

Winnepesaukee River Basin Program

Advisory Board Quarterly Meeting

Laconia Compound

Tuesday April 10, 2012 9:00 AM

Brian Sullivan-Franklin	Jeanne Beaudin-Belmont	Steve Dolloff-WRBP	Sharon McMillin-WRBP
Dan Leonard-Meredith	Paul Moynihan/Chairman-Laconia	Sheldon Morgan-Gilford	Johanna Ames-Tilton
Ray Korber-Bay District	Scott Myers-Laconia	Bob Veloski-Sanbornton	Tracey Russo-Clerk

P. Moynihan called the meeting to order at 9:06 am

1) Minutes from Special Advisory Board meeting of 2/6/12 (vote)

B. Veloski made a motion to accept the minutes as written; S. Morgan seconded; all were in favor; motion passed.

2) Budget

-FY 12 Update

-FY 13 Budget Forecast

S. Dolloff gave an overview of the Fiscal Year 2012. Some items of note included:

S. Dolloff handed out the Proposed FY2013 Admin Budget and Admin apportionment by community. Admin costs typically are supposed to represent the cost of administering the program; excluding the costs a contract operator would carry. However, some of those costs are included in the WRBP Admin budget.

J. Beaudin asked for a breakdown of the Indirect Costs (DAS & DES & DOIT). The DAS indirect cost does include the Employee Assistance program; along with the 3% assessed against salary and benefits for staff. The DES indirect charge was not assessed to the WRBP until recently. S. McMillin explained that we are still receiving a bargain on the attorney fees through the AG's office.

Transcription Services for next fiscal year are still being worked on and budget remains the same.

S. Dolloff handed out the Proposed FY2013 O&M Budget and O&M apportionment by community. The breakdown of the O&M was discussed. The same level of staffing will be maintained as in FY2012. The State is in the 2nd year of their SEA contract; there have been no COLA's for the last 6 years and none are included in the current **Collective Bargaining Agreement (CBA)**. Those employees that were delayed in getting their steps by one year will receive them in 2013 with an approximate increase of 4.5 %. There has been a 3% increase in salaries and benefits. WRBP do stock up on chemicals at the end of the year before there is a cost increase.

J. Beaudin asked how we purchase vehicle replacements. S. Dolloff explained that we generally get new vehicles when necessary (not transfers from other agencies) and it would be included in the New & Replacement line item budget.

J. Beaudin asked for a copy of the pretreatment permits for Belmont; S. Dolloff will provide a list of who would have received that information.

Discussion regarding the cost for biosolids disposal included options for continuing with RMI for land application with the recognition that, if legislation changed the biosolids would have to be land filled, incinerated or modified to Class A biosolids with significant capital cost increases associated with each of these options.

Non-routine O&M costs are those that are greater than \$2,000 and would likely be differentiated as non-routine and, thus, in addition to the basic contract of a private, contract operator. All offsets are revenues from other sources like septage tipping fees and lab or permit fees. Overall, the O&M assessments are slightly less than last year.

S. McMillin indicated that the State legislative O&M budget does not provide the detail breakdown that the WRBP O&M and Admin budgets to communities historically shows and provided a sample to members so that they can see the difference between the two formats.

Sinking Fund - the WRBP legislation provides for this fund being reset every five years but the WRBP proposes no change in the amount collected in FY2013. Since the Advisory Board and CIP Subcommittee continue to work through the CIP plan and priority for future capital projects, it may be premature to change this assessment.

J. Beaudin made a motion to approve the budget as presented; B. Sullivan seconded; all were in favor; motion passed.

B. Sullivan did want to note that Franklin's sewer rate is up, and he is concerned about the direction the rates are headed and how much more the ratepayers can bear. He is worried about the long term sustainability of the program and feels it should be noted – including how reapportionment may affect the communities; along with the administrative costs that are not controllable by the WRBP. S. Dolloff expressed concern over future capital costs and their affect on the ratepayers. The Operations, Management, and Administration Evaluation was recommended in the MOU to identify where money can be saved. P. Moynihan asked if there is anything else we can do. S. Dolloff said that huge strides had been made. J. Beaudin pointed out that the problem stems from the fact that the number of sewer users isn't going up but the costs that the small number of users are required to pay is going up. B. Sullivan suggested looking at ways to capture the benefits of the program outside the ratepayer base. D. Leonard suggested documenting current efforts to find cost saving measures, in the event the efforts of the Advisory Board members are questioned in the future. **These concerns will be conveyed in a letter to Harry Stewart at DES from the Board chairman.** S. McMillin suggested looking at cost sharing between communities and the WRBP system for consultants and studies; saying there is likely significant savings to be found by coordinating future efforts.

3) CIP Subcommittee Report

- Recommendation for CIP cover letter from AB (vote)
- Recommendation for Press Release (vote)
- Recommendation for draft Advisory Board Governance Guidelines (vote)

S. Morgan made a motion to accept the two letters as written and the press release with the understanding a quote will be added from the **chairmen. J. Beaudin seconded; B. Veloski abstained; all others approved; motion passed.**

The CIP and press release will be finalized and distributed before May 1, 2012.

4) Annual election of officers (roll call vote per approved Governance Guidelines)
- Secretary/Clerk transcription options

There was some general discussion about the voting process as discussed at the last CIP meeting regarding governance guidelines. D. Leonard had asked that the words “closed ballot” for elections be added at that meeting. After discussion, he is withdrawing that request and requested that those words be removed.

D. Leonard made a motion to accept the Governance Guidelines as revised to include roll call voting for elections. J. Ames seconded; all others approved; motion passed.

P. Moynihan asked that he not be considered for Chairman; with the understanding he has appreciated the support and will continue to take a very active role in the committee. P. Moynihan nominated B. Sullivan for Chairman; J. Beaudin seconded; B. Sullivan accepted; all present approved as recorded via roll call vote. B. Sullivan was elected as chairman.

J. Ames nominated R. Korber for Vice Chairman; R. Korber would need to check with the Bay District commissioners before accepting. All present approved as recorded via roll call vote. R. Korber was elected as vice-chairman, pending the Bay District Commissioners’ approval.

These officers will take office on July 1, 2012 for the term of one year.

There is one candidate for transcription services being considered, so S. McMillin recommended that election or appointment of a clerk be deferred to a later meeting. The matter was deferred.

5) Governance Subgroup Report

J. Beaudin reported the group has not met. S. McMillin indicated that there were only two remaining signatures required to execute the MOU – Commissioner Hodgdon (DAS) and Neil Cowan (Bay District) who is in Florida. S. McMillin is coordinating getting these signatures and will distribute copies of the MOU when finalized. She also needs the date that Franklin approved the MOU as E. Dragon did not have that date available when she signed the document. B. Sullivan will try to get her this information.

6) UV/Plant Water SCADA Improvement Project Update

S. McMillin reports that the construction is ongoing and on schedule. The ARRA funds have given an offset of \$815,551; however the project loan agreement will need to be signed by P. Moynihan as chairman and a letter from the chairman will need to be in the G&C request to amend the contract to account for the increase due to the Davis Bacon wage discrepancy and the new source of funds.

7) Flow Metering and Cost Allocation System Project Update

S. McMillin is working through the final technical specification difficulties with regards to location. DOT Railroad needs to approve three locations and DAS and Laconia need to approve the installation near Right Way Path. They still need a couple of access agreements and easements before the project is bid. The Soda Brook easement needs to be in place and signed by G&C first, before signed by the owners. S. McMillin is working on final language with the AG’s office and will forward for review by the owners’ attorneys before submitting to the G&C for final approval.

8) Northfield Capital Costs Recovery Assessments

- Dispute between Sewer Commission and Town unresolved; next steps

There has been no agreement. Therefore, the AG's office has drafted a writ against the Commission and Town which will be submitted to the court. There was also a RSA cited in the writ which will seek to levy a \$10,000 fine for each of the three violations.

9) Other Business

J. Beaudin asked for a copy of the WRBP NPDES CMOM annual report; she only needs the summary.

Adjournment by B. Veloski at 11:27; seconded by R. Korber; all were in favor; motion passed and meeting adjourned.