

BRUNSWICK SEWER DISTRICT
Board of Trustees Regular Monthly Meeting
December 17, 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 8:38 a.m. on Thursday, December 17, 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 Harvey, Rice, and Green.

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. David Weyburn of Village Green Ventures, Mr. Steve Levesque, Executive Director and Mr. Tom Brubaker, Public Works and Utilities Manager from Midcoast Regional Redevelopment Authority (MRRA). Also present was Mr. Stuart Kay, Superintendent of Topsham Sewer District, and Mr. Wes Wharff, BSD Collection Systems Supervisor.

Meeting Advertisement

The meeting was advertised in the Friday, 4 December 2015 edition of the *Times Record* and in the Community calendar of the Friday, 11 December 2015 edition of the *Mid-Coast Forecaster*.

Public Comment / Correspondence

GM Blanchette noted there was none at this time.

Public Outreach

1. GM Blanchette distributed a copy of the fourth quarter newsletter.
2. GM Blanchette noted the Kiosk / Interactive Poster article was published in the November 2015 issue of the national TPO magazine. He distributed a copy of the magazine to each of the Board members.
3. GM Blanchette noted the national Municipal Sewer & Water magazine has published the profile of the Collection / Pumping Division along with a sidebar article on the kiosk / interactive poster. He distributed a copy of the magazine to each of the Board members.
4. GM Blanchette noted that the new version of the interactive poster is finalized. He distributed copy to the Board members and noted a larger version is hanging in the hallway of the Admin building.

Adoption of Minutes of Previous Meeting

The Trustees reviewed the minutes of the November 17, 2015 Regular Board meeting.

IT WAS MOVED BY TRUSTEE RICE SECONDED BY TRUSTEE GREEN AND APPROVED BY THE TRUSTEES PRESENT (3-0), WITH TRUSTEE HARVEY ABSTAINING, TO ACCEPT THE MINUTES OF THE NOVEMBER 17, 2015 REGULAR MEETING OF THE BOARD OF TRUSTEES AS PRESENTED.

Introduction of David Weyburn of Village Green Ventures

GM Blanchette introduced Mr. David Weyburn of Village Green Ventures, Developers of the Brunswick Landing Anaerobic Digester. Mr. Weyburn noted he was unsure how much information the Board knew and was here to answer any questions. He noted his appreciation for support he has received from GM Blanchette, AGM Pontau, Mr. Leveque and Mr. Brubaker and welcomed the Board to come and tour the facility at any time. Mr. Weyburn explained the process of the digester and what materials and support he is looking to receive from BSD. He noted that he will have customers from as far away as Massachusetts. Currently he is looking at receiving biosolids and food waste, which he believes he can get from the local area. Mr. Weyburn noted that his intention is to reduce our cost with biosolids disposal as the District currently travels to Unity for disposal. He has spoken to Mr. Christopher about using his land and may need limited trucking support from the District during the early stages. He noted that he was receiving a delivery from his first paying customer as well as the District today.

The Board and Mr. Weyburn discussed many issues and setting up a time to tour the digester. Mr. Weyburn noted that the District has a wealth of knowledge within the staff and he will be working with the District to utilize the help. Mr. Weyburn noted that his goal is to be used more for energy than waste.

GM Blanchette noted that the goal was for the Board members to meet Mr. Weyburn and ask questions. Currently they are still in discussions regarding material disposal and cost. He noted that they have had many discussions and have an interim understanding, but no final agreement. GM Blanchette welcomed any of the Board members to attend any of the discussions at a meeting.

Chair Priest thanked Mr. Weyburn for attending the Board meeting. Mr. Weyburn thanked the Board members and staff for their support of Village Green Ventures.

Mr. Weyburn left the meeting at 9:15 a.m.

Discussion: BSD Requirements for Consideration of Sewer System Takeover

GM Blanchette introduced Mr. Steven Levesque and Mr. Tom Brubaker from Midcoast Regional Redevelopment Authority. He noted that they are here to discuss MRRA's intent to eventually request that BSD consider taking over the sanitary sewer system serving Brunswick Landing. He noted that they have been working on the inflow and infiltration (I & I) issue and making improvements to meet the requirements set out by BSD. GM Blanchette noted they are here to obtain a clear understanding of those [takeover] requirements and a commitment by the District that they will not change.

Mr. Levesque noted, that as the Board is aware, MRRA has been in the process of redeveloping the old Navy base. He noted that this has been a much larger project than anticipated and taking longer than expected. Mr. Levesque noted that their intentions are to phase out the redevelopment portion and only run the airport. In doing this they are getting closer to requesting the sewer lines be taken over by the District. Mr. Brubaker noted his appreciation to the District, GM Blanchette, AGM Pontau, Collections Supervisor Wharff and all his crew members for the help they have given MRRA in getting

the lines inspected and repaired to meet this goal. AGM thanked MRRA for the great working relationships.

Mr. Brubaker presented a slideshow to the Board members and staff noting what the MRRA property entails for sewer lines, repairs that have been completed, and the cost since the September 2011 Navy transfer. He presented a proposal for District takeover after the manhole and pipe replacement work is completed in the spring / summer of 2016. GM Blanchette noted that the Board would need to adopt the proposal of a takeover and the District would notify the public that we have taken them over. He noted that there is no need for attorney or legislative involvement, as the process simply requires a vote by the Board to accept the facilities. GM Blanchette noted that all the lines would meet District standards before taking them over. Mr. Wharff noted he had no concerns regarding the matter.

Chair Priest thanked Mr. Levesque and Mr. Brubaker for attending and for the information provided. Mr. Levesque thanked the staff for all the work they have helped MRRA complete.

Mr. Levesque, Mr. Brubaker, and Mr. Wharff left the meeting and the Board broke for a recess at 9:56 a.m.

The Board returned from recess at 10:10 a.m.

Treasurer's Report

Financial: Trustee Green noted the November 2015 Variance Analysis report indicated billing revenue to be \$78,000 under projection and non-billing revenue to be \$54,000 above projection. Expenditures are \$48,440 above projection at this time, indicating overall revenue over expenditures of \$72,400 below projection. The Capital expenses are over by \$14,000. Trustee Green noted the receivables averaged over 2015 were at \$39,200 and liens averaged over 2015 were at \$1,100.

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 \$664 indicating an overall \$78,862 below projection. Non-Operating Revenue is above projection by \$56,037. FM Caron noted she looked at consumption and it was less this year, in particular Maplewood, which was down by 11%. She noted they had new meters put it which could attribute to the reduction. FM Caron noted outside watering was higher and they are reviewing this for the 2016 budget. GM Blanchette noted that the 2016 budget has been adjusted to reflect the changes in the 2015 operating revenues.

Capital & Operations expenses: The capital budget was reviewed noting changes that had been made since the previous meeting.

Warrants: The weekly Warrants for November were distributed to the Board for their review. The Trustees reviewed the weekly warrants on disbursements. 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.

Commitments: 01 January to 31 March 2016

IT WAS MOVED BY ASSISTANT TREASURER RICE, SECONDED BY CHAIR PRIEST, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (3-0) WITH THE TREASURER ABSTAINING, TO

COMMIT TO THE TREASURER FOR COLLECTION THE RATES FOR THE PERIOD 01 JANUARY 2016 TO 31 MARCH 2016 IN ACCORDANCE WITH THE SCHEDULE OF RATES AS COMPUTED AND SET FORTH IN THE ACCOUNTS ON FILE AT THE BRUNSWICK SEWER DISTRICT.

Monthly Report of Treatment Operations

AGM Pontau reported that the total flow to the treatment plant for November 2015 was 57.95 MG, down approximately 3% from the previous month and down 1% from this time last year. Flows of 9.79 MG and 4.44 MG for the month originated with Topsham and Brunswick Landing, respectively. Average daily flow for the period was 1.93 MG, or 50% of that allowed by permit. Maximum daily flow processed was 2.84 MG, on November 21, 2015. Precipitation for the month totaled 2.81", with a daily maximum of 1.67" on November 20, 2015.

Septage received for the period totaled 244,800 gallons, up .42% from the previous month. Removal rates for BOD and TSS for the period were 96.8% and 96.9%, respectively. A total of 201 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.

Discussion of Proposed 2016 Rate Schedule

GM Blanchette distributed the proposed rate schedule for 2016 as presented in the Proposed 2016 Operations Budget. GM Blanchette noted that prior to adoption of the 2016 Proposed Operations Budget he is requesting the Board take the first of two votes required for adoption of the proposed 2016 rates schedule. He noted that they typically hold the rate hearing in January and seek the second and final vote to adopt the Rate Schedule at the February meeting. Implementation of the rate increase will be effective April 01, 2016. GM Blanchette noted that Rate Schedule I is the major rate applied and it proposes an 11% increase. He noted Rate Schedule II is for flat rate customers that has potable water from an un-metered source. FM Caron noted that they only have 2 – 3 dozen customers under Rate Schedule II. It was noted that there are only 2 or 3 catch basins and we are working to have them disconnected.

IT WAS MOVED BY TRUSTEE RICE SECONDED BY TRUSTEE GREEN AND APPROVED BY THE TRUSTEES PRESENT (4-0), TO ADOPT THE PROPOSED 2016 RATE SCHEDULE AS PRESENTED AS THE FIRST OF TWO VOTES.

Acceptance of Proposed 2016 Operations Budget

GM Blanchette noted that changes had been made to the budget since the budget meeting. He noted FM Caron and he worked to obtain a balanced budget after adding interest payments for the approved SRF loan to the budget. Items removed from the capital budget were the standby generator for Gurnet Road pump station, the wipes/rags cutter for Maine Street pump station and one of the wetwell level controllers for the SCADA system. The other wetwell controller was moved to expenses. He noted Coffin Street pipe replacement project had been removed due to postponement by the Town and Bowdoin College. GM Blanchette noted that if there is an increase in residential or commercial income they may add some items back in. He noted the 2016 Operations Budget accounts for the increase in the rates.

IT WAS MOVED BY TRUSTEE HARVEY SECONDED BY TRUSTEE GREEN AND APPROVED BY THE TRUSTEES PRESENT (4-0), TO ADOPT THE PROPOSED 2016 OPERATIONS BUDGET AS PRESENTED.

Finance Manager's Report

1. 2015 Financial Audit Update: FM Caron noted that the Financial Audit will be held February 8 – 11, 2016. She noted we will renew RKO's contract for three years at that time.
2. Closing for the \$22,000,000 CWSRF Loan: FM Caron noted the closing documents, prepared by our bond counsel, have been received and need to be signed by the relevant Board members following this meeting. The CWSRF loan is at a 1% interest rate.

Assistant General Manager's Report

1. TP Upgrade / Garage Complex Project Update
 - MDEP Acceptance of GMP Bid Documents: AGM Pontau noted that they have received MDEP approval. He noted that placed on the back table were all the documents at 95% completion.
 - PC Construction Monthly Report on Garage complex: AGM Pontau noted the Garage complex was complete and they will start moving in the following week. He noted they will complete the punch list this month. The Construction report was distributed to the Board.
2. Status of River Road Pump Station #2 Upgrade: AGM Pontau noted that the power pole has been set and CMP should be doing the switch over today. He noted the project will be completed by the end of December.

General Manager's Report:

1. Charter Referendum Certification: GM Blanchette noted he received the official numbers from the referendum and they were yes - 1799, no – 635, and left blank - 52.
2. MMBB Loan Approval Letter: GM Blanchette distributed the letter he received from MMBB regarding the approval for the 22,000,000 loan.
3. Phosphorus & Nitrogen Sampling Results: GM Blanchette noted during the last meeting he gave the results of the phosphorus and nitrogen sampling explaining he was not given a comparison if the numbers were good or bad. He distributed an email he received from Wright-Pierce providing a clear explanation and comparison of the results we received. It was noted that DEP may change the requirements for discharge permit limits, but we would in all probability, be given a least a five-year window to complete the changes.
4. Church Road Property Purchase: GM Blanchette noted that the current owner was not willing to split the property, so as approved during the last meeting, the full property was purchased for \$43,329.19 noting that the funds will most likely come out of reserves. He also noted that after deciding how much of the property to use, they will most likely split the property and sell that portion not used.
5. Board of Trustees 2015 Goals - 4th Quarter Report: GM Blanchette distributed the Quarterly Report of the Trustees Goals for the General Manager and the District. He reviewed the seven goals, providing updates and noting changes.

6. GM Attendance to Town Council Inauguration Ceremony: GM Blanchette noted he was invited to the Town of Brunswick's Inauguration Ceremony on January 4, 2016 and plans to attend the ceremony.
7. Trustee Applicant: GM Blanchette noted the Town has received one application for the Trustee Board opening. He noted that it would be February before the Town Council appoints.

Schedule of Upcoming Meetings and Events

The upcoming meetings and workshops were scheduled as follows:

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| • Public Rate Hearing | Thursday | 21 January 2016 | 6:30 p.m. |
| • Trustee Regular | Thursday | 21 January 2016 | 7:30 p.m. |
| • Trustee Regular | Thursday | 11 February 2016 | 8:30 a.m. |

Executive Session to Discuss A Personnel Matter, 1.MRSA 405(6)(A), General Manager Annual Performance Review

IT WAS MOVED BY TRUSTEE RICE SECONDED BY TRUSTEE GREEN AND APPROVED BY THE TRUSTEES PRESENT (4-0), TO ENTER INTO EXECUTIVE SESSION AT 11:25 AM. TO CONDUCT THE ANNUAL PERFORMANCE REVIEW OF THE GENERAL MANAGER.

Mr. Stuart Kay left the meeting at 11:25 a.m.

The Board returned from the Executive session at 12:03 p.m.

IT WAS MOVED BY CHAIR PRIEST SECONDED BY TRUSTEE RICE AND APPROVED BY THE TRUSTEES PRESENT (4-0), TO APPOINT LEONARD BLANCHETTE TO THE GENERAL MANAGER'S POSITION FOR THE YEAR 2016 WITH A 3% INCREASE IN SALARY.

Chair Priest noted that he and the Board are pleased with the outstanding job GM Blanchette has done.

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 (4 -0) TO ADJOURN THE MEETING AT 12:04 PM.

Attest: _____

Douglas A. Rice, Assistant Treasurer
Clerk (pro tem)