTY DOLLARS (\$96,470) WITH THE CONTINUATION OF ALL CURRENT BENEFITS.

Schedule of Upcoming Meetings and Events

The upcoming meetings are as follows:

- Trustee Regular Thursday 17 January 2013 7:00 pm
- Trustee Regular Thursday 14 February 2013 7:00 pm
- Trustee Regular Thursday 14 March 2013 7:00 pm

Trustee Harvey noted the Annual Meeting of the Chamber of Commerce was on 17 January 2013 and he would not be at the Board Meeting. Trustee Barbour noted he would Skype® the next few meetings. Trustee Sartoris requested changing the 14 February and 31 October 2013 Board meetings since they each land on a holiday.

Remarks from the Chair

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

Adjournment

There being no further business before the Board of Trustees,

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE HARVEY, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4-0), TO ADJOURN THE MEETING AT 9:24 PM.

Attest: _____
David N. Barbour
Clerk, Board of Trustees