

K. Daly, Asst.

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## ORLEANS, BREWSTER, EASTHAM GROUNDWATER PROTECTION DISTRICT

## BOARD OF MANAGERS MEETING

AUGUST 14, 2013

**Board Present:** John Kelly, Chairman, Orleans; Martin McDonald, Eastham.

**Others Present:** Jay Burgess, Chief Operator; Beverly Carney, Orleans resident; Harold & Heidi Boas, Orleans residents.

1. Meeting called to order at 9:00 a.m..
2. **A motion was made by Martin McDonald to approve the Board of Managers Minutes dated July 10, 2013. This motion was seconded by John Kelly and unanimously approved and passed.**
3. **Follow-up discussion on the preliminary plan for decommissioning plant and update on engineering proposals for assistance:**
  - John Kelly stated he received a draft copy of a proposal from CDM from Charlie Sumner for review. John stated he forwarded a draft proposal from Stantec to Jay and the Board of Managers for their review. He and Tom Daly, Director of Orleans Public Works, met with Stantec to get a proposal to help the Board understand what the steps and costs are associated with putting together a decommissioning plan. CDM's proposal is \$55,000 to do all the phases they would like to do. Stantec was proposing \$7,500. We have to sit down when Charlie is here and go through these proposals. I assume we would work in phases with the CDM proposal. We may be able to bring in Stantec for the amount they are proposing. The costs come in when you start looking at the actual design of decommissioning the plant. We need to look at any discretionary monies in the Districts operating budget and put this back on the agenda for our September meeting. We also have to put together our plan to go back to the three Boards of Selectmen in October.
  - Martin McDonald stated he is concerned about time going by. He stated we would need a \$5,000 to \$10,000 proposal to get started for an estimate of costs involved, as well as a timeline. Stantec's proposal came in closer to the amount he has in mind. We may have to do a preliminary study to get started and an engineering study for detail. I don't think we need to spend the effort that CDM proposes at this time. We need a timeline listing the different stages and costs in order to budget and to do preliminary scheduling. Someone has to inform us of what permits we will need. CDM could probably also do that if we asked them, but their proposal was much more than we needed. He stated he is not happy about the way John went about getting the proposals haphazardly, i.e., John got a proposal; Charlie got a proposal; and I could have gotten one, but I didn't.

- John Kelly asked Martin if he wanted to get a proposal as well.
- Martin McDonald stated his biggest concern is time. I can get a proposal, but it is getting late now.
- John Kelly stated if you want to make a Motion we can bring in Stantec.
- Martin McDonald stated we need to decide this with Charlie. I don't want to make a decision with just you and I. Stantec sounds like they can do what we need. Eastham has worked with them before and they were okay.
- John Kelly stated Tom Daly has worked with them before and that's why he suggested them.
- Martin McDonald stated if we are going to meet with the three Boards of Selectmen in October, I am worried that as of today, we have absolutely nothing to tell them. October is important because we all have to do our budgeting for town meeting. If there is money that has to be spent in 2015, we need to know it pretty quick.
- John Kelly stated we will certainly have it in our Warrants. We wanted to get ahead of the curve in October, knowing that November is really when we start our budgeting as well as capital planning. I don't know what Charlie's schedule is. John asked Jay if there are funds in the District's budget that he doesn't need and how much would it be?
- Jay stated the language states in the proposals that they want to decommission and demolish the plant prior to the agreement of 2015. How much prior to the agreement of 2015? Did we move the date?
- John Kelly stated when he talked with Stantec, depending on what is involved and how long it is going to take, the drop dead date right now under the agreement is May 31, 2015. So if you wait until May 31<sup>st</sup> to start demolition the agreement would be expired before it is finished. We either decide as a group to get the towns to extend the IMA for an additional six months for the purpose of decommissioning, or we have to make it all fit within the May 31st timeline. In order to extend the IMA, it would require a vote from the three towns.
- Martin McDonald stated some things could be started while the plant is still in operation, i.e. permitting, and some of the engineering.
- Jay stated it appears it has already started with the paperwork.
- Martin McDonald stated a timeline is needed to see what things can be started. He stated he doesn't see a problem with extending the IMA for an additional six months, but a lot of other people would have to agree to it as well.

- John Kelly stated it has never been an easy topic. If something like that is going to happen, then the language has to be very clear in what is being extended. When we looked at the issue of funding, it was a million to a million four for demolition. Jay has indicated a lot of the equipment has salvage value but it cannot be removed until the building is being demolished because they built the building around the equipment. One of the things Stantec has said is you have to identify a market for some of this equipment. They have gone through a number of large projects in the private sector where they demolished a factory and then built a new one in its place. It is a very involved process especially when you go out to bid. It is about six months from start to finish on the demolition. In terms of a time frame, if you go to town meeting next May and appropriate the money for demolition, you then have one year to finish. If it is a six month process, you have to start in January.
- Martin McDonald stated we can go to town meeting and say we only need a third of the funding it to get something started.
- John Kelly stated the timing of the annual meetings does not necessarily coincide with the schedule of trying to do this by the end of the agreement. That is one of the issues for discussion with the three Boards. The Boards are going to have to agree to look at a second town meeting in May of 2015 for an extension of the IMA. What if you don't get the extension vote? Now the agreement is expiring and you still have a plant sitting here. A timeline of all of these issues would be helpful when we have a meeting with the three Boards.
- Martin McDonald stated if you decided you wanted to do the six month extension of the IMA, you would have to take it to Town meeting next year.
- John Kelly stated an Article for the funding for demolition in a phased approach, as well as the extension, as a package could also be done. That way you will know where you stand and have some flexibility with a timeline.
- Tom Daly stated Stantec can have draft answers for the October meeting. He asked what is involved for the Board to sign an agreement with Stantec or CDM? If you want answers for the October meeting, you need to make decisions today. He stated he looked at both proposals and they are very similar in a lot of ways. The major difference is CDM is going a step further for a 21E study, etc.. The question is, do you think we really need that step at this point?
- John Kelly stated there would be a vote from the Board of Managers to proceed based on the proposal, and authorize the Chairman to sign the contract.
- Martin McDonald stated we would want to sit down with Stantec and review what they are going to do for us.
- John Kelly stated we could call a special meeting for the purpose of meeting with Stantec in order to finalize the timelines and any questions we may have.
- Martin McDonald stated he would not like to make a decision without Charlie's input.

- John Kelly stated if we are not happy with Stantec, we can get different proposals for the next step. Engineering services are exempt from procurement. At this point we are bringing them in to help us get started to go forward.
- Tom Daly stated this an aggressive price from Stantec. They are trying to build a relationship with this Board and I am sure they would like to be considered based on their performance.
- Martin McDonald stated their price came in the ball park that he had in mind.
- John Kelly stated not only do we need that report but we need to be able to give it to the selectmen of the three towns so they can review it in order to have a discussion of concerns and questions. This isn't Tom Daly's forte. For the most part, having him read the agreements and tell us what is says is helpful. I can get him to do some of what needs to be done, but this is beyond the general PE that we are looking for here.
- Martin McDonald asked if Jay had a chance to review the proposal.
- John Kelly stated as soon as he received the proposal he forwarded it to the Board and Jay.
- Jay stated the proposal is just stating what they did at other places. I only look at the front page and the price page. I did not receive a copy until the end of the day yesterday.
- Martin McDonald asked what is the next step and where do we get the money?
- John Kelly stated if we want to do this, I need to get Stantec to send me an agreement to sign. The money would come out of the District's checking account.
- Jay stated the District currently has around \$180,000.00 in its bank balances.
- John Kelly stated we don't really have a choice.
- **A motion was made by John Kelly to take \$7,500 from the Districts' available cash and vote to proceed with the proposal from Stantec dated August 13, 2012, as well as authorize the Chairman to sign the agreement and set up a kick off meeting with in the next two weeks. This motion was seconded by Martin McDonald and unanimously approved and passed.**

4. **Vacation Days Buy Back:**

- Bill Grant would like to buy back three weeks vacation days.
5. **A motion was made by Martin McDonald to authorize the buy back of three weeks vacation days for Bill Grant in the amount of \$2,454.00. This motion was seconded by John Kelly and unanimously voted and approved.**

6. **Longevity Schedule:**

- John Kelly stated Longevity for the District employees has been frozen for the past three years. We averaged the Longevity Schedule from Orleans and Brewster to come up with Longevity figures for the District, based on each individual employees years of service.

7. **A motion was made by John Kelly to approve the updated Longevity Schedule as presented on August 14, 2013, for the total amount for this year of \$11,850.00, which is an approximate increase of \$2,500 over what we currently have budgeted for FY15. This motion was seconded by Martin McDonald and unanimously voted and approved.**

8. **Chief Operator Updates - Jay Burgess:**

- **Process** – Nitrogen is running at 20 mg/l. All other nutrients parameters and BOD's remain in single digits.
- **Maintenance** – We have had some primary sludge pumping issues. Our pumps are 25 years old and we are in the process of trying to make them last another year or so. New parts have been ordered, and we should be able to keep them running until the plants' demise.
- **VFD failure** - We had a VFD failure warning, which is simply a fan which needs to be replaced and is being shipped next week. There were also some issues with the No. 1 Filter Press Feed Pump. We corrected it and located parts for it.
- **Temporary Workers** - We have two temporary employees from Allied Personnel. At the beginning of the summer I asked the Board if I could hire some part-time help. We have been using two of their employees for roughly 16 hours a week. They are doing our lawn maintenance, receiving operations, cleaning the presses and re-charge beds. They will also help in receiving when we are short staffed. I am having them work from 8:00 a.m. to 2:00 p.m..
- **USGS** - I forwarded the U.S.G.S. memo to the Board for your review.
- Jay stated when he puts together the Districts budget, it will spill over into the time frame when we will potentially not be here for a month.
- John Kelly stated at this point we just plan for the twelve months.
- Jay stated if we shut down early, we will not be able to rely on income that we have coming. It is going to be a difficult budget to prepare.

- John Kelly stated we may have to look at the revenues on a monthly basis so that we can be in a position to know how much money we will have in three month increments. Most of your revenue comes in the summer to get you through the winter. You may not have much in the start up in the spring. Maybe you can show us historical revenues by month for the last couple of years so that we can see the twelve months. We already know that most of the money comes in the summer.
- Jay stated we are usually in the black until December and then we start running in the red. Although we have a sale in the winter, we don't cover our expenses during the sale. We may even look at not having a sale this year.
- John Kelly stated once you stop taking in flow, your revenue stops and some of your expenses stop too, but the biggest expense we have is personnel. We need to look at all of that because we need the cash to keep the employees here. We probably need to start looking at the FY15 budget earlier than we usually do.

The Board reviewed the District's bank balances.


9. **A motion was made by Martin McDonald to approve Treasury Warrant No. 15 for payment. This motion was seconded by John Kelly and unanimously approved and passed.**

10. **Future Agendas:**

- Stantec meeting August 28<sup>th</sup> at 9am.
- Next Board of Managers Meeting – September 11<sup>th</sup> at 9a.m.

11. **A motion was made by Martin McDonald to adjourn the meeting at 10:30 a.m.. This motion was seconded by John Kelly and unanimously approved and passed.**

Respectfully submitted,

  
 Cyndi Bachman  
 District Secretary