

**BRUNSWICK SEWER DISTRICT**  
**Board of Trustees Regular Monthly Meeting**  
**October 16, 2014**

**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 8:34 AM on Thursday, October 16, 2014, 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 Harvey, Green, Barbour and Rice.

Others present: General Manager (GM) Blanchette, Assistant General Manager (AGM) Pontau, Finance Manager (FM) Caron, and Camera Operator Dan Munsey.

**Meeting Advertisement**

The meeting was advertised in the Friday, October 03, 2014, edition of the *Times Record*.

**Public Comment**

GM Blanchette noted there was no public comment.

**Correspondence**

GM Blanchette distributed email correspondence from Mr. Pinfold of 1 Stetson Street. Mr. Pinfold noted that although he was disappointed in the decision, he commended the District on the way his petition was handled.

GM Blanchette distributed correspondence from the Maine Water Environment Association informing him that AGM Pontau had been selected as the recipient of the 2014 MEWEA Young Professional award. AGM Pontau noted he was very surprised when he received the award. The Board congratulated AGM Pontau on his achievement.

GM Blanchette distributed an email from JETCC forwarding to us a photo of TP Operator Jason Prout as he received his diploma upon completion of the Management Candidate School. He noted that he submitted a press release to both the *Times Record* and *The Forecaster* noting both AGM Pontau's award and Mr. Prout's diploma but have not seen anything published yet. Chair Priest recommended posting these in the quarterly District newsletter.

**Adoption of Minutes of Previous Meeting**

The Trustees reviewed the minutes of the September 15, 2014 Regular Board meeting.

*IT WAS MOVED BY TRUSTEE BARBOUR SECONDED BY TRUSTEE GREEN AND UNANIMOUSLY APPROVED BY THE TRUSTEES PRESENT (5-0), TO ACCEPT THE MINUTES OF THE SEPTEMBER 18, 2014 REGULAR MEETING OF THE BOARD OF TRUSTEES WITH MINOR CHANGES NOTED.*

## **Treasurer's Report**

Financial: Trustee Green noted the September 2014 Variance Analysis report indicated billing revenue to be \$195,000 above projection and non-billing revenue to be \$57,000 above projection. Expenditures are \$267,000 above projection at this time, indicating overall revenue of \$15,000 below projection. Capital expenses are over by \$54,000. Trustee Green noted the receivables were at \$38,600 and liens were at \$300. FM Caron noted as of today, receivables were down to \$32,000. She noted that she looked into why the receivables seem so high compared to previous years. She believes that the previous billing software massaged the timing of the over 90 days, where the new program is more on target. FM Caron also noted that all the properties under Mr. George Schott from Affordable Midcoast Housing are now broken up into individual customers that do not pay as quickly as Mr. Schott did. She was unsure how many customers there are and will have that information for the next meeting. FM Caron also noted that Construction was high due to work projected being completed in October, was completed in April. She noted that this will even out next month.

Forecasted vs. Actual Revenue: Trustee Green noted that Commercial, Brunswick Landing, Topsham Sewer District, and septage operating revenues are currently running ahead. Residential is behind by \$812 and Catch Basins are behind by \$93 indicating an overall \$194,861 above projection. Non-Operating Revenue projections were up \$66,701. FM Caron noted residential was low due to facilities at Bowdoin consisting of two large billings that did not go out on time and she did not accrue them for September. She noted that Brunswick Landing is higher than budgeted because they expected lower revenue from I & I work completed. Topsham Sewer District includes Topsham's portion of capital purchases as well as work completed. This will be broken out in the future. GM Blanchette noted Commercial was up due to BIW Harding's Plant flow that was considerably higher this month. He noted that they have had an increase in employment and may have increased work causing the increase in flow. He noted that their wastewater flow meter is working correctly. FM Caron noted the higher amount under miscellaneous was from a gain in fixed assets when the 1989 Sludge truck and John Deere Tractor were sold.

Warrants: The weekly Warrants for September 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 question line items from Lowe's and CJ Janitorial. GM Blanchette noted that two air conditioners were purchased from Lowe's for the Collection building on Orion Drive. He noted that the humidity was becoming an issue over the summer. He also noted that CJ Janitorial cleans the Admin building twice a month, but in September they were here on off weeks washing all interior and exterior windows in the Admin building.

Trustee Harvey noted he saw Brunswick Fire and EMS apparatus working around a pump station and questioned if staff knew what had happened. AGM Pontau noted that they were working with us doing confined space training. GM Blanchette noted we have an annual agreement for training and to be available for confined space rescue if needed. He noted we have two staff members who are members of a Fire Department that are trained in confined space rescue. Mr. Dan Munsey is on Topsham Fire and Rescue and Mr. Aaron Temple is on Bowdoinham Fire.

Ms. Lisa True entered the meeting at 8:56 am.

### **Report and Recommendation on Pending Lien Foreclosure – 16 & 18 Jordan Avenue**

Staff Accountant, Ms. Lisa True noted a duplex at 16 & 18 Jordan Avenue is scheduled to be foreclosed on by the District on 22 November 2014. Currently the property is owned by the Town of Brunswick from a foreclosure on overdue property taxes. The former owner has until 15 December 2014 to pay all the back taxes to regain ownership of the property. She noted that if the property taxes are paid in full, the sewer bills would have to be paid also to prevent us from taking ownership. Ms. True explained if the town takes full ownership the District will continue to have a foreclosure on the property and all moneys will be due before the Town can sell the property. Currently the property has a lien in the amount of \$320.00, and the full amount owed is \$893.00. She noted that the lien is recorded so the property cannot be sold or transferred without our knowledge. Staff recommends we continue to let the lien mature. GM Blanchette noted that the law notes that the Board can choose not to foreclose and the debt stays with the property. Ms. True noted that one side of the duplex is unoccupied and services are shut off, and she believes the other side has a family member of the former owner living there. GM Blanchette recommended to let the lien mature and go forward with the foreclosure. Chair Priest thanked Ms. True for her time. Ms. True left the meeting at 9:03 am. No action required.

### **Monthly Report of Treatment Operations**

AGM Pontau reported that the total flow to the treatment plant for September 2014 was 56.4 MG, down approximately 26% from the previous month and down 3% from this time last year. Flows of 8.2 MG and 4.1 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.88 MG, or 49% of that allowed by permit. Maximum daily flow processed was 2.106 MG, on September 02, 2014. Precipitation for the month totaled 1.70", with a daily maximum of .730" on September 06, 2014.

Septage receiving for the period totaled 162,500 gallons, down 31% from the previous month. Removal rates for BOD and TSS for the period were 96.9% and 95.6%, respectively. A total of 245 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 currently we are hauling to Hawk Ridge and are planning for the digester at Brunswick Landing to be up and running by April or May of 2015 and we can haul it there. GM Blanchette noted that Casella Organics owns Hawk Ridge in Unity and does the spreading for Lewiston. We would like to get out of land spreading but do not want to abandon Mr. Christopher in Bowdoinham. Currently he is looking into seeing if Casella will take over the spreading for Mr. Christopher. AGM Pontau noted that they are still hauling both trucks to Unity but the large container on the new truck has decreased travel by 20 – 30 %.

### **Status Report: Draft 2015 Operations Budget**

FM Caron noted that staff is currently working on the 2015 budget. She noted AGM Pontau has been working with management staff from the Operations Divisions, and Admin Staff and Management have worked together to complete a budget based on a rate increase beginning April 2015. They are still working on when it will be best to receive an interim loan. She hopes to have draft copy of the budget to the Board in the following week.

FM Caron noted that she is working towards the Government Finance Officers Association Distinguished Budget Presentation Award. She noted that it consists of the budget and financial piece along with the annual report for presentation. FM Caron has sat for two budget reviews and has examples to work with. She believes we have a good chance at receiving this award. Chair Priest noted he was pleased we were going for this award.

### **Commitments: 01 October to 31 December 2014**

*IT WAS MOVED BY ASSISTANT TREASURER RICE, SECONDED BY CHAIR PRIEST, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4-0) WITH TREASURER GREEN ABSTAINING, TO COMMIT TO THE TREASURER FOR COLLECTION THE RATES FOR THE PERIOD 01 OCTOBER 2014 TO 31 DECEMBER 2014 IN ACCORDANCE WITH THE SCHEDULE OF RATES AS COMPUTED AND SET FORTH IN THE ACCOUNTS ON FILE AT THE BRUNSWICK SEWER DISTRICT.*

### **Rate Adjustment Discussion – Consideration of Rate Change for 2015**

GM Blanchette noted that he would like to focus on the rate adjustment for 2015 only by proposing a \$6.75 user rate increase per 1,000 cubic feet consumption. He noted that this will give staff time to find out the actual amount of the Treatment Plant upgrade, the amount of the loan and the amount of the subsequent loan payment. GM Blanchette noted that the information will then provide us with a known platform from which to determine rate adjustments going forward. GM Blanchette noted he would like the Board to vote and adopt the increase to plan the rate hearing and follow up with the second vote in February or March, and implementation of the increase April 01, 2015. He noted with this vote, Management can finalize the 2015 budget.

GM Blanchette noted the increase to \$6.75 consists of \$4.56 accumulative each year to cover the debt, \$.94 toward pipe replacement, and \$1.25 towards pump station upgrades, vehicle and equipment replacement and capital upgrades and improvements.

*IT WAS MOVED BY CHAIR PRIEST, AND SECONDED BY TRUSTEE RICE AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (5-0) TO INCREASE THE CURRENT USER RATES OF \$46.85 PER 1,000 CF TO \$53.60 WITH SUBSEQUENT INCREASES ON RATE SCHEDULE II, III, IV, V AND VI LISTED IN DRAFT PROPOSED SCHEDULE OF RATES – 2015.*

### **Treatment Plant Upgrade Project Status Reports**

#### a: Construction Manager At-Risk: Agreement:

AGM Pontau noted the contract was just received via Fed Ex. He noted that the contract has been reviewed by 18 people and agreed upon. He will sign the contract and send it back by the end of the day.

#### b: General Status Report of project:

AGM Pontau noted to the Board that he met the previous day with Wright-Pierce, DEP, PC Construction and Staff. They went through the scheduling and expectations for the project. He noted that using a CM is a first for DEP so the meeting was beneficial to get answers for financing. AGM Pontau noted that Wright Pierce is currently at 15% design and should be 50 – 60% by January 2015. He anticipates better estimates to work with at that time. AGM Pontau noted Wright-Pierce finished their survey of the property for the Vehicle and Equipment storage building and it appears what they are looking to build will fit nicely. They are currently working on finalizing the size of the building.

c: Discussion: Short-Term Interim Financing:

GM Blanchette noted that staff is currently looking at financing a short-term loan for the 2015 budget. He noted we now have the cost for the design and the CM. But until we know the final project costs, to be determined by the CM, he recommends obtaining an interim loan to cover the projected 2015 project costs. Once the final costs are known, we would then apply for the CWSRF loan through the MMBB. He noted current payments for the Design work are funded through reserves and revenues, which he would like to pay the District back with the interim loan. Trustee Harvey noted it was suggested we could take two SRF loans right off, which would get the low interest rates. GM Blanchette noted that in doing so we would have to pay bond council for each loan, which can amount to \$2,000 to \$3,000 each. AGM Pontau noted that an interim loan will be needed by early next year as we will see substantial a increase in CM and Design costs. GM Blanchette noted he will be looking for a finalized number for the end of 2015 by the SRF loan.

**Benefits Committee Report: Health Insurance Plan**

FM Caron noted that the benefits committee met a couple weeks ago and talked about the health insurance benefits. She requested Trustee Harvey present the committee report.

Trustee Harvey noted that he was part of the committee as a representative of the Board. He noted they went over all the plans and details and decided to wait and see when prices come out in December to make any further decisions. Trustee Harvey noted Ms. Debbie Bridges, from the Maine Municipal Association Health Trust, came to the meeting and detailed other option of an HR account, which a lot of Districts use. He noted, at this time, they do not anticipate making any changes for 2015 and will watch the rates and give a recommendation for 2016. FM Caron requested ample time to inform and educate the staff as they may feel we are taking something away from them. She noted that we have quarterly employee meetings and this can be discussed at that time. GM Blanchette noted that we are not locked into a plan and can make changes at anytime.

**Finance Manager's Report**

FM Caron noted she had nothing at this time.

**Assistant General Manager's Report**

- Fire Department Confined Space Rescue Training: AGM Pontau noted GM Blanchette previously reported on this.
- Conducting Sale of 2006 Chevrolet Trailblazer: AGM Pontau noted that he has advertised on Craigslist the 2006 Chevrolet Trailblazer for \$7,000. He noted that it has 89,000 miles on it and Kelly Blue Book states we should be able to get the \$7,000 for the sale.

**General Manager's Report:**

- GM Annual Performance Evaluation: GM Blanchette noted that his evaluation needs to be completed by the end of the year. He will distribute documents for the Board to fill out as well as last year's reports for review. Chair Priest suggested having the Board discuss this at the next meeting.

Chair Priest questioned when Wright-Pierce will have the facilities study update completed. GM Blanchette noted they should have it for the November 13, 2014 Strategic Plan meeting.

In response to his question, GM Blanchette explained to Trustee Rice the circumstances that came about regarding maintaining certain private lines that are in the public way as determined by the Town of Brunswick. There are still two privately owned force mains for which the Town considers the district to be responsible for. The Town will look to us to either conduct the repairs or take responsibility to get the owners to conduct any repairs. He noted that this is something that needs to be discussed further and a decision made as to the possibility of asking the owners if they would like the District to take over ownership.

### Schedule of Upcoming Meetings and Events

The upcoming meetings and workshops were scheduled as follows:

- Annual Budget Meeting      Thursday      06 November 2014      7:00 p.m.
- Strategic Plan Workshop      Thursday      13 November 2014      8:30 a.m.
- Regular Trustee Meeting      Thursday      20 November 2014      8:30 a.m.
- Regular Trustee Meeting      Thursday      11 December 2014      8:30 a.m.

### Remarks:

Chair Priest thanked the Trustees present, GM Blanchette, FM Caron, AGM Pontau, and Dan Munsey for their time.

### Adjournment

There being no further business before the Board of Trustees,

*IT WAS MOVED BY TRUSTEE HARVEY, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (5 -0) TO ADJOURN THE MEETING AT 10:05 AM.*

Attest: \_\_\_\_\_  
David N. Barbour  
Clerk, Board of Trustees