

**Long Creek Watershed Management District Governing Board  
Minutes November 17, 2010 Meeting**

**1. Call to order** – 9:00 a.m.

**2. Roll call**

Gerard Jalbert, Curtis Bohlen, Mary Costigan (late), David Thomes, Jim Hughes (late), John O'Hara (absent), David Russell, Dan Bacon, Ed Palmer (late), Craig Gorris, Brian Goldberg, Tom Raymond, John Branscom

**3. Minutes** (*Attachment A*)

- a. Mr. Bacon made the motion to accept the minutes as presented. Mr. Russell seconded the motion. The motion was approved unanimously.

**4. Treasurer's report**

- \$204,982.38 = end of October bank balance.
- Met with the auditor's 11/2/10. Auditor recommends that we merge CCSWCD books with LCWMD after the ARRA loan has been assumed by LCWMD. This will occur in January. Next audit of CCSWCD will double check the numbers.
- The 15% initial assessment went into CCSWCD books and LCWMD owes CCSWCD for startup costs. All totaled, \$9979.26 is owed to CCSWCD from LCWMD to close out the books for the startup costs. This does not affect the bottom line since startup costs were budgeted.

**5. Executive Director's report**

- Still at 93% total for landowners either enrolled or working to get enrolled in the general permit.
- Auditors did convey that we need to work out a depreciation schedule for our assets. Since we are nonprofit, depreciation has no tax implications for us. Therefore, our focus needs to be on ensuring we have the money to replace our installed BMPs if they fail. The Technical Committee will be exploring this issue and it is hoped that the Committee can come to a February board meeting to provide a proposal for board approval.
- Sweeping contract was executed for the fall sweep. Stormwater Compliance LLC is two-thirds of the way through with the sweeping.
- Catch basin cleaning is 50% complete.
- Water quality monitoring is more than 50% complete.

**6. Old Business**

- a. **State Revolving Loan Fund American Recovery and Reinvestment Act Loan.** To accept the resolution approving assignment of the loan agreement (*Attachment B*). The documents will be in a form similar to that provided as *Attachment C* (A form of assignment and assumption agreement); *Attachment D* (A form of loan agreement to be entered into with the Bond Bank). Also provided is the loan repayment schedule (*Attachment E*). Please note that the obligation to repay the loan agreement will be evidenced by a bond. The bond can be thought of as the promissory note in a

conventional loan. It takes the promise to pay and puts it in a traditional bond form. In addition, there will be miscellaneous certificates (a clerk's certificate, a no litigation certificate, a debt limit certificate, etc.) that establish certain facts (i.e., the vote to approve the assignment was adopted, etc.) that are needed to complete the transaction.

- Comments: ensure that the fees referenced in the example document are waived. Ensure that 27.7% principal forgiveness is included. Ensure that LCWMD has the insurance required by the loan.
- Mr. Russell made the motion to approve the resolution and authorize the board chair and treasurer to sign documents after legal review of counsel. Mr. Hughes seconded the motion. The motion was approved unanimously.

## 7. New Business

- a. **Exemption from Maine's sales and use tax.** To authorize Perkins Thompson to prepare application to the Maine Revenue Services for exemption from Maine's Sales and Use Tax found in 36 MRSA Section 1760. To authorize the Board Chair to file all documents necessary for application.
  - Mr. Bohlen made a motion to approve as presented. Mr. Hughes seconded the motion. The motion was approved unanimously.
- b. Engagement Letter - To authorize the Board Chair to sign the engagement letter/consent to engage Pierce Atwood LLP to provide bond counsel services for the purpose of assigning the \$1,515,166 loan obligation by CCSWCD to LCWMD (*Attachment F*).
  - Mr. Bacon made a motion to approve as presented. Mr. Hughes seconded the motion. The motion was approved unanimously.

## 8. Public Comments

- Jerry explained that a question that came up at the Finance Committee of whether BMPs change the taxable value of a property. Jerry looked into this and was told by the South Portland Assessor that you can't really assign a market value because there are not comparables.
- Jim Hughes shared that the City of South Portland is moving forward with a Trout Brook Management Plan. Jim thanked those involved with the Long Creek effort. The South Portland City Council discussed how effective Long Creek has been.

## 9. Adjourn

- Mr. Goldberg made a motion to adjourn. Mr. Hughes seconded the motion. The motion was approved unanimously.