

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
October 15, 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 10:05 a.m. on Thursday, October 15, 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 Rice, Green, Harvey and Barbour.

Others present: General Manager (GM) Blanchette, Finance Manager (FM) Caron, Camera Operator Mike Jouver and Administrative Assistant Bonnie Shippen (minutes). Also present were Mr. Andrew Proulx for 9 Dunning Street, and Mr. Thomas Farrell, Director of Parks and Recreation.

Members absent: Assistant General Manager (AGM) Pontau

Meeting Advertisement

The meeting was advertised in the Friday, 9 October 2015 edition of the *Times Record*.

Farewell to Trustee Barbour

Chair Priest noted that today is Trustee Barbour's last meeting with the District. He noted that he is sorry to see him go and wished him well. GM Blanchette extended his and District staff's appreciation for Trustee Barbour's time at the District, especially the work he has done on the major upgrade projects and the construction management process. The Board and staff applauded Trustee Barbour and wished him well.

Public Comment / Correspondence

None at this time.

Public Outreach

1. GM Blanchette distributed a copy of the Times Record article published September 9th concerning the referendum and non-district customers voting eligibility.
2. GM Blanchette noted he submitted the same referendum article to the Coastal Journal. He noted he has not check to see if it has been advertised.
3. GM Blanchette distributed two short versions of information on the referendum that was provided to TV3 to be placed on their community bulletin board. He noted it was also provided to radio station WCME, which noted they will give it some "significant publicity."

Other Information

None at this time.

Adoption of Minutes of Previous Meeting

The Trustees reviewed the minutes of the September 29, 2015 Regular Board meeting.

IT WAS MOVED BY TRUSTEE BARBOUR SECONDED BY TRUSTEE RICE AND APPROVED BY THE TRUSTEES PRESENT (4-0), (TRUSTEE GREEN ABSTAINS) TO ACCEPT THE MINUTES OF THE SEPTEMBER 29, 2015 REGULAR MEETING OF THE BOARD OF TRUSTEES AS NOTED.

Petition for Relief of Sewer User Charges:

9 Dunning Street, Mr. Andrew Proulx, Nine Dunning Street, LLC

GM Blanchette noted Mr. Andrew Proulx, 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.

GM Blanchette noted following Mr. Andrew Proulx’s presentation at the September 29th Board meeting, staff investigated the claim of a substantial waterline break in the basement. Supervisor Wharff met onsite with Mr. Proulx and Mr. George Turnbull, the plumber who repaired the waterline. Per Mr. Turnbull, the water leak was only a constant drip, and the dirt floor had a wet spot under the pipe. Our staff could find no evidence of the floor being rutted by flowing water, as was presented by Mr. Proulx previously.

As we cannot find any viable evidence that there was a major waterline break, and that the owner has stated that toilets were left running, and staff did inform the auction company of the outstanding \$8,000 balance. GM Blanchette noted it was his recommendation to not grant the petition for relief sought by Nine Dunning Street, LLC.

Mr. Proulx noted he brought his plumber, Mr. Turnbull, with him to answer any questions. He noted that when the crawl space was inspected he understands why they did not see any damage since it had been repaired six weeks prior. Mr. Turnbull noted that he repaired a running toilet, and a leaking pipe prior to the toilet that caused damage. He also noted there was a pinhole spraying leak in the basement and the heating system was leaking as well. Mr. Turnbull stated it would be hard to determine exact measurements or gallons but noted it was significant enough to make a difference in the billing.

Chair Priest directed GM Blanchette to look back at prior readings to determine a reasonable amount to credit Mr. Proulx, and to negotiate a settlement with Mr. Proulx.

Mr. Proulx and Mr. Turnbull left the meeting at 10:26 a.m.

Brunswick Parks & Recreation Department Request to Locate a Storage Shed at Lishness Ice Rink

GM Blanchette noted Mr. Thomas Farrell, the Director of Parks and Recreation was here to request authorization to locate a storage shed at the Lishness Ice Rink. He noted as this involves District real estate it requires Board consideration and approval.

Mr. Farrell noted, on behalf of the Midcoast Youth Hockey Association, the Parks and Recreation Department is requesting permission to place an 8’ by 12’ wood-sided storage shed at the Lishness Ice Hockey Rink. He noted that the shed will be mounted on blocks and the Recreation

Department will be responsible for its upkeep and maintenance. He noted they may need to remove some low shrubs but no significant trees.

GM Blanchette noted he has no issue with the request. He noted that it will be on blocks with the ability to be moved if necessary and not be a permanent structure.

IT WAS MOVED BY TRUSTEE HARVEY SECONDED BY TRUSTEE BARBOUR AND APPROVED BY THE TRUSTEES PRESENT (5-0), TO GRANT PERMISSION TO THE MIDCOAST YOUTH HOCKEY ASSOCIATION AND THE PARKS AND RECREATION DEPARTMENT TO PLACE A WOOD-SIDED STORAGE SHED AT THE LISHNESS ICE HOCKEY RINK.

Mr. Farrell extended his appreciation from the Parks and Recreation Department to the Board and Staff for everything the District does for them. Mr. Farrell left the meeting at 10:32 a.m.

Treasurer's Report

Financial: Trustee Green noted the September 2015 Variance Analysis report indicated billing revenue to be \$50,000 under projection and non-billing revenue to be \$40,000 above projection. Expenditures are \$57,000 below projection at this time, indicating overall revenue over expenditures of \$47,000 above projection. The Capital expenses are over by \$12,000. Trustee Green noted the receivables were at \$45,300 and liens were at \$1,500.

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 \$501 indicating an overall \$50,553 below projection. Non-Operating Revenue is above projection by \$39,003. The Board and staff discussed the variances in revenue and the reasons for being above or below projection. GM Blanchette noted that due to some revenues being below projection, some authorized expenditure items may be put off until later.

Capital & Operations expenses: The capital budget was reviewed and GM Blanchette noted that there was an internal miscommunication such that the plotter/printer for Collections was purchased instead of leased, as was noted in the last meeting. GM Blanchette noted that progress on the upgrade is on schedule and noted that project billing, due to the various approvals required, typically lags a month behind.

Warrants: The weekly Warrants for September 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 Bug Beaters Pest Control, GM Blanchette that this was for spraying around the exterior windows of the Admin building for spiders. He noted the windows have been washed down and the spiders are gone.

FM Caron noted that the Bank of Maine has been bought out by Camden National and the name will be changing on the investment reports.

Presentation of Draft 2016 Operations Budget

GM Blanchette presented the Draft 2016 Operations Budget and noted the budget narrative will be sent to the Board at a later date. He noted the Annual Budget meeting is scheduled for Wednesday, October 28, 2015 at 7:00 p.m.

GM Blanchette noted that the budget includes a proposed rate increase chart through 2019. He noted that the five-year pipe replacement plan is also included. He noted the budget includes a debt schedule assuming a 1% interest rate through 2037 on a \$22 million loan. GM Blanchette noted that he has increased the capital expense to do some of the pipe replacement noted in the 2016 plan. He noted that the District will begin accumulating the annual rate increase revenues and place them in the Debt Reserve. He will check with the Maine Municipal Bond Bank to determine if having one-year's debt service in the Debt Reserve is a requirement or a suggestion of MMBB.

GM Blanchette noted that no action or discussion is required at this meeting.

Monthly Report of Treatment Operations

GM Blanchette reported that the total flow to the treatment plant for September 2015 was 43.42 MG, down approximately 10% from the previous month and down 23% from this time last year. Flows of 7.43 MG and 3.22 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.44 MG, or 38% of that allowed by permit. Maximum daily flow processed was 1.66 MG, on September 4, 2015. Precipitation for the month totaled 7.88", with a daily maximum of 5.56" on September 30, 2015.

Septage received for the period totaled 237,100 gallons, up 4% from the previous month. Removal rates for BOD and TSS for the period were 97.2% and 96.9%, respectively. A total of 243 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.

GM Blanchette noted that the large amount of rain received at the end of September will show up in the October report.

Update: Charter Referendum

GM Blanchette noted that the Election Warrant signed by the Board and attested to by the Clerk at September's meeting was delivered to the Town Clerk's office for posting within the seven voting districts. He noted that the Notice of Public Hearing on the referendum was posted at the designated locations on October 5th in preparation for the Public Hearing that is scheduled for October 15th.

GM Blanchette noted the Public Hearing notice was published in the Times Record on October 1st and October 8th to meet the 14-day and 7-day notice requirement of our Charter. He noted that announcements of the referendum and voter eligibility were provided to Brunswick TV3 on September 30th for its community announcements displays, and to radio station WCME to be publicized. GM Blanchette distributed a copy of the announcement that was being displayed.

Update: Clean Water State Revolving Loan (CWSRF) Loan Application

GM Blanchette reminded the Board that it was decided to wait for the outcome of the debt limit referendum before filing the loan application with the Maine Municipal Bond Bank. He noted that the Bond Bank's Board's next schedule meeting is on November 10th and Mr. Nadeau must submit

the meeting packet by November 3rd, which is the same day elections are being held. GM Blanchette was advised by Mr. Nadeau to file the application for the full amount desired, \$22M, and he will insert a note that if the referendum fails, a lesser amount of approximately \$18.5M will be sought.

GM Blanchette noted that Mr. Nadeau's concern is that some Board members go south for the winter, and he may not have a quorum for winter meetings, which may also be the case in December. He believes if this occurs it may be April or May before the District could get a loan approval. GM Blanchette noted he intends to file the application in time for the November 10th meeting. He also noted that MMBB has assured that we can easily close on the loan in December.

Quarterly Report: Board of Trustee's Goals for GM / District

GM Blanchette reviewed the 7 Trustee goals, noting updates on their progress. He distributed the schedule and locations of pipeline patches completed in 2015. GM Blanchette reviewed the long-term program to redirect sump pump and roof drain discharges from the sanitary sewer system. He also distributed the presentation notes he had presented at the Southern Midcoast Maine Chapter Small Business Success Seminar. Also distributed was the referendum question being placed in the *Times Record*, *The Forecaster*, and *The Coastal Journal* and for the TV advertisement.

Finance Manager's Report

1. Financial Audit Services Agreement: FM Caron noted she sent letters to the auditors we did not select and sent an acceptance letter to RKO. She noted we should be receiving an engagement letter soon. FM Caron noted she will be meeting with Mr. Gill next week to go over the CWSRF loan in regards to financial statements.

General Manager's Report:

1. TP Upgrade / Garage Complex Project Update: GM Blanchette distributed to the Board PC Construction's Monthly Construction Report on the Garage Complex. He noted that Wright Pierce is at 90% design with the TP upgrade and the garage complex will be completed by December and we plan to occupy the building on January 4, 2016.
2. Solar Power Generation Update: GM Blanchette requested approval for funding from the Board for a full analysis for solar power options. He noted it was originally \$1,000 but it will be closer to \$1,500. GM Blanchette explained the process and that Competitive Energy would come to the District facilities and exam options to place solar panels and do a full cost/benefit analysis. Based on results he would be able to tell the Board if it is a worthwhile investment. The Board members discussed the matter and questioned if roof warranties would be voided if solar panels were placed on them. It was decided to ask Competitive Energy further questions and come back to the Board at a later date.
3. Update: Presented at the October MeWEA meeting: GM Blanchette noted the following topics of discussion will be brought up at the MeWEA meeting tomorrow:
 - Repeal of Commitments for Sewer Districts.
 - Investment Options same / similar to Municipalities.
 - Authority to request water district to shut off water for non-payment of sewer charges.

GM Blanchette noted that it will not go forward until the 2017 Legislature session, but this was a way to start a conversation regarding these issues in hopes that MeWEA will take the lead.

Schedule of Upcoming Meetings and Events

The upcoming meetings and workshops were scheduled as follows:

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| • Annual Budget | Wednesday | 28 October 2015 | 7: p.m. |
| • Trustee Regular | Thursday | 12 November 2015 | 8:00 a.m. |
| • Strategic Plan Workshop | Thursday | 17 November 2015 | 9:30 a.m. |
| • Trustee Regular | Thursday | 17 December 2015 | 8:30 a.m. |

Trustee Rice noted that there is property next to the Church Road Station that has been cleaned up and is up for sale. He questioned if the District may want to look into purchasing the small piece of property in case of an expansion at the pump station is required. GM Blanchette noted the Church Road Station is up for reconstruction for 2016. The Board approved looking into a possible purchase of the property.

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 11:40 AM.

Attest: _____
David Barbour, Clerk