

BRUNSWICK AND TOPSHAM WATER DISTRICT  
MINUTES OF REGULAR MEETING  
June 9, 2008

President Philippon called the Meeting to order. Roll call was taken. Others present were Vice President Rossignol, Trustees Hutchinson, Kay, Lawler and Moll; Treasurer Woollacott, General Manager Frasier, Finance Director Knowles, District Engineer Douglas and Operations Manager Alexander.

AGENDA ADDITIONS: None

MINUTES:

The Board reviewed the Minutes of the Meeting held on May 12, 2008. A motion was made by Trustee Hutchinson and seconded by Trustee Lawler to accept the minutes as distributed. There was a unanimous vote in favor of the motion.

CORRESPONDENCE: None

INVITATION FOR PUBLIC COMMENT:

Vice President Rossignol reported that a customer on Patricia Drive, Topsham commented that he was very impressed when a District employee went to his home to inform him that the flushing program was to begin in his area.

FINANCIAL REPORTS:

Finance Director Knowles reviewed the Financial Reports for the month ending May 31, 2008.

OPERATIONS MANAGER'S REPORT:

*Flushing*

Operations Manager Alexander reported on the District Flushing Program which started on May 13, 2008. The flushing in the Topsham area was completed on June 5th with the Brunswick area to be completed in a couple of weeks.

Operations Manager Alexander reviewed the condition of the main within Willow Grove, Brunswick. This system was a private system until last year. Due to lack of proper maintenance of the system, two blowoffs were unusable. One was partially blocked requiring extended flushing and the other was completely plugged requiring mechanical removal of the 20 +/- years of accumulated oxidized material and tuberculation.

OPERATIONS MANAGER'S REPORT (continued):

*Filter No. 3*

Operations Manager Alexander reported that Jackson Filter Three has been removed from service due to the failure of internal components. The eight inch manifold end plug pushed out due to improper construction. The manifold assembly was designed to be completely incased in concrete. The resulting failure of the end cap sheared off weld studs, bent screen support angle irons, eroded weld tabs and resulted in significant loss of support gravel and greensand. The estimated cost to replace the filter material is \$27,000.00.

*New Employees*

The new employees in the Pumping and Treatment Division, Judd Witwicki and Bill Gaffney, are performing well and working independently. Mr. Witwicki will be starting in the weekly rotation schedule on June 24, 2008.

ENGINEERING REPORT:

*River Road Main Replacement*

District Engineer Douglas reported on the bid results for the River Road Water Main Replacement Project. The contract was awarded to Harry C. Crooker and Sons. The bid results are as follows:

<b>Bidder's Name</b>	<b>Bid Amount</b>
Harry C. Crooker & Sons, Inc.	\$ 877,316.40
Longchamps & Sons, Inc.	1,349,700.00
Shaw Brothers Construction, Inc.	1,073,290.00

Due to the competitive pricing offered on the Project, the District has proposed a change order to H.C. Crooker for inclusion of an additional 2,500 feet of water main on the Taylor side of I-295 and to clean up piping issues on River Road in front of the Taylor Station. The anticipated total cost of the construction is \$1,550,000, including the additional work and if the incentive/disincentives are completely realized by the contractor. This dollar amount matches the original budgeted amount for the project.

*GIS Update*

District Engineer Douglas reported that Keith Levasseur has come on board as a summer intern. The District has completed approximately 30% of the mapping of the mains and mainline valves in the distribution system. The toughbook laptop has arrived and will be sent out this week to have the demo software uploaded for beta testing.

ENGINEERING REPORT (continued):

*Taylor Well No. 5*

District Engineer Douglas reported that R.E. Chapman has completed the 24-inch production well. The screen has been ordered and will likely be installed next week. The District has been planning site piping, electrical and instrumentation design to integrate this new well into the system and to allow for the initial well start-up and pump testing.

GENERAL MANAGER'S REPORT

*Vehicle Bid Results*

General Manager Frasier reported that the bids for a new pickup truck were opened on May 19<sup>th</sup>. Pape Chevrolet of Portland was the low bidder for the 2008 Chevrolet Silverado with a bid of \$19,266.00.

The bids for the Customer Service Van were opened on June 9<sup>th</sup>. O'Connor GMC of Augusta was the low bidder for a 2009 GMC All Wheel Drive Savana Cargo Van with a bid of \$27,114.00.

*Meeting with Brunswick Sewer District*

A meeting was held on May 20<sup>th</sup> with the Brunswick Sewer District. Mr. Charles Priest, Chairman and Mr. Frank McVey, Superintendent of the Sewer District, President Philippon and General Manager Frasier were in attendance at the Water District Offices. The purpose of the meeting was to have an open discussion to explore areas where the Districts may have mutual interests. No follow-up meeting has been scheduled, but the Brunswick Sewer District has indicated interest to have their Board tour the Brunswick and Topsham Water District's facilities. An invitation was also extended for the Water District Board to visit the Brunswick Sewer District facility.

ACTION ITEMS:

**08-11 River Road Main – Project Expansion**

District Engineer Douglas reviewed the River Road Main Replacement Project. The Board was requested to authorize expansion of the Project to include the remaining 2,500 feet of problematic water main by executing a change order to increase the quantities to reflect the additional work. The change order would also scale the incentive/disincentive provisions accordingly to reflect a similarly proportional incentive/disincentive for having this additional work completed within the contract time. After discussion on the Project Expansion, a motion was made by Vice President Rossignol and seconded by Trustee Hutchinson to approve the additional work as described. There was a unanimous vote in favor of the motion.

ACTION ITEMS (continued):

**08-12 River Road Bond Resolution**

Finance Director Knowles reviewed the Brunswick and Topsham Water District Bond Resolution to authorize the issuance of District bonds in the amount of up to \$1,982,750 to finance the replacement of the River Road, Brunswick Main Replacement Project. The Bond Resolution reads as follows:

**BRUNSWICK AND TOPSHAM WATER DISTRICT  
BOND RESOLUTION**

**WHEREAS**, the Trustees of the District desire to approve a borrowing of up to \$1,982,750 to be used to finance the replacement, removal and installation of 6,800 feet (approx.) of 16-inch water main located at or about River Road in the Town of Brunswick and to fund a debt service reserve fund (the "Project").

**NOW, THEREFORE, BE IT HEREBY:**

**RESOLVED:** That, subject to an approving order of the Public Utilities Commission authorizing such issue and the amount thereof, and in order to complete the Project, to accomplish the purposes of the District's Charter, and to provide funds for the debt service reserve fund described herein, the Trustees of the Brunswick and Topsham Water District hereby authorize the District to borrow up to \$1,982,750 and to issue its bonds therefore and notes in anticipation thereof (collectively, the "Bonds"); and

**FURTHER**

**RESOLVED:** That the Superintendent and Treasurer of the District be and hereby are individually authorized, in the name and on behalf of the District, to execute and file with the Public Utilities Commission of the State of Maine an application for authority for the District to borrow up to \$1,982,750 and to issue and sell \$1,982,750 aggregate principal amount of its bonds, and that any such actions previously taken by the Superintendent or Treasurer be and hereby are ratified; and

**FURTHER**

**RESOLVED:** That the Bonds shall be executed in the name and on behalf of the District by its Treasurer and countersigned by the President of the District and shall bear the corporate seal of the District thereon, attested by its Clerk; and

**FURTHER**

**RESOLVED:** That the Bonds shall mature in a principal amount of not less than one percent (1%) per year, and shall contain such other terms and provisions, not contrary to the general tenor hereof, as the Treasurer and the President may approve, their approval to be conclusively evidenced by the execution thereof, such borrowing to be in said form, at such rate (not to exceed or average annual rate of 6.50%) and with such maturities (not to exceed 40 years) as may be determined by the Treasurer and the President, not inconsistent herewith, their approval to be conclusively evidenced by their execution thereof

**FURTHER**

**RESOLVED:** That the Treasurer be and hereby is authorized to provide that any of the Bonds be made callable, with or without premium, prior to their stated dates of maturity; and

**FURTHER**

**RESOLVED:** That the Bonds shall contain such other terms and provisions, not contrary to the general tenor hereof, as the Treasurer may approve, his approval to be conclusively evidenced by the execution thereof; and

**FURTHER**

**RESOLVED:** That the Treasurer is authorized, on behalf of the District, to sell said Bonds to the Maine Municipal Bond Bank and to enter into a loan agreement with the Maine Municipal Bond Bank in conjunction with the issuance of the Bonds and to negotiate and approve the terms and conditions in said Loan Agreement in the aggregate principal amount not to exceed \$1,982,750 with a term not to exceed the term of the Bonds; and

**FURTHER**

**RESOLVED:** That the Treasurer, upon issuance of the District's notes in anticipation of said Bonds, be and hereby is authorized to determine the date, form, interest rate (not to exceed 6.50% per annum), maturities (not to exceed 5 years from the issue date) and all other details of each issue of notes, including the form and manner of their sale and award, subject to the provisions of the law, the District's Charter and these Resolutions; and

**FURTHER**

**RESOLVED:** That the Treasurer be and hereby is authorized to select the registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds and to execute and deliver such contracts and agreements as may be necessary or appropriate to secure their services; and

**FURTHER**

**RESOLVED:** That the Bonds shall be transferable only on registration books of the District kept by the transfer agent, and said principal amount of the bonds of the same maturity (but not of other maturity) such minimum denomination as the Treasurer shall approve, upon surrender thereof at the principal office of the transfer agent, with a written instrument of transfer

satisfactory to the transfer agent duly executed by the registered owner or his attorney duly authorized in writing. Upon each exchange or transfer of a bond the District and the Transfer Agent shall make a charge sufficient to cover any tax, fee or any other governmental charge required to be payable with respect to such exchange or transfer, and with respect to such exchange or transfer, and subsequent to the first exchange or transfer, the cost of preparing new bonds upon exchanges or transfer thereof to be paid by the person requesting the same; and

**FURTHER**

**RESOLVED:** That the Treasurer and the President from time to time shall execute such Bonds as may be required to provide for exchanges or transfers of Bonds as heretofore authorized, all such Bonds to bear the signature of the Treasurer, countersigned by the President, attested by the Clerk; and

**FURTHER**

**RESOLVED:** That if the Bonds are issued on a tax exempt basis, the Treasurer be and hereby is authorized to covenant, certify and agree, on behalf of the District, for the benefit of the holders of the Bonds, that no part of the proceeds of the issue and sale of the Bonds shall be used directly or indirectly to acquire any securities or obligations or to otherwise use such proceeds or the Project, the acquisition or use of which would cause such Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or "private activity bonds" within the meaning of Section 141 of the Code; and

**FURTHER**

**RESOLVED:** That if the Bonds are issued on a tax exempt basis, the Treasurer be and hereby is authorized to covenant, certify and agree, on behalf of the District, for the benefit of the holders of the Bonds, that the District will file any required reports and take any other action that may be necessary to ensure that interest on the Bonds will remain exempt from federal income taxation, and that the District will refrain from any action that would cause interest on the Bonds to be subject to federal income taxation; and

**FURTHER**

**RESOLVED** That the Treasurer be and hereby is authorized to covenant, certify and agree, on behalf of the District, for the benefit of the holders of such Bonds, that the District will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met; and

**FURTHER**

**RESOLVED:** That if any of the officers or officials of the District who have signed or sealed the Bonds shall cease to be such officers or officials before the Bonds so signed and sealed shall have been actually authenticated or

delivered by the District, such Bonds nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds had not ceased to be such officer or official; and also any such Bonds may be signed and sealed on behalf of the District by those persons who, at the actual date of the execution of such Bonds, shall be the proper officers and officials of the District, although at the nominal date of such Bonds any such person shall not have been such officer or official; and

**FURTHER**

**RESOLVED:** That the Treasurer and other appropriate officers of the District are hereby authorized and empowered to do all such acts and things, and to execute, deliver, file, approve, and record all such financing documents, contracts, instruments, deeds, assignments, certificates, memoranda, abstracts, and other documents (the "Financing Documents") as may be necessary or advisable, with the advice of counsel for the District, to carry out the provisions of the Resolutions heretofore adopted at this meeting in connection with the Project, the execution, sale, and delivery by the District of the Bonds and the execution and delivery of the said Financing Documents; and

**FURTHER**

**RESOLVED:** That any or all of the Bonds issued hereunder may be consolidated with and become a part of any other issue of temporary notes or bonds authorized to be issued by any previous or subsequent order of the Board of Trustees; and

**FURTHER**

**RESOLVED:** That the term "cost" or "costs" as used herein and applied to the Project, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Project; (2) the cost of construction, building, alteration, enlargement, reconstruction, renovation, improvement, and equipping of the Project; (3) the cost of all appurtenances and other facilities either on, above, or under the ground which are used or usable in connection with the Project; (4) the cost of landscaping, site preparation and remodeling of any improvements or facilities; (5) the cost of all labor, materials, building systems, machinery and equipment; (6) the cost of land, structures, real property interests, rights, easements, and franchises acquired in connection with the Project; (7) the cost of all utility extensions and site improvements and development; (8) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Project; (9) the cost of environmental studies and assessments; (10) the cost of financing charges and issuance costs, including premiums for insurance, interest prior to and during construction and for an period ending 3 years following issuance of the Bonds, underwriters' fees and costs, legal and accounting fees and costs, application fees, and other fees and expenses relating to the

financing transaction; and (11) the cost of all other financing authorized hereunder, whether related or unrelated to the foregoing; and

**FURTHER**

**RESOLVED:** That the investment earnings on the proceeds of the Bonds, if any, and the excess proceeds of the Bonds, if any, be and hereby are appropriated for the following purposes, such proceeds to be held and applied in the following order of priority:

1. To any costs of the Project in excess of the principal amount of the Bonds;
2. If issued on a tax exempt basis, in accordance with applicable terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of the Bonds; and

**FURTHER**

**RESOLVED:** That if the Bonds authorized by this resolution are issued on a tax-exempt basis, the Treasurer be and hereby is authorized to designate such Bonds as qualified tax exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code; and

**FURTHER**

**RESOLVED:** That if the Treasurer, President or Clerk are for any reason unavailable to approve and execute the Bonds or any of the related bond documents, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had himself/herself performed such act.

**FURTHER**

**RESOLVED:** That the District covenants to establish, maintain, apportion, revise and collect assessments, rates and/or charges for water services furnished by the District to pay when due current expenses of operating and maintaining the water system, and to pay or provide for the payment of all indebtedness created or assumed by the District.

**FURTHER**

**RESOLVED:** That this Resolution shall constitute the District's declaration of official intent for the Project and the Bonds within the meaning of Treasury Regulations §1.150-2.

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

Name: \_\_\_\_\_

ACTION ITEMS (continued):

**08-12 River Road Bond Resolution (continued):**

After reviewing the Bond Resolution for the River Road, Brunswick Main Replacement Project, a motion was made by Trustee Hutchinson and seconded by Trustee Lawler to approve the Resolution as presented. There was a unanimous vote in favor of the motion.

SECOND INVITATION FOR PUBLIC COMMENT: None

NEXT MEETING:

The next meeting will be held on July 14, 2008 at 5:30 p.m. With nothing more to come before the Board at this time, a motion was made by Vice President Rossignol and seconded by Trustee Lawler to adjourn to Executive Session to discuss employee and legal issues.

A motion was made by Trustee Lawler and seconded by Vice President Rossignol to adjourn the Executive Session and return to the regular order of business. A motion to adjourn was made by Vice President Rossignol and seconded by Trustee Lawler. There was a unanimous vote in favor of the motion.

Respectfully submitted,

Nancy Bucholdt  
Recording Secretary