

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
November 20, 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 7:03 PM on Thursday, November 20, 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 Green, Barbour and Rice.

Others present: General Manager (GM) Blanchette, Finance Manager (FM) Caron, Camera Operator Dan Munsey and Administrative Assistant Bonnie Shippen (minutes).

Members absent: Trustee Harvey and Assistant General Manager (AGM) Pontau.

Meeting Advertisement

The meeting was advertised in the Friday, October 31, 2014, edition of the *Times Record*. A revised notice, due to rescheduling of the meeting, was advertised in the Monday, November 17, 2014 edition of the *Times Record*.

Public Comment

GM Blanchette noted there was no public comment.

Correspondence

GM Blanchette distributed an article in *The Forecaster's* October 31st edition noting our 'People and Business' new submission regarding AGM Pontau's 2014 Young Professionals Award and Treatment Plant Operator Jason Prout's completion of Management Candidate School. He noted he has not seen the announcement in the *Times Record*. Chair Priest congratulated both of them.

GM Blanchette distributed a copy of the Letter of Intent from MDEP reaffirming the availability of the Clean Water State Revolving Fund (CWSRF) for financing the Phase I Wastewater Treatment Plant Upgrade. He noted the letter was requested to include in the interim financing RFQ.

Mr. Stuart Kay entered the meeting at 7:07 PM.

GM Blanchette noted a staff meeting was set up to participate in a webinar regarding disposal of Ebola related waste into Public Wastewater Systems. The webinar was overbooked and they were unable to participate. He distributed information regarding the contents of the webinar from their website stating CDC guidelines. GM Blanchette summarized that Ebola does not survive in water that does not have the same salt concentration as bodily fluids, therefore it cannot contaminate the water.

GM Blanchette distributed the latest District newsletter. He noted it will be included in the next round of billing.

GM Blanchette distributed excerpts of MRRA's 2014 Annual Report. He noted this included conceptual drawings of the digester, which is intended to break ground in December 2014 and open in the spring of 2015. GM Blanchette noted he is looking forward to working with them. MRRA's financial report was included, which he thought the Board may be interested in seeing.

Adoption of Minutes of Previous Meeting

The Trustees reviewed the minutes of the October 16, 2014 Regular Board meeting.

IT WAS MOVED BY TRUSTEE BARBOUR SECONDED BY TRUSTEE GREEN AND UNANIMOUSLY APPROVED BY THE TRUSTEES PRESENT (4-0), TO ACCEPT THE MINUTES OF THE OCTOBER 16, 2014 REGULAR MEETING OF THE BOARD OF TRUSTEES WITH MINOR CHANGES NOTED.

Treasurer's Report

Financial: Trustee Green noted the October 2014 Variance Analysis report indicated billing revenue to be \$193,000 above projection and non-billing revenue to be \$69,000 above projection. Expenditures are \$272,000 above projection at this time, indicating overall revenue of \$10,000 below projection. Capital expenses are over by \$54,000. Trustee Green noted the receivables were at \$26,100 and liens were at \$300. GM Blanchette noted the capital expenses are from the design work completed on the Treatment Plant Upgrade and will cover the difference at the end of the year with the capital reserve fund.

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 \$1402 and Catch Basins are behind by \$93 indicating an overall \$193,082 above projection. Non-Operating Revenue projections were up \$77,536. FM Caron noted late charges were a little behind due to the new system. She noted this will catch up.

GM Blanchette noted all budgeted capital items are completed with the exception of the Auxiliary pump for Maine Street pump station. He noted that he is not sure if they will complete it this year, but if they do the cost will be substantially less, as two pumps were donated to the District by Bowdoin College. Chair Priest questioned if unbudgeted sewer work was normal or higher than normal? GM Blanchette noted that it was a little more than normal. He noted the Columbia Avenue project was planned for the future, but it was cheaper to do it when the town was working on it.

The Board members and staff discussed future pipeline work, capital expenses and the fiscal year status.

Warrants: The weekly Warrants for October 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 Cote's Transmission, Hannaford, Credit card charges, and Optical Robotics. GM Blanchette noted that Cote's Transmission was for a transmission rebuild of the 1986 Chevy Van. He noted they were trying to buy time on the vehicle until they

could purchase a new one in 2015. FM Caron noted Hannaford remote charges will be ending on January 1, 2015. GM Blanchette noted the meal charges on AGM Pontau's credit card were for pizza purchased for the Construction meeting for the T/P upgrade project and the other was to Sea Dog when AGM Pontau took the management staff to lunch during a daylong budget meeting. GM Blanchette noted Optical Robotics was for repairs to the crawler track for the large camera used for sewer inspections.

Monthly Report of Treatment Operations

GM Blanchette reported that the total flow to the treatment plant for October 2014 was 56.8 MG, up approximately 1% from the previous month and up 13% from this time last year. Flows of 9.72 MG and 3.08 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.84 MG, or 48% of that allowed by permit. Maximum daily flow processed was 2.601 MG, on October 24, 2014. Precipitation for the month totaled 5.85", with a daily maximum of 1.28" on October 23, 2014.

Septage receiving for the period totaled 213,800 gallons, up 32% from the previous month. Removal rates for BOD and TSS for the period were 96.3% and 96.2%, respectively. A total of 270 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.

Adoption of Proposed 2015 Operations Budget

GM Blanchette distributed the Proposed 2015 Operations budget. He noted that there were a few minor changes made after the budget meeting due to the health insurance increase being higher than anticipated. GM Blanchette reviewed the budgeted funds and expenditures noting the bulk of the increases in revenue are due to the rate increase budgeted for April 2015.

FM Caron noted that the treatment plant upgrade will show as a special project and not in the regular budget. She also noted that Topsham Sewer cannot be billed for their portion of the upgrade until the project is complete, therefore the District will be funding the full project until that time. Topsham will pay their portion twice a year with our bond payments per Topsham's agreement.

GM Blanchette noted that Greg Thulen's retirement will decrease the salary at the Treatment Plant as they will remain at a staff of five and fill the supervisor's position internally.

GM Blanchette opened questioning up to the Board members and a brief discussion regarding sludge disposal and the incoming digester at Brunswick Landing was made.

IT WAS MOVED BY TRUSTEE BARBOUR SECONDED BY TRUSTEE RICE AND UNANIMOUSLY APPROVED BY THE TRUSTEES PRESENT (4-0), TO ACCEPT THE 2015 OPERATIONS BUDGET AS PROPOSED.

Review and Discussion of Charter Change Amendment(s)

GM Blanchette noted he is recommending a change to the Charter in Part 4, Section 31.1 to increase the authorized debt limit from \$20M to \$40M. GM Blanchette noted that a public hearing is scheduled for 11 December 2014 at 6:30 pm. He has contacted the Town Manager and requested a presentation to Town Council regarding the Charter Change and forth coming Rate Changes. He is not seeking any action until after the public meeting.

Consideration of Pursuing Request for Zoning District Change

GM Blanchette noted the Treatment Facility and Admin Office property is in the TR4 Zoning District, which is residential and limits any new structure to 5,000 sq. ft. and additions to existing buildings to 1,000 sq. ft. He noted anything above the limits requires a variance. GM Blanchette noted if we move to the HC2 Zoning District, same as the Water District property we bound is zoned, the new structure limit is 20,000 sq. ft. Trustee Barbour questioned if GM Blanchette thought the Town would grant a zoning change. GM Blanchette noted probably not, at least not in the time frame we need it. He did note that a variance is a possibility though. Trustee Rice noted that the Treatment Plant is a permanent fixture and not going anywhere and that in regards for future projects, the District should seek a zoning change.

IT WAS MOVED BY TRUSTEE BARBOUR SECONDED BY TRUSTEE GREEN AND UNANIMOUSLY APPROVED BY THE TRUSTEES PRESENT (4-0), TO REQUEST A ZONING CHANGE FROM TR4 TO HC2.

Treatment Plant Upgrade Project Status Reports

A: Discussion: Short-Term Interim Financing: GM Blanchette noted AGM Pontau requested an RFP from six local banks for short-term interim financing and will have the responses on December 04, 2014. He will have information for Board action at the December Board meeting.

B: General Status Report of project: GM Blanchette noted that we should have 30% design by December and will send this to the CM to begin project cost estimating.

Information on Employee Retirement Function

GM Blanchette noted that Treatment Supervisor Greg Thulen will be retiring on December 11, 2014. He noted that on December 09, 2014 we are doing a staff luncheon followed by an open house from 2-4 for people to stop by. He noted invitations have been sent out and the Board members are invited to attend both the luncheon and the open house. GM Blanchette noted several gift cards from the District have been purchased for Mr. Thulen.

Finance Manager's Report

FM Caron noted she attended a seminar that discussed the "commuting rule" for District vehicles. She noted that an auditor would flag the District for how it has been handling this tax and she will be making the appropriate changes for 2015. GM Blanchette noted that this only affects AGM Pontau and himself. FM Caron noted that the commuting rule only works for occasional use, not every day. Trustee Rice questioned if the District could get fined for knowing about it, yet not changing it immediately. It was noted that is a possibility, but by changing the policy prior to any IRS audit may remove any "ding" against the District. FM Caron noted they will now track mileage for personal and work usage.

Mr. Stuart Kay left the meeting at 8:34 p.m.

Assistant General Manager's Report

GM Blanchette noted AGM Pontau had nothing to report at this time.

General Manager's Report:

1. Trustee Photo: GM Blanchette noted that Chair Priest requested updated photos of the current Trustee's. He will be looking at setting this up for some time in May or June following Trustee Barbour's return to Maine.
2. Draft MEPDES Discharge permit: GM Blanchette noted they received the draft MEPDES discharge permit yesterday. He noted a line item noting "establishing a requirement for the facility to dechlorinate their effluent." He noted that we do not chlorinate between the winter months of October and May so they have the winter to set this up and complete. He noted that there were a few other minor items that are not a concern. GM Blanchette noted that he, the AGM and Treatment staff will be reviewing the draft permit next week.

Schedule of Upcoming Meetings and Events

The upcoming meetings and workshops were scheduled as follows:

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|---------------------------------|----------|------------------|-----------|
| • Charter Change Public Hearing | Thursday | 11 December 2014 | 6:30 p.m. |
| • Regular Trustee Meeting | Thursday | 11 December 2014 | 7:00 p.m. |
| • Strategic Plan | Thursday | 18 December 2014 | 8:30 a.m. |
| • Rate Change Public Hearing | Thursday | 22 January 2014 | 6:30 p.m. |
| • Trustee Regular | Thursday | 22 January 2014 | 7:30 p.m. |

Remarks:

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

Executive Session Pursuant to 1 MRSA 405(6)(A) [Personnel Matter] General Manager Performance Evaluation

IT WAS MOVED BY TRUSTEE RICE, SECONDED BY TRUSTEE BARBOUR AND VOTED BY THE TRUSTEES PRESENT, (4-0), TO ENTER INTO AN EXECUTIVE SESSION FOR THE GENERAL MANAGER'S PERFORMANCE EVALUATION AT 8:43 PM.

The Board returned from Executive session at 9:06 PM. No action was taken in executive session and none subsequent to the executive session.

Adjournment

There being no further business before the Board of Trustees,

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4 - 0) TO ADJOURN THE MEETING AT 9:07 PM.

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