

Greater Augusta Utility District Board

Thursday, January 3, 2008, 3:00 PM, City of Augusta, City Center, Conference Room A

The meeting was called to order at 3:05 by Ken Knight. There was a quorum of Ken Knight, Steve Roberge, Lisa Haskell, Peter Dunn Jr. and B. Tarbuck pointed out that Tom Sotir was sick and would not be able to attend. B. Tarbuck also pointed out that David Smith had informed him of a work conflict and that he would be unable to attend. Susan Farnsworth arrived at 3:15.

1. **VOTE** Approve December 17th meeting minutes. On a motion by Lisa Haskell and a second by Steve Roberge, the trustees voted unanimously to approve the minutes.
2. Review November, 2007 financial statements. There was discussion about the financial statements. Ralph St. Pierre requested additional detail in future financial statements relative to interest income where it is large recurring data. There was a request to review the balance sheets if these were available. Jill Pierce suggested they are available and that she would work on getting copies for future meetings for interested parties.
3. New Business:
 - a. Pay to board members: No formal vote was taken on the topic of pay to Board members. However, the board discussed this issue and concluded that the Charter directed that the higher of the two compensation levels of Hallowell's City Council and Augusta's City Council defined the pay that they should receive. For 2008, this equates to \$1,800 per year. The Board also determined that being paid in equal monthly payments is appropriate. There was discussion relative to whether or not all 9 trustees should be paid and the Board concluded that all were entitled to compensation. The final discussion item was whether or not the bylaws were in conflict with the Charter as it related to paying the Board Chair an amount equal to that paid to the Mayor of Augusta. The Board asked B. Tarbuck to contact BSSN and report back with a legal opinion and to put both the bylaws and the topic of board pay on the next meeting agenda.
 - b. **VOTE:** On a motion by Susan Farnsworth seconded by Peter Dunn, the board unanimously voted to approve the following four separate resolutions. These resolutions are legal formalities required by the Maine Public Employees Retirement System.
 - i. Resolution providing for participation in the Maine Public Employees Retirement System.

BE IT RESOLVED by the Board of Trustees of the Greater Augusta Utility District as follows:

That the Greater Augusta Utility District join with other participating local districts in the Maine Public Employees Retirement System for the provision of employee service retirement benefits, Plan AC, and disability retirement benefits, as authorized by 5 M.R.S.A., Chapter 427. Employees excluded from membership are part-time, seasonal and/or temporary employees as defined under 26CFR, Part 31. Be it further resolved that the General Manager is authorized to enter into a contract on behalf of the Greater Augusta Utility District and take whatever other actions may be necessary. The authority granted herein shall remain until revoked.

BE IT RESOLVED by the Board of Trustees of the Greater Augusta Utility District as follows:

That the Maine Public Employees Retirement System is instructed to merge all assets and liabilities from the Augusta Sanitary District and the Augusta Water District currently held by the Maine Public Employees Retirement System.

BE IT RESOLVED by the Board of Trustees of the Greater Augusta Utility District as follows:

That the Greater Augusta Utility District join with other participating local districts in the Maine Public Employees Retirement System for the provision of employee basic, supplemental and dependent life insurance benefits.

BE IT RESOLVED by the Board of Trustees of the Greater Augusta Utility District as follows:

That the Greater Augusta Utility District submits for approval a plan for extending the benefits of the Social Security Act, Title II, in conformity with applicable provisions of such Act, to all employees (Section 218 agreement). Be it further resolved that the General Manager is authorized to take whatever actions may be necessary to facilitate this process.

4. Old Business:

Budgeting. This topic was discussed for over an hour. There were many exchanges between board members and staff along with recommendations and explanations by both parties.

Susan Farnsworth made a motion to “amend the budget to include a capital reserve line item to equal the gains and losses to create a balanced budget” seconded by Steve Roberge. The board voted unanimously to approve the motion.

As the discussion progressed, some board members felt uncomfortable adopting the budget as submitted citing 15% increases as too great compared with November, 2007 financials. Susan Farnsworth made a motion to “move to approve a 2008 budget based on expenses through November 2007 plus 5% for the first quarter of 2008 until staff can present a budget on May 1, 2008.” The motion was seconded by Steve Roberge and was approved unanimously.

The board also discussed better defining its role going forward and what authority it had to govern expenditures made by the District. To further that end, a subcommittee was created of Peter Dunn, Ralph St. Pierre and Dennis Kinney to look at internal board controls to try to bridge the gap between the Board’s role and the needs of the staff.

The board unanimously voted to approve the following capital needs on a motion by Peter Dunn, seconded by Susan Farnsworth:

- \$30,000 to replace an existing server and install a backup server off site;
- \$2,000 to replace a laptop for remote control of plant facilities.

a. Projects:

- i. Bond Brook CSO Phase 3 Project: B. Tarbuck provided an update on the status of the RFQ process and stressed that this process was based on qualifications of respondents, not an RFP price-based process.
- ii. Trunkline 1 replacement project. B. Tarbuck provided an update on the status of this project explaining that there is still no resolution with Brothers Realty and that further action may be required to move the project forward.
- iii. Togus forcemain. B. Tarbuck explained that this project is moving forward as scheduled and will have a public meeting following the Board meeting today.

- iv. Winthrop Street project. B. Tarbuck explained that this is a capital improvements project done in conjunction with the City of Augusta that will happen in 2008. There are some discussions needed with the Maine Municipal Bond Bank on how to secure financing for the project and that will happen prior to the next Board meeting.
- v. Groundwater project. B. Tarbuck explained that this project has the elevation data needed for very preliminary engineering work and that negotiations are necessary with Hallowell Water District to identify the mechanisms of extracting groundwater from that site for consumption by GAUD customers.
- b. Land purchase option. B. Tarbuck explained that there has been no further action on this property located across Leighton Road from Triangle well.
- c. Eliminate “house calls”. B. Tarbuck asked the board for an opinion what to do with equipment that will not be necessary once private sewer service line plugs (house calls) are no longer performed. The Board agreed that it was appropriate to have a public bid process for this equipment sometime in February.
- d. Pelton Hill Tower. Ken Knight provided a brief update explaining that there is no change from last month on this project and that the State of Maine communication tower on Granite Hill was proceeding as planned.
- e. Policy revisions. B. Tarbuck presented a request to review and approve the policy related to abatement meters for sewer customers. The board discussed policy review briefly and requested that this be tabled until the next meeting and further requested review of the policies relative to main extensions for water and sewer customers.
- f. ADA access to wastewater plant. B. Tarbuck suggested that this discussion wait until later as the plans are changing rapidly relative to developing an ADA accessible meeting space sufficient to meet the District’s needs.
- g. Flow history. B. Tarbuck advised that there will be data forthcoming now that the billing system has been active on the water division for a few months.

Meeting schedules were discussed. The Board suggested that the meeting schedule and times of meetings be added to the next agenda as there were members who were in conflict with some of the days of the week proposed and time of day.

On a motion by Steve Roberge seconded by Peter Dunn, the board voted unanimously to end the meeting at 5:50 PM.

**GREATER AUGUSTA UTILITY DISTRICT
BOARD MEETING
Monday, January 28, 2008**

Location: Augusta City Center

Trustees Present: Stephen Roberge
 Lisa Haskell
 Dave Smith
 Ken Knight
 Dennis Kinney
 Susan Farnsworth
 Tom Sotir
 Ralph St. Pierre-Absent

Staff: Brian Tarbuck, General Manager
 Jill Pierce, Controller
 Monté Haynes, Senior Accountant
 Harold Wood, Engineering & Construction
 Manager
 Mike Grove, Treatment Plant Manager

CALL TO ORDER: Meeting called to order by Board Chair K. Knight at 4:00 p.m.

K. Knight informed the Board that Peter Dunn, Jr. had resigned his position as a Board member. Ken stated that names for a possible replacement had been submitted to the Mayor of Augusta for consideration. The Mayor has not yet finalized his decision for a new appointee.

ITEM 1 VOTE TO APPROVE JANUARY 3rd, 2008 MEETING MINUTES

D. Smith made a motion to approve the January 3rd, 2008 minutes. The point was made that Peter Dunn, Jr.'s name needed to be added to the attendee list. K. Knight seconded the motion, with the noted addition, and the vote to approve the minutes was unanimous.

ITEM 2 NO DECEMBER 2007 FINANCIAL STATEMENTS AVAILABLE UNTIL AFTER THE AUDIT

ITEM 3 NEW BUSINESS

a. Approve GAUD logo based on employee submittals.

Brian Tarbuck said that there were four submissions for the new GAUD logo. There was a brief discussion and Susan Farnsworth asked if it was possible to discuss the logo at a future date. The board agreed to discuss at a future date, and did not make any decisions regarding logos at this time.

b. VOTE for a new treasurer.

D. Smith nominated Lisa Haskell for Treasurer of the GAUD Board. T. Sotir seconded the nomination, and the vote to approve was unanimous.

c. Abatement Request.

B. Tarbuck stated to the Board that he had met with a specific customer regarding a unique situation that can't be rectified until spring thaw.

T. Sotir stated he was potentially willing to approve an abatement, contingent on a plan that would describe the customer's steps to remedy the situation.

S. Farnsworth voiced the leak concerns on the legality of the abatement request, and stated that the District does not have an approved policy on file with the PUC.

T. Sotir requested that the Board take a look at Rule 703, 2c from the PUC to see if the abatement qualifies. He asked B. Tarbuck to get a reading from the PUC under "Emergency Service."

S. Farnsworth said that the customer had not met the requirements for abatement under that language, because the problem had not yet been fixed.

Action Item: K. Knight asked B. Tarbuck to go to the PUC for a determination on leak abatement.

ITEM 4

OLD BUSINESS

a. Budgeting

B. Tarbuck explained to the Board the working budget process.

S. Farnsworth made suggestions for the items that should be included in the budget. The items below were her suggested additions:

1. Depreciation at the bottom of the budget.
2. January 07 actuals.
3. January 08 actuals.
4. % Expenditure line item.

T. Sotir asked if there were any “red flags” pertaining to the operating results for January and adherence to the interim budget.

J. Pierce and B. Tarbuck informed him that the District was operating conservatively and abiding by the interim budget that was approved by the board.

Action Item: Accounting Team to add back in depreciation, add actual expenditure percentage line item for the month, and add January 07 actuals. Correct the Sanitary Division budget net income total by removing a five percent mark-up that was done in error.

b. Board Member Compensation

There was discussion regarding Board member compensation. B. Tarbuck explained to the Board that he had spoken with Lee Bragg, Esq. about this issue. The Board concluded that all members, both voting and non-voting, should be paid on a monthly basis, retroactively from December 31, 2007. The Board chair should be compensated at the same rate as the Mayor, and the members at a rate equivalent to the City Councilors.

S. Farnsworth moved that the interpretation regarding Board pay previously laid out be approved. D. Smith seconded the motion and the vote to approve was unanimous.

J. Pierce asked the Board if it would be acceptable to pay the members at the end of the month of February 2008, for both January and February, to which the Board agreed.

c. Meeting Minutes

S. Farnsworth stated that she would like a paper copy kept, along with the electronic copy of the board minutes.

There was a discussion on the topic of archiving the meeting minutes, with a note made to ask L. Bragg at some future date to provide clarification.

K. Knight moved to table this discussion and that the Board would ask Lee Bragg, Esq., regarding the storage of the minutes.

d. Projects

- i. Project Funding (Informational only)
- ii. Bond Brook CSO Phase 3 (Informational only)
- iii. Trunkline 1 Replacement (Informational only)
- iv. Togus forcemain (Informational only)

v. Winthrop Street Project

S. Farnsworth asked why the District was looking at borrowing from the Drinking Water Program and she voiced concerns with being made aware of financing efforts. B. Tarbuck explained to her that placeholders were necessary so that the funding would be available if the District needed it. He also stated that no commitments had been made.

vi. Ground Water Project (Informational only)

e. Land Purchase (No change)

f. House Calls will end February 1, 2008

g. Pelton Hill Tower

K. Knight informed the group that the parties were $\frac{3}{4}$ of the way through the tower site work. A contract is to be awarded in April 08.

h. Policy Revisions – Main Extensions

S. Farnsworth suggested tabling this issue so that the Board could have more time to review the specific policies brought forward for a particular meeting. She also suggested the Board deal with customer policies first.

K. Knight told the Board that the Main Extensions policy was a priority, and that it needed a significant amount of time spent on it.

The point was made that all of the policies need to be revisited, due to the merging in of the Hallowell Sanitary Operations.

Action Item: B. Tarbuck to provide an index of policies so that the Board can review and select the specific policies in the order they would like them addressed.

i. ADA Access (Informational only). The current thinking is that an area could be converted at the 12 Williams Street shop location.

j. Flow History

B. Tarbuck provided a table summarizing comparative flow data to the Board.

k. Approved Capital Expenditures

\$2,000.00 laptop computer and \$30,000.00 server upgrade.

1. New capital expense request

Discussion ensued about the need for additional capital spending approval, but no approvals were given at this time.

ITEM 6 EXECUTIVE SESSION

D. Smith made a motion to go into Executive Session regarding a Personnel matter, which is pursuant to Title 1, Section 405, Subsection 6, Paragraph A. at 5:50p.m. T. Sotir seconded the motion, and the move to Executive Session was approved.

Motion – T. Sotir, D. Smith 2nd. Approve motion allowing Kristina Gregg to become a full-time employee of Greater Augusta Utility District as recommended by the General Manager.

Motion to adjourn– S. Roberge 2nd. T. Sotir unanimous approval. Exit meeting at 6:00 P.M.

**Steve Roberge
Clerk, Greater Augusta Utility District**

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**GREATER AUGUSTA UTILITY DISTRICT
BOARD RETREAT
Wednesday, January 30, 2008**

Location: Senator Inn Conference Center, Augusta, Maine

Trustees Present: Stephen Roberge
 Susan Farnsworth
 Dave Smith
 Ken Knight
 Tom Sotir
 Dennis Kinney

Staff: Brian Tarbuck, General Manager
 Jill Pierce, Controller
 Monte Haynes, Senior Accountant
 Harold Wood, Engineering & Construction
 Manager
 Mike Grove, Treatment Plant Manager

Other Attendees: Roger Katz, Mayor of Augusta
 Kay Rand, Bernstein Shur, Meeting Facilitator

The Greater Augusta Utility District Board and senior staff met from 5:00 to 8:00 p.m. at the Senator Inn for a Board – Staff Retreat, facilitated by Kay Rand of Bernstein Shur Sawyer & Nelson.

Board Chair K. Knight presented an Agenda for the Retreat to the attendees at approx. 5:30 p.m. He then introduced K. Rand, who welcomed the group, and explained the Retreat Agenda. Kay also led the group in a round of introductions, and passed out hand-outs regarding “Major Duties of Board of Directors” and “Board & Staff Responsibilities” to the attendees.

Chair K. Knight then went over the goals of the Retreat, and presented a detailed timeline of the “Major Events Related to the Merger of the Augusta Water District, and the Augusta Sanitary District and the Sanitary Services of the Hallowell Water District”.

Mayor R. Katz arrived at this juncture, and spoke to the group, giving acknowledgement and praise as to the successful merger process.

At approx. 6:00 p.m., the group had dinner, after which Mayor Katz exited the meeting.

GAUD General Manager B. Tarbuck led an orientation for the new Board members in which he discussed a detailed flowchart hand-out. This hand-out was a schematic of the various components of GAUD operations, as well as an illustration of the input of various communities.

K. Rand then facilitated a group discussion in which various Board members and Senior Staff had an opportunity to provide information, ask and respond to questions, and clarify, rebut, respond to points made by other attendees. There was an open dialogue and detailed discussion during this section of the Retreat, which ended at approx. 8:30 p.m.

**GREATER AUGUSTA UTILITY DISTRICT
SPECIAL BOARD MEETING
Monday, February 11, 2008**

Location: Augusta City Center

Trustees Present: Stephen Roberge
Lisa Haskell – arrived at 4:18 p.m.
Dave Smith
Ken Knight - Absent
Dennis Kinney
Susan Farnsworth
Tom Sotir - Absent
Ralph St. Pierre-Left Early

Staff: Brian Tarbuck, General Manager
Jill Pierce, Controller
Monté Haynes, Senior Accountant
Harold Wood, Engineering & Construction
Manager
Mike Grove, Treatment Plant Manager

Other Attendees: Charlie Smith - Earth Tech
Aubry Strauss - Earth Tech
Karen Asselin - Municipal Bond Bank
Lisa Dickson - SEA Consultants
Jon Beekman - SEA Consultants
Lee Bragg Esq.

Note: Per Lee Bragg, non-voting members count toward making a quorum for purposes of convening a Board meeting.

CALL TO ORDER: Meeting called to order by Co-Chair Susan Farnsworth at 4:12 p.m.

There was a decision made by the board to table items 3 and 4 on the agenda, which concerned a foreclosure, and the establishment of a policy subcommittee. These items will be discussed at a future Board meeting.

ITEM 1 CSO3 PROJECT

Note: S. Farnsworth recommended that all acronyms be spelled out, so that new Board members will know what the acronyms mean.

a. CSO3 Project Recommendation Process

B. Tarbuck gave the Board some background information regarding what Combined Sewer Overflow (CSO) meant. He stated that the

purpose of the CSO was to collect storm water, treat it and send it to the river. Phase III of the CSO project is targeted to the Bond Brook and the North Augusta areas due to recent development. Brian also explained that the Long Term Control Plan (LTCP) in 2006 made recommendations in regards to moving forward with the project.

The next step for CSO III is to hire an engineering firm to perform the design work. This firm would handle the project design, with the construction work phase to follow. As additional background, Brian explained that the District had hired an engineering consulting firm, SEA Consultants, to assist in developing the Request for Qualifications (RFQ) for the engineering design in order to expedite the process and meet the scheduling timeframes dictated by the ME DEP. This type of RFQ design was not regularly done in-house and the staff needed a firm not interested in bidding to help with this process.

An RFQ was sent out to ten firms in mid-December, asking for responses by mid-January. The District received four responses, which represented six of the ten firms solicited, since two sets of firms had paired up. The review committee consisted of Harold Wood, Brian Tarbuck, Mike Grove, Mike Morey, Jon Beekman and Lisa Dickson.

B. Tarbuck said that the following are fundamental tenets of the CSO Phase III project:

1. Remove two pump stations & a pressure sewer & replace it with a gravity system;
2. Install a movable weir to optimize storm water flow into the wastewater treatment plant;
3. Improve a disinfection chamber at the wastewater plant to meet more stringent water quality standards; and
4. Install a new sewer & storm water pump station at Mill Park to pump water from the Bond Brook area to the West Side interceptor.

Action item: S. Farnsworth requested the DEP timelines for the project.

B. Tarbuck stated that DEP wants the design portion of Phase III completed by November 1, 2008. He also contrasted the first three phases of the project, as follows:

- Phase I- All work was performed at the Wastewater Treatment Plant
- Phase II- Pipe conduit was installed under rail trail
- Phase III- Bond Brook/Mill Park area, comparable costs to the other two phases, but much more disruption

In response to questions, H. Wood stated that some of the sewer services were separated as far as sewer and storm run-off, and others were combined.

b. Executive Session

Dave Smith made a motion to go into Executive Session regarding committee Recommendations relating to the CSO III project, which is pursuant to Title 1, Section 405, Subsection 6, Paragraph E., at 4:42 p.m. Steve Roberge seconded the motion, and the vote to approve was unanimous.

The Board meeting reconvened at 5:07 p.m.

B. Tarbuck recommended approval of the bid submitted by Woodard and Curran/CDM for performance of the engineering design phase of the CSO III project. He stated that this bid received the highest ranking, and was the top pick of the selection committee.

D. Smith made a motion to approve B. Tarbuck's recommendation that Woodard and Curran/CDM be hired to perform the engineering design for the CSO III project. L. Haskell seconded the motion, and the vote to approve was unanimous.

It was noted for the record that "thanks" were sent out to all the firms submitting bids, as well as to SEA Consultants, for their assistance with the process.

D. Smith made a motion that B. Tarbuck be given the authority to enter into the first phase of the negotiations with the selected firm, Woodard and Curran/CDM, not to exceed \$15,000.00. S. Roberge seconded the motion, and the vote to approve was unanimous.

ITEM 2

MUNICIPAL BOND BANK

B. Tarbuck introduced K. Asselin of the Maine Bond Bank, who made an informational presentation to explain project financing options via the Maine Municipal bond Bank, through the utilization of State Revolving Loan Fund (SRF) sources. L. Bragg also provided input to the presentation due to his previous experience with this type of project funding.

K. Asselin explained to the Board that the "Drinking Water" SRF loan is a thirty year bond, offered at zero percent interest, with no fees, because of Augusta's "disadvantaged community" status.

She also told the Board that the "Clean Water" SRF loan that the Board is looking into for its sanitary bonding is leveraged with State & Federal funds. Because so many other parties are applying for SRF funding, this might be the first year since 2003 that the Municipal Bond Bank might have to issue bond-backed loans to augment its traditional revenue sources.

Karen suggested that the District take out an interim loan for the \$1.3 million for engineering design costs, in order to be conservative. That way, the District would only pay interest on the amounts drawn until the loan is closed.

In response to questions, K. Asselin told the Board that financing through the Bond Bank was in the form of a “reimbursement program”. The total amount borrowed is not given up front, but drawn down according to the spending needs of the project.

As additional background, K. Asselin informed the Board that borrowers get the advantage of the Bond Bank’s “Triple A” rating. SRF interest rates offered are 2% below the market rate, thanks to State & Federal subsidies. In the past eleven years, she has never seen the rate go above three percent.

B. Tarbuck told the Board the Water Treatment Plant bond, negotiated by the Water District, was not obtained through the SRF program because it didn’t exist in the early 1990’s. Subsequently, this loan has a 6.99% interest rate.

Additional discussion ensued concerning the administrative fees and the DEP fees that are charged by the Bond Bank. Karen made the points that the DEP fees were new, and designed to cover that agency’s administrative costs associated with bond processing. The fees charged by the Bond Bank are to maintain the program in perpetuity.

D. Smith made a motion to table agenda items three and four. L. Haskell seconded the motion, and the vote to table the items was unanimous.

S. Roberge made a motion to adjourn the meeting, which was seconded by D. Smith. The meeting was adjourned at approx. 6:11 p.m.

Steve Roberge
Clerk, Greater Augusta Utility

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**GREATER AUGUSTA UTILITY DISTRICT
BOARD MEETING
Monday, March 3, 2008**

Location: Augusta City Center

Trustees Present: Stephen Roberge
Lisa Haskell
Dave Smith
Ken Knight
Dennis Kinney
Susan Farnsworth ~ arrived at 4:28 p.m.
Tom Sotir
Ralph St. Pierre

Staff: Brian Tarbuck, General Manager
Jill Pierce, Controller
Harold Wood, Engineering and Construction
Manager
Mike Grove, Treatment Plant Manager

ITEM 1 CALL TO ORDER: Meeting called to order by Board Chair K. Knight at 4:00 p.m.

ITEM 2 AGENDA ADDITIONS

Additional agenda items:

- K. Knight – Board of Trade
- General Manager Review Sub-committee – K. Knight, T. Sotir, S. Farnsworth
- M. Grove – Carbon Challenge Recognition

ITEM 3 VOTE TO APPROVE MEETING MINUTES FOR JANUARY 28TH JANUARY 30TH and FEBRUARY 11TH 2008

D. Smith made a motion to approve the January 28th, Regular Board meeting, January 30th Board Retreat, and February 11th Special Board meeting minutes for 2008. T. Sotir seconded the motion. D. Kinney asked that the January 28th minutes, Item 6, be amended from “Approve motion resulting from the Executive Session” to “Allow K. Gregg to become a full-time employee of Greater Augusta Utility District as recommended by the General Manager.” The motion was approved unanimously as amended.

ITEM 4 FINANCIAL REPORT

K. Knight thanked J. Pierce for her hard work and reminded the Board that the Utility was currently operating under the consent budget. J. Pierce explained that the closings for December ‘07 were nearly completed, and

the books would be ready for the auditors when they arrive on March 10th. Other financial points:

- Trunkline true-up is being finalized and is expected to be incorporated in 2nd quarter '08 T/L billing by end of week
- January '08 closing is in process, and is expected to be completed by the next regular Board meeting
- Expenditures for January and February '08 are within the consent budget expense parameters, and cash is accumulating in anticipation of upcoming bond payments
- Bank reconciliation for January '08 – balanced 3 bank accts. to 2 G/L accts.- maintaining cash acct. accuracy for GAUD divisions
- Accounting vacancy is being filled by: Part-time Accountemps person, D. Campbell extending part-time tenure through June '08, Part-time assistance fm. Jill's business associate, B. Palmer, CPA and assistance fm. G. Leighton, AquaMaine, to be further defined

In response to T. Sotir's request for updated financial reports at the next regular Board meeting, J. Pierce replied that December '07 and January '08 should be complete, but could not promise February '08.

B. Tarbuck made a point of thanking Ralph and Dennis of the Board audit committee for their assistance in accounting-related discussions during the past month.

ITEM 5

GENERAL MANAGER'S REPORT

a. Bond Brook CSO Phase 3 Project Update

- Contract for development of scope of work has been executed with Woodard & Curran/CDM
- Kick-off meeting; introductions around group, outlining of project, provision of information. Scope of work is being developed at a cost of \$12,000.00

b. Trunkline 1 Replacement Project

- Winthrop pursuing alternative means of disposing of wastewater as requested by ratepayers.
- Discussion ensued concerning what might happen to T/L if Winthrop were to leave
 1. What are Winthrop's issues
 2. T/L Group needs to evaluate effect

Action Item: T. Sotir requested a paper copy of the existing Trunkline agreement for his reference.

Action Item: D. Smith volunteered to contact Winthrop's Board, and attend their next meeting in the interest of learning first-hand how this project is coming, and potentially dialoging with the Winthrop trustees at some future point.

- c. **Togus Forcemain**
- Wastewater pump station and force main installation project is progressing on schedule.
 - Board discussed notification of citizens who may be impacted by the project and suggested notifying them in advance to ensure they didn't repave a driveway that would then be impaired by the installation of sewer pipe
 - B. Tarbuck stated this was possible and that it would be discussed w/ USVA Togus engineer at a meeting on March 4th
- d. **Winthrop Street Project**
- For Sewer portion of project, the District is pursuing \$400,000 funding through SRF program
 - D. Smith asked about the impact to property owners and how they will be notified
 - H. Wood made the point that owners had been notified in the Kennebec Journal and invited to a Public Hearing and no one attended
 - Consensus was that the District should probably do a follow-up newspaper article
- e. **Groundwater Project**
- B. Tarbuck pointed out that finding an additional water supply that meets Safe Drinking Water Act standards is a high priority, and that the aquifer used by Hallowell Water District in Chelsea makes the most sense to pursue at this point in time
 - Discussion ensued about drought scenarios and how difficult it might be to restart the GF Laurin Water Filtration Plant in the event of a catastrophe that required its reactivation.
 - B. Tarbuck explained that he was uncertain that the facility could be made to meet current Safe Drinking Water Act filtration requirements as the standards for Cryptosporidium have been tightened since 2004

Action Item: The Board requested an analysis of alternatives to identify whether groundwater was the best option versus improvements at the filtration plant (no time-line was built in).

In response to a question from D. Smith, B. Tarbuck spoke of the need to both filter and chlorinate water service from the Water Plant. Brian felt the plant could be brought up and running in 24 to 48 hours, but would not be drinkable. It would only be suitable for fire fighting.

f. House Calls

- B. Tarbuck reported that the house call equipment was publicly auctioned in February for \$376 via sealed bids

g. Financial Progress

- B. Tarbuck reiterated the many financial efforts undertaken by J. Pierce in the course of closing out the former Water and Sanitary Districts, and setting up the new District, comprised of a Water and a Sanitary division. Members of the Board recognized J. Pierce for the financial work that had been done, as well as for the amount of after-hours time committed to these efforts. The Board said they would entertain a recommendation from B. Tarbuck on some way to make right the time spent.

Newsorthy Items:

- M. Grove was recognized for his and his staff's work at the Treatment Plant to reduce carbon output. He and his staff will receive an award for this work on March 17th at the Senator Inn. This is great recognition for the facility and Mike's commitment to helping to reduce energy usage.
- B. Tarbuck informed the group that 88 liens for unpaid sewer bills had been processed on February 29th, 2008, amounting to approximately \$38,000
- B. Tarbuck praised J. Carroll for her outstanding work with the District's safety program, and noted that her efforts were being noticed outside of the District
- Brian informed the group that the District and the City will be working on flood preparedness in March, and meeting with various City and County officials due to the expectation of Spring flood conditions

OTHER:

T. Sotir pointed out his understanding of a proposed repaving job on Bangor Street that would require the District to lower and raise catch basins, manholes and gate valve boxes at its expense. He suggested that this is an expense that shouldn't be borne by the District since the street had been paved only 8 years ago, and would constitute an unusual burden to the District. B. Tarbuck suggested that he and Harold write a letter to MDOT to that effect to seek some relief from these costs. The Board would like an update on this at the next meeting.

Action Item: B. Tarbuck and H. Wood to draft a letter to MDOT seeking relief regarding the above costs, and update the Board at the next meeting.

S. Farnsworth commented that she was glad the notes recognized staff and their accomplishments of late.

ITEM 6

ACTION ITEMS

- a.) Policy Sub-Committee
The Board discussed forming a Policy Committee at length and concluded that policies could be developed by staff and would expect to take action on policies in September '08. The caveat was that if there was a pressing need to identify a policy change, that policy certainly should be brought before the Board. Brian informed the Board that, absent any specific direction, the District would work on pre-existing policies until formal adoption of revised policies by the Board.

Action item: The Board indicated they would like to see a Table of Contents of the existing policies at the next meeting.

- b.) Policies regarding Hallowell Sanitary
D. Kinney noted his agreement with the specific policies being brought forward at this meeting.

S. Farnsworth made a motion to recommend adoption of all three policies brought forward, specific to Hallowell wastewater customers, in order to facilitate Hallowell's upcoming billing. S. Roberge seconded the motion, and the initial vote to approve was 1 against, the rest in favor. S. Farnsworth amended the original motion to include the "recommend" wording. S. Roberge re-seconded the motion and the vote to approve was unanimous.

- c.) Capital Budget
Discussion ensued regarding capital expenditures. B. Tarbuck explained that he and J. Pierce had worked with D. Kinney and R. St. Pierre prior to the meeting to help explain the expenses and how they would be paid for. Brian said that the meeting was helpful in defining a better way to make that presentation to the Board.

B. Tarbuck reviewed the short list of capital items he's asking be approved today. (See list for items)

- Laptop computer
- GIS subfoot imagery
- Western station upgrades
- Replace pipe on Winthrop Street (SRF)
- Replace pipe on Eastern Avenue (SRF)

T. Sotir made a motion to accept the capital budget items as presented on separate list, at a total District cost of \$115,000.00, with the balance financed through SRF. D. Smith seconded the motion, and the vote to approve was unanimous.

- 6 i. K. Knight appointed a subcommittee with the purpose of reviewing B. Tarbuck's annual performance for the April, 2008 meeting. The subcommittee will be K. Knight, S. Farnsworth and T. Sotir. D. Smith pointed out that Article 5, Section 1 of the bylaws required a Board vote for approval of subcommittees.

D. Smith made a motion to appoint the subcommittee as named above, which was seconded by S. Roberge, and unanimously approved.

- 6ii. K. Knight discussed the past practice of designating a representative of the District to the Board of Trade in Augusta and suggested that this should also be extended to Hallowell. This will be brought in front of the Board as an agenda item at the next meeting.

ITEM 7

NEW BUSINESS

- a.) TIF Explanation by R. St. Pierre:

Ralph presented the City of Augusta's Tax Increment Financing (TIF) plan. Ralph explained that TIF dollars can be used for development projects and the City's research showed that the CSO III debt was eligible for TIF-based repayment. Ralph explained that for every dollar of new tax revenue that isn't TIF-sheltered, the City loses \$0.65 to County and State fees. By using TIF sheltered dollars to pay for storm water fees charged by the District to the City, the City can use the full \$1.00 instead of the \$0.35 per dollar remainder that they'd have received from unsheltered tax revenue. The District will need to sign a credit enhancement agreement to acknowledge the City's payments.

D. Smith stated that he appreciates R. St. Pierre's input, and the creativeness illustrated by this plan.

K. Knight noted that Don Roberts was supposed to be sworn in as a new Board member to replace Peter Dunn Jr., but that he has been ill, and wasn't able to attend this afternoon.

J. Pierce noted that she was looking for payroll set-up paperwork for the remaining three new Board members so that their Board pay could be processed.

B. Tarbuck mentioned the upcoming Board Retreat, and asked for a head-count. He noted that K. Knight would be sending out an agenda. L. Haskell said that she was unable to attend.

ITEM 8

ADJOURN

D. Smith moved to adjourn. T. Sotir seconded, and the meeting was adjourned with all in favor at 6:00 p.m.

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**GREATER AUGUSTA UTILITY DISTRICT
BOARD MEETING
Monday, March 24, 2008**

Location: Greater Augusta Utility District Sanitary Division Treatment Plant Conference Room

Trustees Present: Stephen Roberge
Lisa Haskell – arrived at 4:10 p.m.
Dave Smith
Dennis Kinney
Susan Farnsworth
Tom Sotir
Ralph St. Pierre
Don Roberts

Staff: Brian Tarbuck, General Manager
Jill Pierce, Controller
Harold Wood, Engineering & Construction Manager
Mike Grove, Treatment Plant Manager

Other Attendees: Ellen Blair, Human Resources Manager

ITEM 1 CALL TO ORDER: Meeting called to order by D. Smith at 4:00 p.m. due to the absence of K. Knight, Chair and S. Farnsworth, Vice Chair. S. Farnsworth arrived immediately after the call to order and ran the remainder of the meeting.

ITEM 2 AGENDA ADDITIONS

Additional agenda items added on by D. Smith:

- Riggs Brook Discussion
- Board of Trade Discussion

ITEM 3 VOTE TO APPROVE MEETING MINUTES FOR MARCH 3RD, 2008

T. Sotir made a motion to approve the March 3rd, 2008 Board meeting minutes. D. Smith seconded the motion and the vote to approve was unanimous.

ITEM 4 FINANCIAL REPORT

- J. Pierce spoke to the group about the draft December 2007 financials results for the Water and Sanitary Districts. She had prepared the old format December financial reports for both Districts, and provided the system-generated Balance Sheets,

as well. J. Pierce explained to the members that she had provided drafts in order to get December financial results in their hands as soon as possible. She explained that the complete sets of Generally Accepted Accounting Principles (GAAP) financials would be presented by Runyon, Kersteen, and Ouellette(RKO), at the April 28th Board meeting.

- J. Pierce responded to a number of financial-based questions, primarily from R. St. Pierre and T. Sotir. She told the group that the RKO presentation would further explain the December results as well as provide additional cash flow data for the 2007 year.

Action Item: R. St. Pierre asked J. Pierce to provide the variance analysis which she prepared for the audit.

- J. Pierce took the opportunity to explain to the group that the audit has gone very well. The auditors found only one journal entry that needed to be booked, after auditing the books of both districts.

Action Item: R. St. Pierre asked again that non-operating revenues be further broken down for presentation purposes, when the new format reporting is rolled out to the board.

Action Item: Provide depreciation figures for the 2007 year for both Districts to R. St. Pierre.

- Discussion ensued about the audit committee's work being completed and suggested the possibility of a financial committee. The group did not agree to form this committee at this time.

ITEM 5

GENERAL MANAGER'S REPORT

a. Bond Brook CSO Phase 3 Project Update

- A productive kickoff meeting was held on March 11th, 2008 with Woodard & Curran/ CDM to develop a Scope of Work.
- Sewer, stormwater, and plant upgrade project scheduled to begin in 2009 at a cost of approximately \$13M.
- D. Smith questioned if the District needs to do anything different to keep the City apprised of progress on the project.
- B. Tarbuck responded that H. Wood goes to the bi-weekly meetings and that information flow is going okay.

b. Trunkline 1 Replacement Project

- Construction bidding and final easement negotiations are waiting on Winthrop to complete its feasibility study regarding construction of their own wastewater plant.
- The easement issue with Brothers Realty is delayed while Winthrop Utilities works with Dirigo Engineering in pursuit of going outside the trunkline agreement to pursue their own construction.
- T. Sotir wants to make sure that the Board discusses potential impacts to the District.
- B. Tarbuck responded that he feels it's a bit early to discuss and the group should wait to see how Winthrop's study comes out.
- D. Smith will be, attending Winthrop Utility Districts regular Board meeting on March 25, 2008.
- The next trunkline meeting will be held on Tuesday, March 25th at the Wastewater Treatment Plant starting at 7:30 a.m.

c. Togus Forcemain

- Construction to start in May 2008 and the project is expected to be online by Autumn 2009.

d. Winthrop Street Project

- City of Augusta will be rebuilding Winthrop St. from Key Plaza to the old YMCA building.
- Water division taking out a 0% interest loan for \$300K from the Drinking Water Program to rebuild water line.
- City of Augusta is funding \$140,000 for stormwater pipe.
- The sewer division is seeking \$400K to rebuild sewer pipe.

e. Water Source Project

- Water division needs to identify a long-term optimal solution for obtaining drinking water in the future.
- The Board has directed this to be studied in March 2008

f. Financial Progress

- Jill has completed the annual and final audits for the Augusta Water District and the Augusta Sanitary District. These were successful and “clean” audits for both companies.

g. Newsworthy Items

- Districts continue to prepare for potential Spring flooding. Precise GPS elevations of critical sewer pump stations collected on March 20th and have been incorporated into written response plans.
- The District is working to complete financial applications for SRF loans and on completing the necessary associated environmental permitting.
- B. Kieltyka paid \$24,000 to the Sewer division, the first payment associated with the main extension agreement for Fieldstone Place Subdivision.

Miscellaneous discussion items:

R. St. Pierre questioned how the District is going to fund “engineering” portion of the CSO III project. He asked that it be brought forward to the next meeting.

T. Sotir brought up the repaving issue on Bangor Street that had come up at the previous meeting. B. Tarbuck responded he had yet to write the letter to MDOT.

T. Sotir also questioned the rebating for water issue, which is still an issue before the Board.

B. Tarbuck stated that the District needs to file a new tariff. He also noted the Charter would need to be changed in order to be able to shut off water for sanitary non-payment.

Action Item: B. Tarbuck will add the above issues to the next agenda.

ITEM 6 ACTION ITEMS

a. Vote to approve budget for remainder of 2008.

The temporary consent budget needs to be extended from 4 months to annual.

Susan explained the budget process to date for D. Roberts and newer members:

- November 7th 2008: Vote to merge districts
- Despite the budget work, staff felt there wasn't time to fully develop and demystify budget and wanted to refine in Spring 2008.
- Board approved, interim four-month consent budget.
- Redoing Chart of Accounts- that work is not finished.
- Feels we should do it right- an annualized consent budget gets us through end of year January 1, 2009.
- There have been assurances that spending will not be "forced" to spend the additional 5%
- Everyone wants to get there and will come up with a better product at the end.
- S. Farnsworth acknowledged two systems coming together
- She wants the group to get beyond financial discussions.

T. Sotir made a motion to approve an annualized consent budget, as submitted with the understanding there will be a "revisit" of numbers by June 2008 Board of Directors meeting. D. Smith seconded the motion and the all voted in favor.

- Discussion ensued about financial reporting and the possibility of hiring contractual help to get the various concurrent tasks completed

b. Vote to approve capital expenditures as noted on attachment.

D. Smith made a motion to approve the request for \$8,700.00 in combined Water and Sanitary capital budget item requests per attachment from B. Tarbuck. T. Sotir seconded the motion and the vote to approve was unanimous.

ITEM 7 NEW BUSINESS

a. Personnel Policy Manual

R. St. Pierre summarized the potential audit finding regarding the Non-Union Personnel Policy not being approved at time of audit. The Board will need a motion to approve revised policy manual at the April meeting.

b. General Policy Manual Table of Contents

Table of Contents was provided to the group. B. Tarbuck stated that the policies themselves were available to anyone interested.

T. Sotir stated he would be willing to present a motion to approve the totality of policies so that policies exist.

S. Farnsworth said she would first like an opportunity to review the policies.

T. Sotir motioned that the attached list of policies, previously applicable to either the Augusta Water District or the Augusta Sanitary District, be adopted as policies applicable to the Greater Augusta Utility District unless and until modified by Board action after January 1, 2008, until Board action mandates relooking at specific policies. D. Smith second this motion and the vote was all in favor with the exception of S. Farnsworth, who was opposed.

Discussion ensued with S. Farnsworth stating she would rather have time to review or else pull #33, the policy regarding public development of sewer main extensions.

D. Kinney stated he felt the group should be instructing staff to bring forward policies as needed.

Additional Items:

Riggs Brook

D. Smith explained a phone call he received from W. Johnson from Kennebec Tool & Die in regard to a proposed major expansion. The group explained impediments to expanding in that area.

R. St. Pierre stated that the gentleman should be talking to M. Duguay, and then M. Duguay and R. St. Pierre could both meet with him subsequently.

Board of Trade discussion was deferred to a future meeting

T. Sotir made a motion to go into Executive Session regarding a personnel matter, which is pursuant to Title 1, Section 405, Subsection 6, Paragraph A, at 6:15 p.m. D. Smith second the motion, and the vote to approve was unanimous.

S Farnsworth opens the executive session to discuss General Manager performance review at 6:17 p.m.

T. Sotir motioned to close the executive session, which was seconded by D. Smith. The session ended by a unanimous vote at 7:08 p.m.

T Sotir motioned to reopen regular GAUD meeting for additional actions, seconded by L. Haskell. Unanimous vote in favor at 7:09 p.m.

T. Sotir motioned to authorize the Board chair to discuss performance review with B. Tarbuck, General Manager, which was seconded by D. Smith. Unanimous vote in favor at 7:10 p.m.

T. Sotir motioned to approve 3% salary increase and a 1% merit raise for B. Tarbuck, General Manager, which was seconded by D. Smith. Unanimous vote in favor at 7:11 p.m.

S. Roberge motioned to adjourn meeting, seconded by D. Roberts. Unanimous vote in favor at 7:12 p.m.

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**Greater Augusta Utility District
Special Board Meeting
Wednesday, April 16, 2008**

Trustees Present: Dennis Kinney
Tom Sotir
Susan Farnsworth
Ken Knight
Don Roberts
Dave Smith
Steve Roberge
Ralph St. Pierre-entered during Executive Session

Staff: Brian Tarbuck, General Manager
Jill Pierce, Controller
Harold Wood, Engineering & Construction Manager

Other Attendees: Ellen Blair, Human Resources Manager

ITEM 1 CALL TO ORDER: Meeting called to order by K. Knight at 4:02 p.m.

ITEM 2 ACTION ITEMS

a. Executive Session regarding a personnel matter pursuant to MRSA Title 1 Section 405 6 A.

S. Farnsworth motioned to enter an Executive Session regarding a personnel matter, which is pursuant to Title 1, Section 405, Subsection 6, Paragraph A. D. Roberts seconded this motion, with all in favor at 4:03 p.m.

The Board came out of Executive Session at 4:15 p.m. and resumed the regular Board meeting.

In response to questioning, E. Blair replied that B. Tarbuck's salary increase was already approved and in noted in the March 24th Board meeting minutes. The point was made that his increase is retroactive to April 14, 2008.

Discussion ensued about there being a six month window before the end of B. Tarbuck's two year contract. Six months from now it will be eighteen months into the contract.

b. Approve applications for funding to Maine Bond Bank

- B. Tarbuck spoke to the Board about the bond application handout included with the Board packages.
- Question from Tom Sotir regarding Winthrop and what their status was regarding the trunkline project. B. Tarbuck responded that if Winthrop pulled out the District might redefine the project and build a much smaller pump station that was of a scope that could be afforded by the remainder of the parties.
- Report from D. Smith relating to his attendance at Winthrop's Board meeting. He explained that Winthrop Utility District has:
 - An aging System
 - Recent change in board membership
 - Need to do due diligence for its customers
 - Dirigo Engineering has been hired to do a study for possibility of installing a low-maintenance waste water disposal system. They are looking at examples where they've been constructed already.
 - Winthrop would like to be able to see their portion of the costs separately (on our system) from the other trunkline partners.
 - Winthrop town management wasn't aware of the engineering study, so there's an upcoming town meeting to discuss.

Additional Discussion:

- K. Knight stated that since his arrival in '03 he felt there had been an open process.
- D. Smith thinks both community boards should talk with our board to foster good communications
- D. Smith questioned whether the \$600,000 in Water bond applications meets our 1% pipe replacement goals. B. Tarbuck replied that this addresses a portion, but doesn't totally address the needs of the system.

- A point was made that the oldest sewer pipe in Hallowell is “1981 vintage” which would be among the newer sewer pipes in Augusta.

D. Smith made a motion to authorize the General Manager to make an application to both the drinking water and clean water programs through the SRF program of the Maine Bond Bank in accordance with the schedule presented. The total Water bonds amount to \$600,000, and the Sanitary bonds total \$10,000,098. T. Sotir seconded the motion, with all in favor.

K. Knight stated for the record that the Board is all in favor of the proposed methodology regarding Bond applications.

- S. Farnsworth stated her dislike for the logic that because we always did it this way, we’re doing it now.
- K. Knight responded that we have had success in the past with this process and have been in the game or ahead of the game in the past because of adherence to past practices regarding bond applications.

ITEM 3

NEW BUSINESS

a. Sewer use ordinance- the draft revised version was presented to the Board

- The ordinance currently in place is dated 8/1/94

Action Item: The Board wants changes from old to new highlighted, and a Letter of Submittal to accompany the draft, summarizing changes.

- H. Wood explained it’s prepared around a template provide by DEP, some of which applied and some didn’t, but overall it is not substantially different. He also explained that pretreatment changes are required and some of the paragraphs are unique to our District.

Action Item: B. Tarbuck will have J. Carroll get the ordinance, marked up identifying the changes (may be presented in May ’08)

- Discussion center around specific sections of the ordinance, primarily amongst D. Kinney, B. Tarbuck, and H. Wood. D. Kinney was asked to review in further detail and get back to H. Wood with questions.

b. Discuss Water/ Sanitary specifications for approval at the next meeting.

- “Spec’s” – One book of specs now apply for both Sanitary, Water, and Hallowell Sanitary (all together). The change was needed to include Hallowell and ensure consistency for all communities.
- T. Sotir wanted to know what the changes were. H. Wood replied that changes are minimal and that the Water District portion has almost no changes.
- For Sanitary portion- the submersible pump station section was rewritten and; there was some adoption of best practices between both divisions.
- Suggestion from T. Sotir per Action Item from previous page. This type of submittal should come with a “Letter of Submittal” explaining the essence of submittal.
- T. Sotir said the Board doesn’t need all the incremental detail.
- B. Tarbuck: will be looking for approval at May meeting. – No time in 4/28 meeting.

c. Hallowell & Augusta Boards of Trade memberships

- K. Knight talked to Augusta Board of Trade but didn’t commit to attendance from us.
- B. Tarbuck told Board of Trade what it would need to do for development of Route 3.
- T. Sotir question: Should the District be a member?
- K. Knight stated in the past, we have been members and have been represented by the Board Chair or the General Manager.
- Now that we’re combined D. Smith recommends B. Tarbuck acts as representative. If Hallowell wants representation, he would recommend Brian also.
- D. Roberts asks how Brian felt about being a representative. B. Tarbuck replied that he felt it was important to know what was going on and he will stay out of “politics” as much as possible

T. Sotir makes a motion with D. Smith seconding, that GAUD be a member of the KV Chamber and Augusta and Hallowell Boards of Trade, all in favor.

d. Annual Newsletter; pharmaceutical disposal

- Newsletter is not available yet. B. Tarbuck will bring to next meeting, or May meeting. Due by June 30, 2008.
- Discussion centered on costs associated with producing it.
- Pharmaceutical issue- D. Smith feels should be in newsletter.

- R. St. Pierre noted that the City is providing a date to dispose of hazardous waste, prescription drugs, etc.

- S. Farnsworth asked about sewer main extension policy. She wondered if it was being brought to the May or June meeting.
 - She wants it on the agenda for the April 28th meeting.
 - She's offended that it hasn't been addressed already.
 - Feels it was totally wrong to approve the policy and have it not apply to Hallowell
 - Feels it is a simple thing to address. Why is it not on the agenda today?

- T. Sotir disagrees; he says that the policies apply to whole District, including Hallowell.

Action Item: Brian will add the Sewer Main Extension Policy to May 19th agenda-language will be drafted before.

The Board agreed to permit B. Tarbuck and J. Pierce to consult with external help to solve asset valuation questions concerning the booking of Hallowell's fixed assets to the Sanitary District, as well as the correct amount of accumulated depreciation to book, and depreciable lives to use in the future.

ITEM 4 ADJOURN

D. Smith motioned to adjourn the meeting, S. Roberge seconded, and the meeting was adjourned at 6:00p.m.

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April 28th, 2008

Greater Augusta Utility District Board minutes

GAUD Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Lisa Haskell, David Smith, Ralph St. Pierre, Dennis Kinney, Steve Roberge, Tom Sotir, Don Roberts, Susan Farnsworth, and Ken Knight

Staff present: Brian Tarbuck, Jill Pierce, Harold Wood, Mike Grove

Guests: Ellen Blair (City of Augusta / GAUD), Hank Farrah (RKO), Greg Chabot (RKO), Dan Wells (Winthrop Utilities District), Dick Drapeau (Winthrop Utilities District)

Meeting convened at 4:00 PM.

David Smith made a motion to approve the minutes of March 24th and April 16th with edits as recommended by the Board. It was seconded by Steve Roberge and the vote to approve was unanimous.

Discussion ensued about the level of detail relative to future minutes. The Board concurred that going forward, the minutes should reflect actions taken by the board without a detailed narrative.

Tom Sotir made a motion to accept the 2007 financial statements of both the Augusta Water District and the Augusta Sanitary District as presented by RKO. It was seconded by Don Roberts and vote to approve was unanimous.

Tom Sotir make a motion to approve the suggested language change to the sewer main extension policy and change the word "city" to "municipality". It was seconded by Lisa Haskell and vote to approve was unanimous.

Steve Roberge made a motion to authorize the CSO3 engineering contract with Woodard & Curran / CDM for a cost not to exceed of \$793,000 per the proposal dated April 24, 2008. It was seconded by David Smith and the vote to approve was unanimous.

Tom Sotir made a motion to accept the Personnel Policy Manual as presented. It was seconded by Lisa Haskell and the vote to approve was unanimous.

Susan Farnsworth made a motion to go into executive session. It was seconded by Tom Sotir and vote to approve was unanimous.

At 5:49 PM, executive session ended and the regular meeting concluded.

David Smith made a motion to change the mandated creation and online implementation of a new financial system based on a new chart of accounts from 9/1/2008 to 12/1/2008. It was seconded by Steve Roberge and the vote was 4 in favor, 3 opposed.

Susan Farnsworth made a motion to ask the General Manger to contract with AquaMaine to make recommendations to the Board about how to get information regarding the billing system, chart of accounts and back office operations. The maximum amount to be spent on this effort is \$10,000 and the Board would like a written report by its next meeting on May 19, 2008 if possible. Tom Sotir seconded the motion and the vote was 5 in favor, 1 opposed.

At 7:35 PM David Smith made a motion to adjourn the meeting. It was seconded by Tom Sotir and the vote to approve was unanimous.

May 19th, 2008

Greater Augusta Utility District Board minutes

GAUD Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Lisa Haskell, David Smith, Ralph St. Pierre, Dennis Kinney, Steve Roberge, Tom Sotir, Don Roberts, Susan Farnsworth, and Ken Knight

Staff present: Brian Tarbuck, Jill Pierce, Harold Wood, Mike Grove

Guests: Ellen Blair (City of Augusta / GAUD), Dan Wells (Winthrop Utilities District), Doug Whittier (Winthrop Utilities District), Greg Leighton (Aqua Maine), Judy Kelley (Aqua Maine), Lee Bragg (BSSN), Alton Palmer (Gorrill-Palmer)

Meeting convened at 4:00 PM.

Ken Knight read a May 16, 2008 letter from Bill Bridgeo that acknowledged the work of the GAUD relative to the reorganization.

Lee Bragg, bond counsel for the District, discussed the process of securing State Revolving Loan Fund money to pay for the CSO3 engineering project.

On a motion by David Smith and seconded by Tom Sotir the Board unanimously approved text changes to the "Proposed Vote" language presented by Lee Bragg.

David Smith made a motion to approve CSO3 funding via the State Revolving Loan Fund at the Maine Municipal Bond Bank pursuant to the "Proposed Vote" language presented by Lee Bragg. The motion was seconded by Lisa Haskell and the vote to approve was unanimous.

Judy Kelley and Greg Leighton presented their findings of a review of billing and financial operations of the District. The Board requested that Aqua Maine develop a plan that would provide a strategy to achieve a new chart of accounts and the related elements necessary to optimize financial operations. The Board set a special meeting date of Thursday May 29th, 8:00 AM at City Center in Augusta to discuss this pending availability of Judy Kelley and Greg Leighton.

The Board discussed the Gorrill-Palmer letter date May 1, 2008. Steve Roberge recused himself from the discussion as he had worked for the developer on this particular project. Tom Sotir made a motion to accept the recommendation to request an additional payment of \$11,924.51 from Packard Development for services rendered at the Augusta Crossing project as noted in the letter from Gorrill-Palmer. The motion was seconded by Lisa Haskell and the vote to approve was unanimous (noting the recusal of Mr. Roberge).

David Smith made a motion to approve the water and sewer specifications as presented. The motion was seconded by Don Roberts and the vote to approve was unanimous.

David Smith made a motion to approve a policy to permit "district replacement of sewer services beneath traveled way". The motion was seconded by Don Roberts and the vote to approve was unanimous.

Susan Farnsworth made a motion to approve funding for the Winthrop Street water and sewer upgrades. The motion was seconded by Don Roberts and the vote to approve was unanimous.

David Smith made a motion to adjourn. The motion was seconded by Steve Roberge and the vote to approve was unanimous.

May 29th, 2008, 7:30 AM

Greater Augusta Utility District Board minutes

Augusta City Center, Conference Room A, Augusta, Maine

Trustees present: Lisa Haskell, David Smith, Ralph St. Pierre, Dennis Kinney, Steve Roberge, Tom Sotir, Don Roberts, Susan Farnsworth, and Ken Knight

Staff present: Brian Tarbuck, Jill Pierce, Harold Wood, Mike Grove

Guests: Ellen Blair (City of Augusta / GAUD), Dan Wells (Winthrop Utilities District), Judy Kelley (Aqua Maine)

Meeting convened at 7:30 AM.

On a motion by Tom Sotir and seconded by Steve Roberge the Board unanimously approved the minutes of the May 19th meeting.

Judy Kelley of Aqua Maine presented a proposal dated May 23, 2008 to provide professional services to facilitate the transition to a new chart of accounts and associated work with the intent of identifying and implementing more efficient accounting practices. Tom Sotir made a motion to accept and implement the plan presented by Aqua Maine. It was seconded by Steve Roberge. Discussion about the proposal led to an amendment by Don Roberts which was seconded by Tom Sotir. The amendment added language to hire Aqua Maine on an immediate basis to work with Jill and return in June with a revised proposal. The amendment was unanimously approved. The Board then voted unanimously in favor of the amended motion.

Discussion ensued about how to best fill the Controller position which will be vacant on June 12. Tom Sotir made a motion to move forward with the recruiting process to recruit a replacement chief financial officer. The motion was seconded by Lisa Haskell and the vote to approve was unanimous.

Further discussion ensued about reviewing all possible options to address the Controller vacancy including partnering with the City of Augusta. The Board agreed to make a request for a proposal from the City of Augusta and that Ken Knight and Brian Tarbuck would make this happen.

Brian Tarbuck announced that diesel, fuel oil and gasoline bids were received for the period July 1, 2008 to June 30, 2009. Prices increased from \$2.143 per gallon for fuel oil to \$4.435; from \$2.275 per gallon for diesel to \$4.635 and; from \$2.345 for gasoline to \$3.845. The estimated increase in cost over 2007 is about \$130k. All bids were made via Maine Power Options via a consortium of towns, cities, districts and schools statewide.

Representation of GAUD on the Trunkline was discussed. Ken Knight indicated that he would represent GAUD on the Trunkline.

Brian Tarbuck noted that the District was indeed allowed to go immediately to loan on the CSO3 engineering project thereby bypassing fees associated with interim financing. There was no objection to this by the Board.

Susan Farnsworth made a motion to adjourn. The motion was seconded by Don Roberts and the vote to approve was unanimous.

June 23rd, 2008, 8:00 AM

Greater Augusta Utility District Board minutes

Jackson Avenue Wastewater Treatment Plant

Trustees present: Lisa Haskell, David Smith, Ralph St. Pierre, Dennis Kinney, Steve Roberge, Tom Sotir, Don Roberts, and Ken Knight

Trustees absent: Susan Farnsworth

Staff present: Brian Tarbuck, Harold Wood, Mike Grove

Guests: Ellen Blair (City of Augusta / GAUD), Greg Leighton (AquaMaine), Bob Gasper (Manchester Sanitary District), Jim Nevins (Manchester Sanitary District), Bill Bridgeo (City of Augusta)

Meeting called to order at 8:00 AM by Chairman Knight.

David Smith reported to the board that he had attended a Hallowell Water District board meeting three weeks prior that discussed regional water supply needs and a study with Gardiner Water District.

David Smith also reported that he had attended a meeting of the Monmouth Sanitary District. His purpose was to tell them that GAUD was listening to their needs and was interested in the trunkline agreement process.

On a motion by Tom Sotir and seconded by David Smith the Board unanimously approved the minutes of the May 29th meeting.

Bill Bridgeo made a presentation of the City of Augusta's proposal to assist the District with the City's financial personnel and services. The proposal requires the District to annually pay the City of Augusta \$37,500 and purchase a financial software package (Munis) that mirrors the one used by the City for approximately \$50,000.

After much discussion Tom Sotir made a motion that the District move forward with the development of a contractual relationship as proposed including moving forward with the implementation of the Munis system. The motion was seconded by Steve Roberge. Additional discussion ensued. The vote to approve the motion was unanimous.

On a motion by David Smith seconded by Don Roberts the board unanimously approved changes to the Sewer Use Ordinance.

On motion by David Smith seconded by Don Roberts the board unanimously awarded the water, sewer and stormwater upgrade contract for lower Winthrop Street to Longchamps Construction.

On a motion by Don Roberts seconded by Lisa Haskell the board unanimously voted to approve the annual Consumer Confidence Report to be sent to all customers.

On a motion by David Smith seconded by Don Roberts the board unanimously voted to adjourn the meeting at 9:32 AM.

July 21st, 2008, 4:00 PM

Greater Augusta Utility District Board minutes

Jackson Avenue Wastewater Treatment Plant

Trustees present: Susan Farnsworth, Lisa Haskell, Dennis Kinney, Ken Knight, Steve Roberge, Don Roberts, David Smith, Tom Sotir

Trustees absent: Ralph St. Pierre

Staff present: Brian Tarbuck, Harold Wood, Mike Grove

Guests: Lee Bragg (BSSN), Mike Stein (Woodard & Curran)

Meeting called to order at 4:05 PM by Chairman Knight.

The Board listened to a presentation by Tarbuck and Mike Stein related to an issue with easement acquisition along Eastern Avenue. Tarbuck pointed out that the agenda stated the location incorrectly as 185 Riverside Drive; the actual property is 185 Eastern Avenue. A Mr. Robinson owns the parcel in question and has refused repeated requests to grant an easement to the District for the purpose of installing a pressurized wastewater main between the residence and the DOT right of way along Eastern Avenue. Stein presented the proposed alignment and identified the extent of the easement necessary from Mr. Robinson.

Discussion ensued that requested information related to alternative alignments for the pipe. Further discussion ensued relative to the legal aspects of potentially taking an easement through the eminent domain process. Mr. Bragg explained the legal requirements for this and provided estimates for both the legal work and potential appraisal value. Mr. Bragg explained that the District has to date followed the procedure used by Maine DOT for these acquisitions including an offer of \$500.00 to Mr. Robinson in recognition of the nuisance of the easement process. Mr. Wood and Mr. Stein indicated that they had conversations with Mr. Robinson and that all efforts to date have been unsuccessful in persuading Mr. Robinson to grant the District an easement across the property. Tarbuck suggested that the next step in the process should be eminent domain to secure the easement to allow the project to proceed as planned.

On a motion by Don Roberts seconded by Steve Roberge the Board voted 4 in favor and 3 against to increase the offer to Mr. Robinson from \$500 to \$2,500 based on a simple computation of the sum of an estimated \$500 for the appraisal and \$2,000 for anticipated legal fees for the eminent domain process. The motion passed.

Further discussion ensued about what steps the District would take if Mr. Robinson refused the increased offer.

On a motion by Tom Sotir seconded by David Smith the Board voted 5 in favor and 2 against to move forward with the eminent domain process if the increased offer is rejected. The motion passed.

A subsequent motion to authorize the general manager to "obtain a written appraisal of the pre and post value of the property if the offer is rejected" was made by Susan Farnsworth and seconded by Steve Roberge. The motion failed on a vote of 2 for and 5 against.

The Board discussed the proposed agreement with the City of Augusta to provide financial services to the District.

On a motion by Don Roberts seconded by Tom Sotir the Board voted unanimously to replace the language in Addendum A, 1, of the proposed agreement as follows: "The City's Department of Finance and Administration shall be responsible for providing payroll, accounting, budgeting and treasury management services for GAUD."

On a motion by Tom Sotir seconded by David Smith the Board unanimously voted to approve the following language change: Article I, 1.2 (b), delete the period at the end of the sentence and replace with "or denial."

A suggestion was made to clarify that the Department of Finance and Administration as defined in the agreement was a department of the City of Augusta and not a part of the District.

Susan Farnsworth made a motion to table the vote on the approval of the financial services agreement for 30 days. The motion died for a lack of a second.

On a motion by Tom Sotir seconded by Lisa Haskell the Board voted 6 in favor and 1 opposed to approve the financial services agreement pending legal review by BSSN. The motion passed.

Tarbuck explained that because invasive milfoil presents a risk to existing surface water supplies that could be used by the District that the Board should consider supporting the milfoil inspection activities provided by Friends of Cobbossee Watershed. On a motion by Tom Sotir seconded by Don Roberts the Board voted unanimously to donate \$500 to the Friends of Cobbossee Watershed for boat inspections to reduce the spread of milfoil.

Under other business, there were comments of concern about schedule slippage for the CSO3 project. Tarbuck explained that this was predominantly weather related due to a very wet spring and delays on survey. The other delay has been caused by the slow provision of data from a previous engineering firm to Woodard & Curran / CDM relative to water flow modeling information.

David Smith was reappointed by Mayor Roger Katz to serve another 3 year term. Smith's term expires on 7/31/2011.

David Smith pointed out that he received an email from Roger Pomerleau suggesting that the Board consider selling water to a bottling company to offset costs.

Tarbuck passed out corrected bids for USVA Togus. An analysis showed that the previous tables provided in Board packets had an error.

Tarbuck passed out financial statements to the Board reflecting revenues and expenses through the end of June, 2008. Tarbuck pointed out that there is a discrepancy in the balance sheets due to a software issue that has not been identified. Tarbuck explained that overall the District is doing well. Water revenue is down slightly but sanitary revenue is meeting projections for the year to date. Tarbuck offered that Board members interested in more detail should set aside some time to meet with Greg Leighton from AquaMaine for a conversation.

The board set a tentative meeting date of July 31, 2008, 7:00 AM at the Jackson Avenue Wastewater Treatment Plant to discuss the Robinson Easement.

The meeting was adjourned at approximately 6:45 PM.

July 31st, 2008, 7:00 AM
Greater Augusta Utility District Board minutes
Jackson Avenue Wastewater Treatment Plant

Trustees present: Susan Farnsworth, Dennis Kinney, Ken Knight, Steve Roberge, Don Roberts, David Smith

Trustees absent: Lisa Haskell, Tom Sotir

Staff present: Brian Tarbuck, Harold Wood

Guests: Lee Bragg (BSSN)

Meeting called to order at 7:00 AM by Chairman Knight.

The Board convened to discuss the need for an easement from a Mr. Arthur Robinson, owner of a parcel at 185 Eastern Avenue.

The Board listened to a presentation made by Brian Tarbuck and Lee Bragg, counsel for the District, pertaining to discussions w/ Mr. Robinson to date and options for moving forward.

The Board had authorized at its meeting on July 21st increasing an offer of payment to Mr. Robinson from \$500 for a so called "nuisance" easement to \$2,500 which was a sum that was informally estimated to be the approximate cost to the District for securing the parcel through the eminent domain process. Mr. Robinson declined both offers.

After much discussion the Board entertained an idea to pursue installing a pipe beneath the Maine DOT right of way using a horizontal drilling technique that will be used elsewhere on the project.

Given that the horizontal drilling option required an analysis by USVA Togus' engineers, Woodard and Curran, the Board was satisfied to wait for an assessment of this option until the regularly scheduled August meeting.

The Board suggested that Brian Tarbuck call Mr. Robinson to update him on the project status.

On a motion by Susan Farnsworth seconded by Don Roberts, the Board voted unanimously to adjourn at 8:13 AM.

August 25th, 2008, 4:00 PM
Greater Augusta Utility District Board minutes
Jackson Avenue Wastewater Treatment Plant

Trustees present: Susan Farnsworth, Dennis Kinney, Ken Knight, Don Roberts, David Smith, Tom Sotir, Lisa Haskell

Trustees absent: Steve Roberge

Staff present: Brian Tarbuck, Harold Wood, Mike Grove

Guests: Lee Bragg (BSSN), Judy Kelley (Aqua Maine), Greg Leighton (Aqua Maine), Mike Stein (Woodard & Curran)

Meeting called to order at 4:00 PM by Chairman Knight.

The Board reviewed minutes of the meeting of June 23rd, July 21st and July 31st. Mr. Sotir pointed out that the minutes for July 31st inaccurately portrayed him as present at the meeting when he was not. On a motion by David Smith and seconded by Don Roberts the vote to approve the collective minutes as amended was unanimous.

The board considered its action from the meeting on July 21st to “move forward with the eminent domain process if the increased offer is rejected.” The board reviewed a presentation by Mr. Tarbuck and Mr. Mike Stein that further explained options relative to the proposed pipe alignment adjacent to the subject property at 185 Eastern Avenue

On a motion by David Smith which was seconded by Don Roberts, the board voted unanimously to: “As part of the July 21st decision that the District make it part of the USVA Togus project to replace the tree in the MDOT right of way with as mature a tree as possible and further provide a second mature tree if after 8 months the second tree requires replacement. The cost of replacement trees will be repaid to the District by USVA Togus.”

Mr. Bragg asked if the condemnation damages would therefore include \$500 plus the two trees as proposed and the consensus was that this was indeed the desire of the Board.

On a motion by Tom Sotir seconded by Don Roberts the Board unanimously approved a request to authorize the General Manager to execute the “notice of award” to the apparent low bidder on the USVA Togus project (D&C Construction) of an amount not to exceed \$5,550,451.25.

The Board discussed breaking the CSO3 project into two parts. The first would be work directly related to the wastewater plant and the West Side Consolidation Conduit. The second would be the Bond Brook Interceptor and pump station. There was no opposition to this concept provided the costs of the projects remained the same and deadlines for compliance could be achieved. Mr. Tarbuck indicated that he would have more details at the next meeting.

Mr. Tarbuck explained to the board that recent training that was attended by financial personnel indicated that some District policies relating to the role of the Treasurer and Assistant Treasurer needed to be reviewed and, if necessary, modified. Discussion ensued and it was concluded that Mr. Tarbuck and Mr. Bragg would review the District’s charter and bylaws and make recommendations as needed to provide clarifying language.

Mr. Tarbuck suggested that the Board consider adopting an easement policy that would help streamline the process of negotiating and acquiring easements that would be based on the Maine DOT policies. The Board concurred and suggested that this be handled at a workshop session. Mr. Tarbuck was to mail copies of the DOT policies to the Board in the interim.

The Board recommended meeting prior to the September 10th meeting with the City Council and decided that meeting at 5:00 PM on September 10th would provide sufficient time to address outstanding issues.

Judy Kelley and Greg Leighton presented a draft 5 year capital improvement plan and budget to the Board to use for discussion and future planning. The presentation was well received and the Board requested that it be refined going forward to include more detail for 2009 budgeting.

On a motion by Tom Sotir seconded by David Smith the amended shared financial services agreement with the City of Augusta was unanimously approved.

On a motion by Tom Sotir seconded by Don Roberts the Board voted unanimously to approve a change order for the Winthrop Street project that would allow Longchamps Construction to replace 200' of 8" sewer on South Chestnut Street. The value of the change order was \$31,470.00 and increased the total project amount to \$351,220.00.

The Board discussed a memorandum of understanding that agreed in concept to certain elements of a proposed Trunkline Agreement. There was no action taken and the Board tabled the discussion until the September 10th, 2008 meeting.

On a motion by Tom Sotir, seconded by Susan Farnsworth, the Board voted unanimously to adjourn the meeting at 7:30 PM.

September 10th, 2008, 5:00 PM

Greater Augusta Utility District Board minutes

Cumberland Room, Augusta Civic Center, Augusta, Maine

Trustees present: Susan Farnsworth, Dennis Kinney, Ken Knight, Don Roberts, David Smith, Tom Sotir, Lisa Haskell, Steve Roberge

Staff present: Brian Tarbuck

Guests: Amanda Meader (BSSN), Andrew and Arthur Robinson

Meeting called to order at 5:00 PM by immediate past co-chair David Smith. Susan Farnsworth arrived approximately 2 minutes after the meeting was called to order followed shortly thereafter by Ken Knight.

The Board reviewed minutes of the meeting of August 25th, 2008. On a motion by David Smith, seconded by Tom Sotir the minutes were discussed. Because the Board had received a copy of the minutes at the meeting the motion was withdrawn and unanimously tabled until the September 22, 2008 meeting.

The Board discussed the condemnation order of property owned by Mr. Arthur Robinson of 185 Eastern Avenue, Augusta, Maine to acquire easement rights to facilitate construction and maintenance of a buried sewer force main for use by USVA Togus. Andrew Robinson spoke to the Board to explain some of the concerns that his family had with the condemnation order. The Board asked if there was some way that the Robinsons could agree to grant the easement instead of acquiring the easement by executing a condemnation order. Mr. Robinson said that there may be a way. The Board proceeded to sign the condemnation order and directed Mr. Tarbuck to work with Mr. Robinson prior to the September 22, 2008 meeting to arrive at a means to facilitate a willfully signed easement. The District's legal counsel would hold the signed condemnation order unless a willful easement was unreachable in which case the Board would ask its counsel to execute the condemnation order and record it at the Registry of Deeds. The District would create a memorandum of understanding reflecting the actions to be taken by both parties. The Board thanked the Robinsons for their candor and courage to speak about this matter.

Mr. Tarbuck advised the Board that the cost of the USVA Togus force main project had risen from an estimated \$5.1M to \$6.5M. Mr. Tarbuck requested permission to ask for an additional \$1.4M from the Maine Municipal Bond Bank's wastewater state revolving loan fund to execute the contract. On a motion by Tom Sotir, seconded by Don Roberts, the Board discussed the approval of requesting an additional \$1.4M in additional funds from the Maine Municipal Bond Bank for USVA Togus. Trustee Roberge asked if Togus was aware of the increase. Mr. Tarbuck said that they were aware but he would be more comfortable asking the Bond Bank for increased funds once Togus had submitted a statement to that effect in writing. Trustee Sotir amended his original motion to wait to allow the General Manager to request additional funding from the Maine Municipal Bond Bank to pay for the USVA Togus project until written assurance from USVA Togus had been provided by the District. The motion was unanimously approved as amended.

The Board discussed a Memorandum of Understanding that had been drafted by the Trunkline Group in an effort to clarify certain positions desired by the Trunkline Group. Tom Sotir had drafted changes to the memorandum of understanding and called for a vote to approve the changes. The motion was seconded by Don Roberts. Discussion ensued and Susan Farnsworth made a motion to table the original motion. Farnsworth's motion was seconded by Steve Roberge but failed for lack of support. Discussion ensued but time constraints forced Tom Sotir to move the question seconded by Don Roberts which was approved by all. The main motion was approved by all except Farnsworth.

On a motion by David Smith, seconded by Tom Sotir, the Board voted unanimously to adjourn the meeting at 6:00 PM.

September 22nd, 2008, 4:00 PM

Greater Augusta Utility District Board minutes

Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Susan Farnsworth, Ken Knight, Don Roberts, David Smith, Tom Sotir, Lisa Haskell, Steve Roberge, John Charest, Dennis Kinney

Staff present: Brian Tarbuck, Mike Grove, Harold Wood

Guests: Ellen Blair, Ralph St. Pierre

Meeting called to order at 4:00 PM by Ken Knight.

On a motion by Don Roberts seconded by David Smith the Board voted to enter executive session to discuss a personnel matter pursuant to MRSA Title 1, §405 6 (A) at 4:02 PM.

On a motion by David Smith seconded by Susan Farnsworth the Board voted to exit executive session and return to public session at 5:07 PM.

Lisa Haskell departed the meeting during the executive session.

On a motion by Tom Sotir seconded by David Smith the Board voted unanimously to extend the contract of the General Manager to April 13, 2011.

At 5:10 PM Ken Knight departed and control of the meeting passed to Susan Farnsworth.

On a motion by Tom Sotir seconded by Don Roberts the Board voted to approve the minutes of August 25th, 2008. Farnsworth, Smith, Roberts, and Sotir voted in the affirmative and Roberge abstained as he was not at the August 25th, 2008 meeting and didn't feel it appropriate to vote on the minutes.

On a motion by Tom Sotir and seconded by Don Roberts the Board opened discussion of the minutes of the September 10th meeting. Clarifying comments were added to the minutes. The board voted unanimously to approve the minutes as amended.

The Board reviewed financials and asked for clarification on several points on the balance sheet. Tarbuck said that he would get back to the Board with an update pending an upcoming meeting with Greg Leighton and Ralph St. Pierre. Dennis Kinney asked for an aged receivable balance report and Tom Sotir asked if it was possible to add previous month information to the balance sheet information.

The Board reviewed a portion of a document from the Maine Department of Transportation related to easement and right of way acquisition. No action was taken but a request was made to provide the chapters before and after the MDOT document to help frame the context of the wording in the single chapter excerpt.

The Board discussed the Robinson easement issue and Tarbuck provided a status report to reflect that an easement has not been signed but a condemnation report exists and can be executed if the easement cannot be acquired amicably.

The Board discussed a memorandum of understanding that had been drafted by the Trunkline Group. The Board determined that no further action was necessary.

The Board heard a request from Harold Wood to consider allowing the District to extend an existing contract with Longchamps Construction to complete the second part of the Winthrop Street project. The Board agreed to allow terms on an extension and escalation clause to be brought back to the Board.

On a motion by Tom Sotir, seconded by David Smith, the Board voted unanimously to adjourn the meeting at 6:48 PM.

October 27th, 2008, 4:00 PM

Greater Augusta Utility District Board minutes

Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Ken Knight, Susan Farnsworth, Steve Roberge, Don Roberts, David Smith, Tom Sotir, John Charest

Trustees absent: Dennis Kinney Lisa Haskell

Staff present: Brian Tarbuck, Mike Grove

Guests: Ellen Blair, Greg Leighton (AquaMaine)

Meeting called to order at 4:00 PM by Ken Knight.

On a motion by David Smith seconded by Don Roberts the Board voted to approve the minutes of September 22nd, 2008. The following language correction was made in the approved minutes: "The Board agreed to allow terms on an extension and escalation clause to be brought back to the Board."

On a motion by Tom Sotir and seconded by Steve Roberge the Board voted to approve a \$75,000 increase in the 2008 capital budget for radio and SCADA improvements provided the total doesn't exceed the amount approved in August, 2008. The vote to approve was unanimous with Ken Knight in abstention.

There was a question relative to the expiration date of the lease at the Malta Hill tank property. The General Manager indicated he would research the terms of the lease.

On a motion by David Smith and seconded by Don Roberts the Board voted to approve \$1.9M in capital work in 2009 for the CSO3 plant improvements subject to ratification of the 2009 capital budget. The vote to approve was unanimous.

On a motion by Tom Sotir and seconded by Susan Farnsworth the Board voted to approve a request for \$6.5M from the Maine Municipal Bond Bank pursuant to documents prepared by the District's bond counsel. The vote to approve was unanimous.

The Board listened to a presentation of September, 2008 financial statements from Greg Leighton of AquaMaine.

The Board reviewed the aged accounts receivable report and suggested that this be included for review quarterly. There were two specific questions raised. The first was whether or not there was language in the Trunkline Agreement either written or as proposed to charge interest on past due payments in the same manner that other customers might be asked to pay interest on past due accounts. The second related to the fact that Augusta Tissue's outstanding balances do not appear to be in lien status. The General Manager indicated he would research both of these topics.

Greg Leighton and Brian Tarbuck explained the status of the 2009 budget. The Board will see a draft budget at its meeting on November 17th and a final budget no later than the last regularly scheduled meeting of the year on December 29th, 2008.

The Board discussed collective bargaining and how the process will work in 2009. A directive was made to review the contract with Teamsters Local 340 in June, 2009 prior to renegotiating its terms for the future.

The Board reviewed a fuel and energy savings analysis that had been prepared by Mike Grove.

The Board reviewed the FTC "Red Flag Rule" and requested more detail and an interpretation of whether or not the rule applied to the District from legal counsel.

The Board discussed an issue relative to insurance and flooded basements. The Board directed the General Manager to review this with the insurance company.

The Board discussed the charter. On a motion by Tom Sotir, seconded by David Smith, the Board authorized the General Manager to develop specific changes to the Charter which would be reviewed and approved by the Board at a future date. The vote to approve was unanimous.

The Board discussed briefly the roles of the Treasurer, Assistant Treasurer and easement acquisition. In the interest of time, these issues were not discussed in depth and will be taken up at a future meeting.

On a motion by David Smith, seconded by Steve Roberge, the Board voted unanimously to adjourn the meeting at 6:52 PM.

November 17th, 2008, 4:00 PM

Greater Augusta Utility District Board minutes

Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Ken Knight, Susan Farnsworth, Steve Roberge, Don Roberts, David Smith, Tom Sotir, John Charest, Dennis Kinney

Trustees absent: none (1 currently vacant position left by Lisa Haskell's resignation)

Staff present: Brian Tarbuck, Mike Grove, Harold Wood

Guests: Greg Leighton (AquaMaine). Mike Stein (Woodard & Curran), Dan Wells (Winthrop Utilities District), Lee Bragg (BSSN)

Meeting called to order at 4:00 PM by Ken Knight.

On a motion by seconded by David Smith, seconded by Don Roberts, the Board voted unanimously to approve the minutes of October 27th, 2008.

The Board discussed the recent passing of 20 year employee Larry Libby. Mr. Tarbuck explained that Larry's coworkers would like to install a plaque at a proposed pump station near Bond Brook to permanently recognize Larry's contribution to the District. There was general agreement and condolences offered by board members and Mike Grove. David Smith wanted the record to show his appreciation for the extraordinary efforts taken by Ellen Blair and Human Resources to help ensure that Mr. Libby's family was properly cared for.

Lee Bragg discussed the Assistant Treasurer position as it related to the processing of liens in lieu of the Treasurer signing off on them. The intent of the conversation was to ensure that the existing practice of having the Assistant Treasurer sign lien documents was explicitly allowed by the Board to ensure that there was no question as to the Board's intent. Susan Farnsworth made a motion to allow the Assistant Treasurer to sign lien documents. The motion was seconded by Don Roberts. Discussion ensued. Tom Sotir made a motion to table the motion. David Smith seconded Tom Sotir's motion. The vote was 3-3. Susan Farnsworth moved to withdraw her motion, seconded by Don Roberts. The motion to withdraw the motion was approved.

On a motion by David Smith, seconded by Susan Farnsworth the board elected Don Roberts as the new Treasurer of the Greater Augusta Utility District. The vote was 5 in favor with Don Roberts abstaining. The vote reflected that the Treasurer have the authority to assign the signing of liens to the Assistant Treasurer.

On a motion by David Smith, seconded by Tom Sotir the Board recognized the recent increase in pay to members of the Augusta City Council and authorized equivalent pay for GAU Trustees in accordance with the GAU Charter, Section A-19, Part 4. The vote was 5-0 with Don Roberts absent for the vote.

The Board next heard a presentation by Brian Tarbuck and Mike Stein (Woodard & Curran) regarding the need to increase the preliminary engineering contract for CSO3 from \$793,000 to \$833,000 to refine the existing hydraulic model of the Bond Brook and Northern Avenue subwatersheds. Tarbuck and Stein explained that the existing model was too coarse to provide the level of detail necessary to accurately simulate the effects of different rain events on the proposed improvements along Bond Brook and the Canal Street area. On a motion by Tom Sotir, seconded by David Smith the Board unanimously voted to increase the amount of the preliminary design contract by \$40,000 to refine the hydraulic model as described in Woodard and Curran's memo dated November 10, 2008.

Greg Leighton presented monthly financial statements.

Greg Leighton and Brian Tarbuck presented the 2009 draft budget. Several questions were asked relative to the capital budget and whether or not current rates support current reinvestment in District assets. Refinements and clarification were requested specific to the capital budget. As discussion progressed the Board concluded that the draft budget was headed in the appropriate direction but that the Board would require more time to focus on the budget without other issues. The Board set a meeting to discuss the budget for Monday, December 8th, 2008, 4:00 PM at the wastewater plant with the intent to discuss the budget in more detail. The Board also requested a prototype of the balance sheet and income statement that the Munis system would provide at the next meeting. The Board also recommended continuing with the services of AquaMaine for financial support on at least a quarterly basis into 2009.

The Board briefly discussed a proposal to modify the existing Charter to allow the District to shut off sewer customers for non-payment of sewer charges. The Board took no formal action on this matter.

On a motion by David Smith, seconded by Don Roberts, the Board voted unanimously to adjourn the meeting at 6:45 PM.

December 8th, 2008, 4:00 PM

Greater Augusta Utility District Board minutes

Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Ken Knight, Susan Farnsworth, Steve Roberge, Don Roberts, David Smith, Tom Sotir, John Charest, Dennis Kinney

Trustees absent: none (1 currently vacant position left by Lisa Haskell's resignation)

Staff present: Brian Tarbuck, Mike Grove

Guests: Greg Leighton (AquaMaine). Mike Stein (Woodard & Curran), John Daniels (Woodard & Curran), Ellen Blair (City of Augusta), Ralph St. Pierre (City of Augusta)

Meeting called to order at 4:00 PM by Ken Knight.

Ken Knight introduced Mr. John Daniels from Woodard & Curran. Mr. Daniels made a presentation that explained the upcoming federal stimulus package for municipalities and public utilities. Mr. Daniels explained that all signs point to a significant increase in the amount of money that will be available to fund public infrastructure projects. The recommendation was to be prepared by establishing projects that could be ready for construction by the spring.

On a motion by Don Roberts, seconded by David Smith, the Board voted unanimously to approve the minutes of November 17th, 2008, with the following addition to language relative to the passing of Mr. Larry Libby: "David Smith wanted the record to show his appreciation for the extraordinary efforts taken by Ellen Blair and Human Resources to help ensure that Mr. Libby's family was properly cared for."

On a motion by Tom Sotir, seconded by David Smith, the board voted unanimously to accept the proposed meeting dates as presented in an attachment in the Board packet.

Ellen Blair and Brian Tarbuck provided a very brief overview of changes to the Personnel Policy Manual which the Board will take up again at its meeting on December 29, 2008.

Ralph St. Pierre provided the Board with an update relative to the transition from the existing Northern Data Systems accounting software to Munis. Ralph explained that the transition is going well and is on track to be complete by the first of the year with some ongoing implementation of system enhancements as the year goes on.

The Board discussed the proposed 2009 budget for the remainder of the meeting. Don Roberts requested to review the District's investment policy. Tarbuck said he would provide the investment policy to the Board. Dennis Kinney asked if it would be possible to convert the pay that he is eligible for as a trustee directly to a charitable cause. Tarbuck said he would investigate and get back to the Board with an answer. The Board listened as Greg Leighton from AquaMaine explained the various elements of the 2009 budget. Leighton explained that this document is still being reviewed but the final budget for December 29th should be very close to what was presented on December 8th.

Tarbuck explained parts of the Capital Improvement Plan. There was discussion about how the capital budget would be tracked under the new Munis system. Tarbuck explained that his understanding was that each capital item would have a budget that staff could track expenses against. He suggested that a periodic review of how the capital spending was tracking would help the Board understand how expenses were tracking against budget. The Board was also curious

about what projects on the CIP might be paid for by the upcoming stimulus funds. Tarbuck said that he would assemble a list of priorities and present that at the next meeting.

Susan Farnsworth expressed a concern relative to the District's disclosure of cash and investments and wondered if there was a better way to explain the District's cash position. After some discussion the conclusion was that the balance sheet could be footnoted to explain to a reader the reasons for earmarked cash. This solution appeared to be amenable to the Board and Tarbuck said that he and Leighton would make the changes as requested.

Tom Sotir reported that he had done some further research on the Federal Trade Commission's "Red Flag Rule". His research and discussions with other utilities led him to conclude that this does apply to the District and that the comprehensive language adopted by Portland Water District should be used as a template for our policy.

Prior to the close of the meeting the Board requested that Tarbuck produce Board packets by Wednesday afternoon prior to the Monday meeting to afford a bit more time to review the data in advance of the meeting. Tarbuck agreed to distribute packets as directed.

On a motion by Steve Roberge, seconded by Susan Farnsworth, the Board voted unanimously to adjourn the meeting at 6:34 PM. Note that the remaining Board members were Steve Roberge, Susan Farnsworth, Don Roberts, Ken Knight and Tom Sotir.

December 29th, 2008, 4:00 PM

Greater Augusta Utility District Board minutes

Wastewater Treatment Plant, Jackson Avenue, Augusta, Maine

Trustees present: Ken Knight, Susan Farnsworth, Steve Roberge, Don Roberts, David Smith, Tom Sotir, John Charest, Dennis Kinney

Trustees absent: none (1 currently vacant position left by Lisa Haskell's resignation)

Staff present: Brian Tarbuck, Mike Grove, Harold Wood

Guests: Greg Leighton (AquaMaine). Mike Stein (Woodard & Curran), Ellen Blair (City of Augusta)

Meeting called to order at 4:00 PM by Ken Knight.

Ken Knight asked if there were agenda additions. David Smith asked to place the topic of the District's annual meeting on the agenda and Brian Tarbuck asked if the board would take up the issue of approving the final design and bid services for CSO3a.

Susan Farnsworth took a moment to announce that effective January 5, 2009, the City of Hallowell will be appointing two replacements for the seats held by herself and Dennis Kinney. The replacements are to be Mr. Dick Bachelder as a voting member and Mr. Jim Simpson as a non-voting member. Members of the Board thanked Susan and Dennis for their many years of service as Board members and Hallowell representatives prior to the formation of the Greater Augusta Utility District on the Charter Committee.

Ken Knight asked the Board if it would be appropriate to designate the December 29th meeting as the annual meeting. After some discussion the Board directed the General Manager to recognize the January 26th, 2009 meeting as the annual meeting.

On a motion by David Smith, seconded by Tom Sotir, the Board voted unanimously to approve the minutes of December 8th, 2008 as presented.

The Board reviewed current water and sewer rates. David Smith made the following motion: "I move that we certify and approve the schedule of rates for water service, sewer and stormwater service and fire protection service, which has been presented to this meeting and recorded with the minutes, for the 2009 calendar year, and continuing until such time as the schedule of rates is modified by vote of the Trustees, and I further move that the Assistant Treasurer be authorized and directed to apply the schedule of rates to all persons, entities and property receiving services from the District, and to thereafter collect the sums due from said persons and entities and to take all appropriate action related to the collection of said sums, including the preparation and filing of notices and liens as allowed by the District's Charter and State law." The motion was seconded by Tom Sotir and the vote to approve was unanimous.

Ellen Blair presented changes to the Personnel Policy Manual. On a motion by Tom Sotir, seconded by David Smith, the Board unanimously approved the changes to the Personnel Policy manual as presented.

Ellen Blair and Brian Tarbuck presented a cost of living adjustment for non-union personnel and a merit pay formula for the Board's approval. On a motion by Don Roberts, seconded by David Smith, the Board voted unanimously to approve a 3% cost of living adjustment for non-union employee plus merit pay using the formula presented.

The Board discussed the Trunkline Agreement and suggested that Tarbuck send a current copy of the agreement to the Board for review prior to the January 2009 Board meeting.

Don Roberts made a brief presentation of his findings relative to investment policy at the District level and some potential options that could increase investment revenue on certificates of deposit and checking account rates. The Board requested that this be added to the January 26th, 2009 agenda.

At 5:05 Ken Knight requested a 10 minute break prior to discussing the 2009 operating and capital budgets.

At 5:15 Ken Knight called the meeting back to order.

Ken Knight asked Tarbuck and Mike Stein to present information to the Board relative to the final engineering work necessary to complete CSO3a and get it ready for construction in 2009. Mike Stein explained a handout he had provided to the Board and that the \$185,000 required for final engineering and bid preparation was part of the total \$1.9M project costs to complete CSO3a. On a motion by Tom Sotir, seconded by David Smith, the Board unanimously approved \$185,000 for final engineering and bid services as presented by Woodard and Curran in a memo to Brian Tarbuck dated December 23, 2008.

A question arose relative to how to best apportion costs of the CSO project equitably between sewer and stormwater. Tarbuck said that he would provide the Board with allocation methods at the next Board meeting.

The Board discussed the budget for 2009 at length and asked Greg Leighton several questions relative to adjustments that were made in November. On a motion by Don Roberts seconded by Tom Sotir, the Board voted unanimously to approve the 2009 capital and operating budgets of the District.

On a motion by David Smith, seconded by Steve Roberge, the Board voted unanimously to adjourn the meeting at 6:38 PM.