

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
August 13, 2015

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 8:31 a.m. on Thursday, August 13, 2015, 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, Rice, Harvey and Barbour.

Others present: General Manager (GM) Blanchette, Assistant General Manager (AGM) Pontau, Finance Manager (FM) Caron, Camera Operator Dan Munsey and Administrative Assistant Bonnie Shippen (minutes). Also present were Mr. James Saffian, of Pierce Atwood; and Mr. Bernard Waterman and Mr. John Frost of Peoples United Bank.

Meeting Advertisement

The meeting was advertised in the Friday, 31 July 2015 edition of the *Times Record*.

Public Comment

1. GM Blanchette distributed a thank you note that he and Treatment Operator Mr. Matthew Densmore received from Representative Tucker following his tour of the treatment plant. He noted that the tour was approximately 1½ hours long and Mr. Tucker asked a lot of questions and was pleased with the plant operations.
2. GM Blanchette distributed a copy of the email correspondence between Mr. Bill Ewing and AGM Pontau concerning gray water discharges. Mr. Ewing suggested adding a diagram of the typical household plumbing to our website.

Public Outreach

1. GM Blanchette distributed a synopsis of the presentation he will be presenting at the August 19th Small Business Success Seminar sponsored by the Southern Midcoast Maine Chapter.
2. GM Blanchette noted that the national TPO (Treatment Plant Operator) magazine will publish the short article on the interactive poster project in its next edition.
3. GM Blanchette noted that the national Municipal Sewer & Water magazine will publish the interactive poster article as well as a profile of our Collection / Pumping Division. He noted that he is hoping that we will be the cover story.

Correspondence

GM Blanchette noted Ms. Baribeau, of RENTEX on behalf of Nine Dunning Street, LLC is requesting relief from an outstanding \$8,000 in sewer charges that the LLC ‘unknowingly’ inherited when it purchased the 9 Dunning Street property at auction. He noted that he feels we should deny the request, but has offered the LLC the opportunity to appeal the GM’s decision to the Board. GM

Blanchette noted that it is his understanding that staff informed the auction company of the outstanding balance. He believes this should not be our problem. In fairness to our other customers, service was rendered, and we should be paid for that service. GM Blanchette noted that he spoke with Mr. Prouix yesterday and expects Mr. Prouix will prepare a formal request for Board consideration at the September meeting.

Adoption of Minutes of Previous Meeting

The Trustees reviewed the minutes of the July 16, 2015 Regular Board meeting.

IT WAS MOVED BY TRUSTEE RICE SECONDED BY TRUSTEE BARBOUR AND APPROVED BY THE TRUSTEES PRESENT (4-0) WITH TRUSTEE HARVEY ABSTAINING, TO ACCEPT THE MINUTES OF THE JULY 16, 2015 REGULAR MEETING OF THE BOARD OF TRUSTEES AS PRESENTED.

Discussion of Allowable Investments with James Saffian, Esq. of Pierce Atwood

GM Blanchette introduced Mr. James Saffian, the District's bond council from Pierce Atwood. Mr. Saffian noted that when it comes to the issue of investments we have to tread cautiously based on Maine law. He reviewed the District Charter and Maine law and the Charter is very limited. Mr. Saffian explained the current investments we are allowed to obtain, noting that since we are dealing with ratepayers funds, there is a level of responsibility and limitations on how investments are made. He noted to do anything different than what is allowed would require a Charter change. GM Blanchette explained the process of changing the Charter and that it takes time and is a very involved process. Mr. Saffian noted that other Districts are under the same limitations and maybe if several Districts got together they could possibly move a path forward to enabling an act to change the way sewer districts can invest. The goal would be to obtain the same or similar investment options that are allowed for municipal governments. GM Blanchette noted he will bring the matter to the attention of the Maine Water Environment Association (MeWEA).

Mr. Bernard Waterman and Mr. John Frost, the District's external investment managers, had no questions for Mr. Saffian, the Board or the Staff and they departed the meeting at 9:04 a.m.

Update on Bond

Mr. Saffian noted that we are currently on hold in filing the loan application until the next referendum election and will follow-up with the Maine Municipal Bond Bank based on results of the vote. He noted that the long term rates are very low, so even if the referendum does not pass we could obtain the long term SRF loan for the \$18.5 million allowed with the current debt limit, and have the remainder on a short term loan. Mr. Saffian noted that we could lock into the low rates with the current debt limit amount and take out another loan after the vote, but he did not believe there would be that much of a difference in the rates in a couple of months and recommended waiting.

There were no further questions for Mr. James Saffian and he departed the meeting at 9:21 a.m.

Treasurer's Report

Financial: Trustee Green noted the July 2015 Variance Analysis report indicated billing revenue to be \$32,000 under projection and non-billing revenue to be \$51,000 above projection. Expenditures are \$100,000 below projection at this time, indicating overall revenue over expenditures

of \$119,000 above projection. The Capital expenses are over by \$52,000. Trustee Green noted the receivables were at \$33,500 and liens were at \$980.

Forecasted vs. Actual Revenue: Trustee Green noted that Topsham Sewer District and Septage revenues are running ahead and Residential, Commercial, and Brunswick Landing revenues are running behind. Catch Basins are ahead by \$253 indicating an overall \$31,705 below projection. Non-Operating Revenue is above projection by \$47,323. FM Caron noted that Brunswick Landing is currently running under projection. GM Blanchette noted that the treatment plant is running below budget and therefore TSD is paying less for their share.

Capital & Operations expenses: The capital budget was reviewed and AGM Pontau noted that the capital budget is behind on expenditures, not work accomplished. He noted that we receive the billing about 60 days after the work is completed and items we budgeted for pre-payment have not needed to be pre-paid. GM Blanchette noted that the budgeted Gurnet Road generator will be assigned to the River Road #2 pump station upgrade.

Warrants: The weekly Warrants for June were distributed to the Board for their review. The Trustees reviewed the weekly warrants on disbursements, 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 the line item of Bill Dodge Auto and the expense of an oil change. AGM Pontau noted that they do a full vehicle check and use synthetic oil, which cost more but last longer.

Monthly Report of Treatment Operations

AGM Pontau reported that the total flow to the treatment plant for July 2015 was 57.60 MG, down approximately 9% from the previous month and down 30% from this time last year. Flows of 9.37 MG and 4.76 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.85 MG, or 48% of that allowed by permit. Maximum daily flow processed was 2.41 MG, on July 6, 2015. Precipitation for the month totaled 2.80", with a daily maximum of .79" on July 29, 2015.

Septage received for the period totaled 227,200 gallons, down 6% from the previous month. Removal rates for BOD and TSS for the period were 97.4% and 95.4%, 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.

Report: Impact of newly enacted Chapter 174 on Commitment Action

GM Blanchette distributed a letter report from Mr. Rick Hornbeck, legal counsel from Moncure & Barnicle, regarding Commitment Actions. It is Mr. Hornbeck's opinion that a provision in Chapter 174 deleting the necessity for committing to the treasurer for collection of the "rate, toll, rent or other charge" applies to sanitary districts, not to sewer districts. Chair Priest questioned if there is a possibility of discussing the matter with other sewer districts to petition for removing commitments for sewer districts as well. GM Blanchette noted he will bring the matter to the attention of the MeWEA.

Charter Referendum Update

GM Blanchette noted that the Town Clerk's office has completed the list of properties considered 'within the district' per the Charter. He noted that AGM Pontau and he have reviewed the list per the Town's request and believe it to be accurate. He noted that the language for the referendum question has been set in the legislation.

Finance Manager's Report

1. Report on Request for Proposals (RFP) for Financial Audit services: FM Caron noted she sent out RFP's to five different firms for financial audit services. FM Caron noted that they have until the end of the month to submit proposals.
2. Request for Board representation on the Audit services selection committee: FM Caron noted that she would like a member of the Board to also review the proposals by the end of the month. Trustee Harvey volunteered to review the proposals. She noted that the list of the firms came from the MMA web site and they all have previous work with sewer districts.
3. Presentation of 3rd quarter newsletter: FM Caron distributed the 3rd quarter newsletters for the Board to read. She noted that we have extra copies that she will take to the Library and Town office for further distribution.
4. Presentation of Maine Municipal Association Risk Management Services dividend check: FM Caron presented the workers comp dividend check for \$1,145.00 the District received.
5. Benefits Review Committee update: FM Caron noted that the Benefits Committee has been meeting and going through the 2008 handbook line by line. She called Ms. Debbie Bridges and noted that they will be meeting in October regarding any health insurance increases. Ms. Bridges noted that there will most likely not be a blanket increase over all the plans. FM Caron noted that she will be doing the budget with a 7% increase which can be adjusted as soon as insurance plans are determined. She noted that all areas of the review are going well. Trustee Harvey noted that they are nearing the end and he noted it was going well. He noted that they have decided to stay within MMA for health insurance. FM Caron noted that health insurance seems to be a priority to the employees and if the cost is too high that they will discuss with the employees what benefit they may want to remove to help offset.
6. Budget Meeting: FM Caron noted that she would like the Board to consider moving the Budget meeting as she will not be available on the scheduled night. They will discuss this at the end of the meeting.

Assistant General Manager's Report

1. Treatment Plant Upgrade & Vehicle / Equipment Garage – Status Report: AGM Pontau noted that the steel will be arriving next week for the garage and both buildings should be up next month. He noted that the treatment plant upgrade design should be completed by the end of September. AGM Pontau noted that they have added a second two-way entrance to the driveway to prevent traffic from going into the area where construction is being done.
2. Presentation of the Final MEPDES discharge permit for the Treatment Plant: AGM Pontau noted that the District received its discharge permit and it is good for the next five years. He noted that the testing has been reduced significantly and we can take more septage. He noted that the only downside is that the District needs to de-chlorinate in warmer months but they gave the District a three year compliance so it can be included in the project upgrade. He noted

that currently the District has an employee running tests seven days a week and the permit will now allow it to be done on a five-day rotation as readings will be automatic.

General Manager's Report:

1. Solar power generation evaluation: GM Blanchette noted that he asked the District's electrical energy supplier, Competitive Energy, if there would be benefits to add solar power. They informed him that cost wise it would more or less break even. The Board members discussed the costs, where the solar panels would be put and the overall work involved. GM Blanchette noted that he will contact Competitive Energy and ask for a more in-depth analysis of cost and repurchasing the power.
2. Meeting with Leeland Arris, GM, Freeport Sewer District: GM Blanchette noted that he met with Mr. Leeland Arris and they discussed BSD's entrance charges program.
3. Individual & Board photo section: GM Blanchette noted that he needs the Board members to choose the photo of the Board members. The members decided they would choose after the meeting is over.
4. Notification to Town Clerk re: Upcoming Board vacancy: GM Blanchette noted that he contacted the Town Clerk to notify them of the upcoming Board vacancy.
5. FOAA Training for Trustees: GM Blanchette noted that the Board recommended having the FOAA training done and he has scheduled this for October 15th at 8:00 am before the regular Board meeting. He noted that he will invite other Boards.
6. Reminder September Vacation for GM: GM Blanchette reminded that Board that he is on vacation from September 7th – September 18th

Schedule of Upcoming Meetings and Events

The upcoming meetings and workshops were scheduled as follows:

• Trustee Regular	Tuesday	29 September 2015	8:00 a.m.
• Strategic meeting	Tuesday	29 September 2015	9:30 a.m.
• Trustee FOAA Training	Thursday	15 October 2015	8:00 a.m.
• Trustee Regular	Thursday	15 October 2015	9:30 a.m.
• Annual Budget	Wednesday	28 October 2015	7:00 p.m.

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 (5 -0) TO ADJOURN THE MEETING AT 10:23 AM.

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