

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
14 March 2013

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 7:05 pm on Thursday, 14 March 2013, in the Board Room at district offices at 10 Pine Tree Road, Brunswick, Maine. A prepared agenda was noted and the meeting was recorded.

Members present: Chair Priest, Trustees Sartoris, Green and Harvey and Trustee Barbour via Skype®.

Others present: General Manager (GM) Blanchette, Assistant General Manager (AGM) Pontau, Finance Manager (FM) Caron, Camera Operator Aaron Temple, and Mrs. Bonnie Shippen (Minutes). Present from the public was Mr. Matt Miller of 12 Bouchard Street and Mr. Justin Dearborn of Northeast Sewer and Drain Service.

Meeting Advertisement

The meeting was advertised in the Friday, 08 March 2013, edition of the *Times Record*.

Public Comment

1. GM Blanchette noted The District has received a request from Mr. Matt Miller of 12 Bouchard Drive, for consideration by the Trustees for reimbursement of cost he incurred for plumber services due to a poorly functioning sewer service. It was later determined to be caused by a plug in our sewer lines. This is an agenda item for this meeting.
2. GM Blanchette noted we have received a request from Mr. Ronald Hamlin regarding 20 Page Street, for consideration by the Trustees for an additional adjustment to the 4th quarter 2012 sewer bill due to a burst water pipe. This is an agenda item for this meeting.

Petition for Reimbursement of Plumber Service Charges – Miller, 12 Bouchard Drive

Mr. Miller noted that he had an issue with a toilet bubbling, which wasn't causing an overflow so he contacted Northeast Sewer & Drain Service to look into the problem. Through snaking the line, roof venting and camering the lines it was determined to be a clog in the District's lines. Mr. Miller contacted BSD and the clog was removed. He received a \$525 bill from NES&D for work investigating the problem. Mr. Miller came to the Board requesting reimbursement for these charges as the plug was not on his property.

Mr. Justin Dearborne from NES&D noted there was no indication that it was a plug in the District's lines and therefore did not contact BSD immediately. GM Blanchette explained that it is noted on the backside of the ratepayers invoice that the customers should contact the District immediately at the onset of any sewer problem. He also noted that the User Rules and Regulations note that unless we are "...promptly notified, the District will not be responsible for any cost or expense incurred by the owner in response to the problem or plug-up, if it is later determined that the

problem or plug-up is in the public sewer.” GM Blanchette noted it was his recommendation that the Board follow the District’s User Rules and Regulations and not reimburse the homeowner.

There was much discussion among the Board members, Mr. Dearborne, Mr. Miller and GM Blanchette and it was decided to not reimburse Mr. Miller. The Board requested better clarification to the ratepayers regarding contacting the District immediately before contacting outside plumbing services. Mr. Miller thanked the Board for allowing him to speak.

Mr. Miller and Mr. Dearborne left the meeting at 7:37 pm.

Petition for Relief of Sewer Use Billing, Hamlin, 20 Page Street

GM Blanchette noted to the Board he received a request from Mr. Ronald Hamlin, on behalf of his mother who owns the property at 20 Page Street, for consideration by the Trustees for an additional adjustment to the 4th quarter 2012 sewer use bill due to a burst water pipe in the basement of the building while the tenant was away.

GM Blanchette noted a ½ reduction has been made as per policy. Mr. Hamlin is requesting an additional reduction down to the highest prior usage of 5100 c.f. It is the recommendation of GM Blanchette to grant an additional adjustment based on averaging the most recent 3-year usage, including the three highest use quarters. This equals to 2200 c.f. and the District feels this is a reasonable amount. He noted that it has been confirmed that the floor in the basement is gravel, allowing the water to percolate into the soil and none had entered the sewer pipes.

The Board members agreed with GM Blanchette’s recommendation to reduce the billable amount to 2200 c.f.

Minutes of Previous Meeting

The Trustees reviewed the minutes of the 21 February 2013 Special Public Hearing.

IT WAS MOVED BY TRUSTEE HARVEY, SECONDED BY TRUSTEE BARBOUR, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, (4-0) WITH CHAIR PRIEST ABSTAINING, TO ACCEPT AS PRESENTED THE MINUTES OF THE 21 FEBRUARY 2013 SPECIAL PUBLIC HEARING.

The Trustees reviewed the minutes of the 21 February 2013 Regular Board meeting.

IT WAS MOVED BY TRUSTEE HARVEY, SECONDED BY TRUSTEE GREEN AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT, (5-0), TO ACCEPT AS PRESENTED THE MINUTES OF THE 21 FEBRUARY 2013 REGULAR MEETING OF THE BOARD OF TRUSTEES.

Commitments 01 April 2013 to 30 July 2013

IT WAS MOVED BY TRUSTEE HARVEY, SECONDED BY CHAIR PRIEST, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4-0), TO COMMIT TO THE TREASURER FOR COLLECTION THE RATES FOR THE PERIOD 01 APRIL 2013 THROUGH 30 JUNE 2013, IN ACCORDANCE WITH THE SCHEDULE OF RATES, AS COMPUTED AND SET FORTH IN THE ACCOUNTS ON FILE AT THE BRUNSWICK SEWER DISTRICT.

Treasurer’s Report

Financial: Trustee Green noted the February 2013 Variance Analysis report shows billing revenue \$6,000 ahead of projection and non-billing revenue is \$1,000 less than projected. Overall we

are \$15,000 to the good. Receivables are \$20,700 ahead due to the billing cycle and liens are at \$0, which Trustee Green said he has never seen before.

Forecasted vs. Actual Revenue: Trustee Green noted that residential revenues were above forecasted, and commercial revenues were below forecasted. Brunswick Landing is approximately \$918 below forecasted. Topsham Sewer District is approximately \$5,485 below forecasted, which GM Blanchette noted will catch up as soon as jobbing work for Topsham begins. Catch basins are approximately \$160 below projection and septage revenue is above projection by approximately \$2,200. Trustee Green noted overall operating revenue is above by approximately \$6,000.

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, and all voided checks, if any, are accounted for and on file.

The Board questioned line items BEK, Flowers Etc., Formax, Wayne Pulk, Wright Pierce, Ransom, Ray's Electrical, Casella, Scott's Recreation, and Maine Turnpike Authority.

AGM Pontau noted BEK was for the conference room video set up; Flowers Etc was for an employee whose father passed away; Formax is the mailer / stuffer used for billing; Wayne Pulk is the District's Access Billing consultant; Wright Pierce and Ransom are for the I & I project on McMillan Drive; Ray's Electrical was to do work in a high voltage area; Scott's Recreation was for the budgeted Stealth utility trailer designed for spot lining repairs; and Maine Turnpike is for the E-Z Pass that is in most vehicles.

Monthly Report of Treatment Operations

AGM Pontau reported that the total flow to the treatment plant for February 2013 was 50.2 MG, down approximately 8% from the previous month and down 16% from this time last year. Flows of 8.28 MG and 3.81 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.79 MG, or 47% of that allowed by permit. Maximum daily flow processed was 2.0 MG, on 01 February 2013. Precipitation for the month totaled 2.81", with a daily maximum of .77" on 28 February 2013.

Septage receiving for the period totaled 37,000 GAL, up approximately 8% from the previous month. Removal rates for BOD and TSS for the period were 95.8% and 94.6%, respectively, in compliance with the minimum 85% required for each parameter by permit. A total of 124 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 February was the lowest on record. Trustee Sartoris noted, as a ratepayer, she was pleased with the efficiency of the plant.

Review of 2012 Draft Audited Financial Statements

FM Caron distributed to the Board the 2012 Draft Audited Financial Statements. She noted that Ms. Kathy Tyson and possibly Mr. Tim Gill from RKO will be at the April Board meeting to present the report and answer any questions.

GM Blanchette noted statements made by the auditor stating "...during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses." And "The

results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.”

The Board reviewed and discussed the report. GM Blanchette noted the District is in better shape financially than some Districts. He also noted that the District will be taking on a large project over the next few years to repair or replace a large amount of pipe.

Set Financial Reserves as of 31 December 2012

GM Blanchette noted in order for the auditors to finalize the 2012 financial audit report, we need to provide them with the balances for the reserve accounts as of 31 December 2012. He distributed to the Board his recommendations for the five reserve accounts.

Much discussion was made between the Board members and Management staff regarding reserve balances. Decisions were made to keep \$500,000 in undesignated reserves, and build up capital to fund the pipe replacement. The financial reserves for 31 December 2012 were set as follows:

Designated Reserves:

| | |
|----------------------------------|-------------------|
| • Debt Reserve | \$ 167,000 |
| • Entrance Charge Reserve | \$1,148,594 |
| • Capital & Depreciation Reserve | \$1,076,784 |
| • Operations Reserve | <u>\$ 500,000</u> |
| | \$2,892,378 |

Undesignated Reserves: \$ 500,000

Total Reserves: \$3,392,378

Trustee Harvey requested a copy of the Liability coverage the District has. FM Caron noted the policy is reviewed for a yearly renewal date of 01 July. FM will provide a copy for the Board at the next meeting.

IT WAS MOVED BY TRUSTEE SARTORIS, SECONDED BY TRUSTEE HARVEY, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (5-0) TO ACCEPT THE FINANCIAL RESERVES AMOUNT WITH CHANGES NOTED.

Second and Final Vote to Adopt the Proposed Schedule of Rates

GM Blanchette noted a public hearing was held and the first vote to adopt the Proposed Schedule of Rates was completed on 21 February 2013. There was one testimony at the hearing and have not had any further comments either for or against since the February Board meeting. GM Blanchette noted he is looking to the Board for a second and final vote.

IT WAS MOVED BY TRUSTEE GREEN, SECONDED BY TRUSTEE SARTORIS AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (5-0) TO ADOPT THE SCHEDULE OF RATES DESIGNATED “BRUNSWICK SEWER DISTRICT PROPOSED SCHEDULE OF RATES”, TO TAKE EFFECT AND APPLY TO ALL SERVICE PROVIDED COMMENCING ON 01 APRIL 2013, WHICH SCHEDULE OF RATES SHALL BE ATTACHED TO THE MINUTES OF THIS MEETING AND MADE A PART THEREOF.

Review and Discussion of Draft letter to Town re: Septic Tank Pumping

GM Blanchette distributed to the Board a draft letter to the Town of Brunswick regarding the septic tank pumping ordinance issue. He noted that the letter was created from a neutral position due to being unsure how the town is handling the enforcement of this ordinance, and needing guidance from the Board as to District involvement in the enforcement of the ordinance.

AGM Pontau noted the Mere Point septic tanks are checked yearly and pumped when at 33% of solids content per MDEP requirement, not every 3 years. Discussion was made among the Board, and GM Blanchette noted he will redraft the letter for next month's meeting.

Discussion of Draft Position Statement re: Private Property Sewer Overflows

GM Blanchette distributed to the Board responses to legal advice he requested regarding broken or plugged privately owned sewer lines. He presented a draft Position Statement based on the response received from two attorneys. It was the attorneys' opinions to follow with the Districts procedure and notify the Town and MDEP. GM Blanchette noted he will redraft the position statement for next month's meeting

Finance Manager's Report

- Billing System Software Review: FM Caron noted she met with Mr. Robert Penley to look at a potential new billing system, Trio. She noted at this time we currently use Access® and have Mr. Wayne Pulk as a consultant. FM Caron noted she was impressed with what Mr. Penley had to offer, and has asked for a list of current users of the software.

Assistant General Manager's Report

- Wes Wharff 25 Year Anniversary: AGM Pontau noted employee Wes Wharff was rewarded for 25 years of service with a luncheon, plaque, and gift from the District. Chair Priest noted congratulations and a thank you for his service from the Board.
- Admin Building Landscape Proposal: AGM Pontau noted he received two bids for the landscaping work to be completed and has chosen Ray Labbe & Sons, Inc. to complete the work. GM Blanchette presented the landscape plans to the Board followed by discussion regarding the cost of the proposed plan and what could be changed. AGM Pontau noted he would take the requested changes to Ray Labbe & Sons, Inc..

General Manager's Report

- Maine Rural Water Assoc. 2012 Wage and Benefits Survey Report: GM Blanchette noted he was misinformed when told the report would be sent soon, as the survey is just getting started. He is unsure when this will be completed but will provide the Board with the survey report as soon as he receives it.
- Vacation: GM Blanchette noted he is on vacation the week of March 18th.
- Attendance at April 11th Meeting: GM Blanchette noted he would not be present at the 11 April, 2013 Board meeting. Trustee Harvey noted he would be absent also, therefore the Board decided to move the meeting to 18 April 2013 to insure a quorum of members.

Schedule of Upcoming Meetings and Events

The upcoming meetings are as follows:

- Trustee Regular Thursday 18 April 2013 7:00 pm
- Trustee Regular Thursday 16 May 2013 7:00 pm
- Trustee Regular Thursday 13 June 2013 7:00 pm

GM Blanchette noted he changed the Annual Budget meeting to Wednesday, 30 October 2013.

Remarks from the Chair

Chair Priest thanked the Trustees present, GM Blanchette, AGM Pontau, FM Caron, Aaron Temple, and Mrs. Bonnie Shippen for their time.

Adjournment

There being no further business before the Board of Trustees,

IT WAS MOVED BY TRUSTEE GREEN, SECONDED BY TRUSTEE HARVEY, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (5-0) TO ADJOURN THE MEETING AT 9:37 PM.

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