



## **Long Creek Watershed Management District Board of Directors' Meeting**

Minutes from January 19, 2022 Meeting

Location: Remote participation due to COVID-19; members of the public may participate in the meeting telephonically by calling (207) 352-4212 and entering conference ID: 772 560 995#.

1. **Call to Order:** Mr. Dillon call the meeting to order at 9:01a.m.
2. **Roll Call:**
  - a. Attendance: Angela Blanchette, Curtis Bohlen, Fred Dillon, Sean Donohue, Eric Dudley, Brian Goldberg, Craig Gorris (joined at 9:19a.m.), Kerem Gungor, Will Haskell, Susan Henderson, Doug Roncarati
  - b. Absent: Ed Palmer
  - c. Staff/Guests: Peter Carney (Long Creek Watershed Management District); Jim Katsiaficas, Esq. (Perkins Thompson); Chris Brewer (Cumberland County Soil & Water Conservation District); Jason Kenney (prospective Board member from ecomaine)
3. **Review of Board Meeting Minutes:**
  - a. The Board reviewed the minutes from the October 6, 2021, meeting.
  - b. **Mr. Roncarati made a motion to approve the October 6, 2021, Board meeting minutes. Mr. Haskell seconded the motion. The motion carried unanimously.**
4. **Treasurer's Report:**
  - a. Mr. Bohlen reviewed the December Financial Report noting that there are substantial funds in arrears as indicated on the accounts receivable report.
  - b. Mr. Brewer noted that one of the past due accounts was the result of a payment processing issue and that payment should be received soon.
  - c. Mr. Carney noted that most of the remaining past due balances are related to outstanding permitting issues which need to be resolved by Maine DEP.
  - d. Mr. Carney noted that he and Mr. Brewer typically meet with Maine DEP twice a year to discuss outstanding permitting issues and past due fees and the next meeting with Maine DEP is scheduled for next week.
  - e. Mr. Carney advised the Board that the annual financial audit of the Fiscal Year 2021 is complete, and the report should be available for distribution at the next meeting.
5. **Carry Over Executive Director Leave Time from Calendar Year 2021 to Calendar Year 2022:**
  - a. Mr. Carney noted that under the terms of his employment the Executive Director may carry over up to 40 hours of unused paid time off from one year to the next if approved by the Board.
  - b. Mr. Carney requested that the Board approve carrying over up to 40 hours of leave time from 2021 to 2022.
  - c. **Mr. Haskell made a motion to authorize Executive Director to carry over 40 hours of leave time from 2021 to 2022. Mr. Bohlen seconded the motion. The motion carried unanimously.**

The Executive Session concerning the Executive Director's Annual Performance Review was moved to the end of the meeting so Mr. Brewer and Mr. Kinney could leave the call for the part of the meeting.

**6. FY2023 Estimate of Expenditures and Anticipated Revenues:**

- a. Mr. Carney noted that the Interlocal Agreement under which the District was formed and the District's Bylaws require that the Board adopt an "Estimate of Expenditures and Anticipated Revenues" on or before February 1 of each year for the following fiscal year.
- b. On or before July 1 of each year, the Board must adopt the final budget for the following fiscal year.
- c. Mr. Carney clarified that, today, the Board is only being asked to vote on an Estimate of Expenditures and Anticipated Revenues for fiscal year 2023, and not the final fiscal year 2023 budget.
- d. Mr. Carney advised that the purpose of the annual estimate is to provide Participating Landowners with an estimate of what their annual assessments will be for the next fiscal year for their budgeting purposes.
- e. Mr. Carney noted that many of the line-item amounts in the draft budget are either estimates based on year-to-date figures for fiscal year 2022 or are set figures from established services agreements.
- f. Mr. Carney advised notable items in the proposed budget include the construction budget for the South Branch BMP project which was increased by 30% from \$1,070,000 in Fiscal Year 2022 to \$1,391,000 in FY2023, which is based on observations by professionals in the industry that say pandemic construction costs are 30% to 40% more than pre-pandemic construction costs.

Mr. Gorris joined the meeting.

- g. Mr. Carney further noted the proposed budget includes funding in the amount of \$295,000 for the Private BMP Incentive Program. In the last two fiscal years \$295,000 was budgeted in each year for the Private BMP Incentive Program. Out of these funds, one award was made to GGP-Maine Mall L.L.C. for in the amount of \$50,000 for the heated sidewalk project.
- h. Mr. Carney said he thought there are two reasons for this, first the cost of construction is so high that construction projects are being put off, and second that the grants cover only 75% of the cost of a project with a cap of \$50,000. Landowners appear reluctant to incur any costs for what are voluntary projects.
- i. Mr. Carney suggested that if we want to continue with this program, to make the grants more palatable for structural BMP projects, we should consider paying up to 100% of the project cost and raising the cap.
- j. Mr. Carney noted that funding for the Sustainable Winter Management (SWiM) Program is included in the proposed budget for the winter of 2022/2023. The Board can make a final decision after this winter as to whether funding makes it into the final budget to be adopted in June.
- k. **Mr. Haskell made a motion to approve the Fiscal Year 2023 estimate of expenditures and anticipated revenues as set forth in draft Fiscal Year 2023 budget. Mr. Gungor seconded the motion. The motion carried unanimously.**

**7. A Partner in Technology, Approve Contract with Revised Insurance Limits:**

- a. Mr. Carney explained that the District's current contract with A Partner in Technology ("API"), the District's information technology contractor, expired at the end of February.
- b. Mr. Carney noted that API provides day-to-day on-call support to address the District's information technology needs.
- c. Mr. Carney advised that a new contract with a not to exceed limit of \$5,000, the monetary limit for the Executive Director to enter into contracts without competitive bidding, has been prepared for API for continued information technology support services in calendar years 2022 and 2023.
- d. The District typically requires contractors to carry \$2,000,000 in General Liability insurance and \$2,000,000 in Automobile Liability insurance. API carries \$1,000,000 in Automobile Liability insurance.
- e. Mr. Carney noted that for API's prior contracts with the District the Board authorized modifying the Automobile Liability insurance requirements in the Services Agreement with API from \$2,000,000 to \$1,000,000, based upon API's work being performed remotely.

Ms. Henderson stepped away from her computer.

- f. Mr. Carney referred the Board to the proposed motion in today's Board packet, which would authorize the District's Executive Director to enter into a Services Agreement with API with Automobile Liability insurance in the amount of \$1,000,000, combined single limit, rather than the typically required \$2,000,000, based upon API representing and warranting that the work under the Services Agreement will be performed remotely.
- g. **Mr. Haskell made a motion to authorize the Executive Director to enter into a two-year Services Agreement with A Partner in Technology for information technology services with Automobile Liability insurance in the amount of \$1,000,000, combined single limit, based upon A Partner in Technology representing and warranting that the work under the Services Agreement will be performed remotely. Mr. Bohlen seconded the motion. The motion carried unanimously.**

Ms. Henderson returned.

**8. Revisions to *Documentation of Internal Financial Control Structure*:**

- a. Mr. Carney asked the Board to direct its attention to the draft revisions to the District's *Documentation of Internal Financial Control Structure* included in today's Board packet.
- b. Mr. Carney advised that the edits reflect two substantive changes, the first of which is to authorize the establishment of a separate bank account to accept EFT/ACH deposits, and the second change clarifies the acceptable forms of payment that the District will accept for payment of annual assessments.
- c. Mr. Carney noted that there has been an increase in requests to pay annual assessments electronically rather than by paper check. The District currently does not have a straightforward means of accepting electronic payments.
- d. Mr. Carney noted that Mr. Brewer consulted with the District's bank on establishing the ability to accept EFT/ACH deposits and the bank suggested setting up a separate account to

- clearly identify electronic payments. The bank suggested that a separate account would provide more security than accepting electronic payments into one of the District's primary accounts.
- e. With respect to the revisions concerning acceptable methods of payment, Mr. Carney advised these revisions were the result of requests to pay annual assessments by credit card and by requests that the District establish itself as a "vendor" either with a payor's internal accounts payable department or with a payor's third-party payment processor.
  - f. With respect to credit card payments, Mr. Carney advised that under the proposed edits credit cards payments would not be included as an acceptable method of payment.
  - g. Mr. Carney noted that credit card payment processors charge a processing fee based on a percentage of the transaction, which could be substantial considering annual assessments for larger properties may be in tens of thousands of dollars.
  - h. Mr. Carney said that Mr. Katsiaticas advised that, as a governmental entity, the District has the option of accepting credit cards and passing the transaction fee through to the payor.
  - i. Mr. Carney noted, however, that the establishment of the EFT/ACH deposit account would provide a means for making and accepting electronic payments without either party having to pay the transaction fees associated with credit card payments.
  - j. With respect to requests that the District establish itself as a "vendor" with a payor, Mr. Brewer advised that the number of these requests has increased as the result of payors using third-party payment processors for accounts payable.
  - k. Mr. Brewer noted that the District is not a "vendor" and rather the fees paid to the District are a requirement of the state-issued Long Creek General Permit.
  - l. Mr. Brewer noted that he has accommodated requests that the District establish itself as a vendor, however, as the number of these requests increase it will eventually become administratively difficult to manage these accounts.
  - m. Mr. Brewer further noted that requests by third-party payment processors for the District to establish itself as a vendor and approve associated "purchase orders" has led to confusion as the third-party payment processor may not be an entity known to the District.
  - n. Mr. Brewer requested that the Board formally adopt a policy against establishing the District as a vendor or acquiescing to a payment processor's request to approve "purchase orders," which are not appropriate given that payments to the District a required fees to a governmental entity, so that policy can be provided in response to such future requests.
  - o. The Board sought input from Mr. Gorris, as the representative of a larger landowner, on how internal accounts payable processing works.
  - p. Mr. Gorris advised that the Maine Mall does not use third-party payment processors, but rather has an internal invoice approval system.
  - q. Mr. Dillon suggested that fees paid to the District are similar to the City of South Portland's sewer user fee and payors are probably are not requiring the City to establish itself as a vendor.
  - r. Ms. Blanchette asked whether we would be making it impossible for some landowners to pay if the proposed edits are adopted concerning acceptable forms of payment.

- s. Mr. Katsiaficas noted that the District's invoices for annual assessments are identified as "Invoice" and suggested that it might be helpful to change the title to "Assessment" to distinguish the District's Assessment invoices from invoices in the more traditional sense.
- t. Mr. Brewer advised that the District has established itself as a vendor with a handful of entities and he is willing to continue to use those systems that are already established, but the policy would be helpful in avoiding similar requests in the future.
- u. Ms. Blanchette said she was supportive of continuing to work with already established systems, while encouraging those payors to phase out such arrangements.
- v. **Ms. Henderson made a motion to approve revisions to the *Documentation of Internal Financial Control Structure* as presented in the draft in today's Board packet, with the understanding that the District will continue to accept payments from entities with which the District has already established itself as a "vendor" with the entity or a third-party payment processor. Mr. Roncarati seconded the motion. The motion carried unanimously.**

**9. Annual Nomination and Election of Board Officers: Chair, Vice Chair, Treasurer, and Secretary**

- a. Mr. Carney noted that the District's organizational documents require that an "annual meeting" be held by the Board each year at which time the Board elects a Chair, Vice Chair, Treasurer, and Secretary for the following year.
- b. The Board briefly discussed retaining the same slate of officers for the ensuing year, that being Mr. Dillon as Chair, Mr. Roncarati as Vice Chair, Mr. Bohlen as Treasurer, and Mr. Goldberg as Secretary.
- c. **Mr. Dudley made a motion to nominate and elect as officers, Mr. Dillon for the position of Chair, Mr. Roncarati for the position of Vice Chair, Mr. Bohlen for the position of Treasurer, and Mr. Goldberg for the position of Secretary. Ms. Blanchette seconded the motion. The motion carried unanimously.**

**10. Executive Session – Personnel Matter (re: Annual Performance Review):**

- a. **Mr. Haksell made a motion that the Board go into executive session under 1 M.R.S. § 405(6)(A) to discuss a personnel matter where public discussion could reasonably be expected to damage the employee's reputation or violate his/her right to privacy. Mr. Roncarati seconded the motion. The motion carried unanimously.**
- b. **Ms. Henderson made a motion for the Board come out of executive session. Mr. Gungor seconded the motion. The motion carried unanimously.**
- c. Following the executive session, Mr. Dillon summarized the Board's discussion noting the Board continues to appreciate Mr. Carney's work.
- d. **Mr. Dillon made a motion to increase Executive Director's salary by 4%; apply the existing health insurance stipend of 15% to the new base salary amount; and apply the existing employer Simple IRA contribution of 3% to the total of the new base salary amount plus the amount of the health insurance stipend. Mr. Roncarati seconded the motion. The motion carried unanimously.**

**11. Public Comment(s):** None.

**12. Next Meeting:** Mr. Carney agreed to send a poll to the Board to determine the date of the next meeting.

**13. Adjourn:** The meeting adjourned at 10:19a.m.

