

Wednesday, January 13, 2010, 3:00 PM
Greater Augusta Utility District Board minutes
Jackson Avenue Wastewater Treatment Plant, Augusta, Maine

Trustees present: Ken Knight, David Smith, Steve Roberge, Don Roberts, Dick Bachelder, Tom Sotir, Jim Simpson and John Charest

Trustees absent: Charlene Hamiwka

Guests: Ralph St. Pierre, Harold Wood, Mike Grove

Ken Knight called the meeting to order at 15:00.

At 15:03 David Smith moved to approve the minutes from December 21, 2009. The motion was seconded by Tom Sotir. There was discussion about whether or not Ken Knight should approve the budgets as he works for a company that could, from time to time, be the successful bidder on certain contracts. The Board determined that a global action like approving the 2010 budget was not a conflict of interest. Ken wanted the record to show his concerns about any external perceptions but the mood of the Board was that his concern was unfounded. The motion to approve the minutes of December 21, 2009 was unanimously approved.

At 15:05 Ralph St. Pierre and Brian Tarbuck led the discussion of the 2010 CIP and a 5 year projection of both CIP and the District's cash reserves should the CIP be implemented as presented. The discussion ranged widely from methods of paying for future unfunded mandates to required improvements at the wastewater plant. Discussion included timing any future wastewater / stormwater rate increases coincident with a small decrease in water rates to help reduce the total cost to ratepayers that are both water and sanitary customers.

At 16:33 the Board took a ten minute break.

At 16:43 discussion resumed relative to the capital improvement plan and funding options. There was additional discussion relative to the need for billing on a monthly basis instead of quarterly. Monthly billing would smooth out the District's cash flow and bring the District's fees in line with other utility services. There was discussion about implementing new rates and how those could be timed. The conclusion was that a single rate increase would be preferable to several small rate increases. The Board discussed delaying the project as long as possible to allow existing debt to drop off. The conclusion was that the next significant debt would not retire until 2018 and that waiting would likely result in higher legal, debt and construction costs. There was some concern that delaying the CSO project could impede the proposed new hospital's construction or bump into a potential Maine DOT rebuild of Mt. Vernon avenue that could happen as early as 2013.

At 17:23 Tom Sotir moved to approve the 2010 Capital Improvement Plan as proposed by the General Manager to specifically note the inclusion of \$125,000 dedicated for the purpose of paying the matching funds for an outstanding CDBG application. The motion was seconded by Don Roberts. The motion passed on a vote of 6 for, 1 against (Dick Bachelder).

The Board requested that Ralph St. Pierre and Brian Tarbuck present a scenario to show the impact of a multi-year rate increase to help show how this differs from a single rate increase.

The Board also asked for an analysis of proposed monthly billing procedures to compare that to quarterly costs.

On a motion by Don Roberts, seconded by Tom Sotir the Board voted unanimously to adjourn at 17:37.