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**Board of Directors Meeting Notes
Wednesday, January 10, 2007
Kennebunk Town Hall**

Attendees:

Bob Hamblen, Saco; John Andrews, ETA; Dan Blanchette (non-voting member), Eliot; Harry Tomah, Wells; Terrence Parker, South Berwick; Brandon Gillard, ETA; Bob LaNigra, ETA; Tom Daley, Alt. ETA; Anita Rosencrantz, Alt. South Berwick ; Aaron Shields, Arundel (arrived at 9); Mike Claus, Kennebunk; Joe Kline, Old Orchard Beach; Robin Dayton, Alt. Old Orchard Beach; and Steve Workman, Exec. Dir.

Notice given - unable to attend: Dan Letellier, Biddeford and Bruce Gullifer, Scarborough

7 voting members needed for a quorum

Minutes taken and prepared by: Dan Blanchette

Board Approved: _____

I. Welcome & Introductions

- Bob Hamblin called the meeting to order at 8:37am

II. President's Report

- Bob started the discussion of Steve's resignation as the consultant. [\[See Attachment II – Resignation Letter\]](#)
- Moved by Claus, seconded by LaNigra, that the Board accept Workman's resignation effective February 16, 2007.

All Approved (8)

Shields now present

- Discussion on transition issues
- It was the consensus of the Board that steps should be taken to have some overlap between a new hire and Steve in order to preserve institutional knowledge and transition project smoothly.
- In his resignation letter, Steve offered to finish the OOB and Scarborough Projects, the KEYS Gap Study and representation on the Route 236 and Route 1 committees at his current rate of compensation; although a new project-specific contract would be needed.
- After agreeing that overlap between Steve and a new hire would be good the Board began to strategize who might be able to replace Steve on the projects that he offered to continue at his current rate. It was suggested that perhaps OOB's engineering firm on retainer could be asked to oversee the OOB Project together with the OOB Public Works Director. Steve reminded the Board that if they plan to seek reimbursement for project management it would have to follow consultant selection procedures and hire only a MDOT certified Local Project Administrator. He also

mentioned that it seemed odd that the Board would consider finding a third party to oversee the OOB Project when it already has hired Milone & MacBroom in accordance with all required MDOT procedures.

- Moved by Parker, seconded by Andrews that we separate the duties into Administration (Executive Director) for ETMD and Project Administrator.

All Approved (9)

IV C – Taken out of order

- Steve explained the Difference of RFP and RFQ, when each is used in the bidding process and the possible result in DOT funding if one or the other or none at all is used/followed:

- The ETMD does not have its own policies to govern a bid process. The ETMD instead uses MDOT policies to govern the different types of contractual hires it has made (except the contract with Workman). MDOT policies must be followed when hiring someone working with state and federal funds and as this is the majority of ETMD's hiring previously has not been practical to develop its own policies. Bid policies are also complex, but the policies, if followed, insure that the process is fair, legal and that allegations are not made that the ETMD has a compromised or unfair bid process. Because of past projects Workman has developed RFQ's & RFP's using MDOT Specifications that have been tailored to ETMD. There are two basic types of "bids" as follows:

- Qualification Based Selection – This is used to hire consultants (engineers, project managers, etc.) Selection is based on qualifications not cost. The process requires the submittal of a two-part qualifications packet by the bidder. A small committee than typically reviews the qualifications packet and ranks it according to a pre-set scale that was provided to perspective bidders with the RFQ. This is when interviews are typically held and reference checks made. Once the candidate has been selected that received the highest score the second packet containing the fees charged by the consultant is opened and reviewed. Limited negotiations may then occur with the consultant; however, the ETMD may not reject the consultant because of cost; thus qualifications based selection. If the consultant withdraws the ETMD may begin the process with the second ranked consultant. The ETMD can reject all bids if justifiable and release a bid; however, there must be some change to the RFQ.
- Low Bid Selection – This is used to hire contractors or suppliers. The bid documents spell out exact quantities and task requirements which the bidder submits costs for with any other required submittals. The selection is based on the total cost; thus low bid. After the low bidder has been identified the ETMD makes sure that any submittals were submitted and that the bidder is truly able to perform the work contained in the bid documents. This is typically a reference check; it is not an interview process. If the low bidder has successfully met all aspects of the bid then he must be awarded the contract. Again the ETMD can reject all bids, but it must have cause especially if it intended to re-bid the job.
- Moved by Kline, seconded by Tomah, that the President form a subcommittee to handle the transition and the search for an Executive Director. This subcommittee can to handle all aspects of such including continuing contract with Workman.

All Approved (9)

Mike Clause left

III. Meeting Minutes

- Moved by Andrews and seconded by Shields that minutes of Dec. 13, 2006 accepted as written.

Approved 7

Abstained 1 – Kline

IV. Agenda Items

A. Finances

1. At the December meeting the board moved a motion to approve the October & November finance reports pending the annual financial audit; this motion was not proper for several reasons. The monthly report that you receive is a reconciliation report based on the monthly (or quarterly for the Money Market account) bank statement. It is a check of our monthly internal tracking with Quick Books of expenditures and revenues with that of the transactions and cash position of our bank accounts. Unless otherwise indicated it is not a profit & loss or other type of report used to determine the YTD financial position of the ETMD; I generally try to provide these types of reports quarterly. By referring these reconciliation reports to the annual audit they will remain pending until the close of our fiscal year (June 30) and until audit is completed; generally 4-6 months after close of the year. Technically based on parliamentary law a treasurer's report (which this is even though in accordance with ETMD By-laws it has been referred to the executive director to undertake on his behalf) it is not necessary or proper to take an action of acceptance of a treasurer's report (including the other type of reports I wrote of above). The exception to this is the acceptance of the annual auditor's report which does require acceptance by the Board. [See Section 48 of Roberts Rules of Order if you want more information]. Historically, we do take formal action on reports related to ETMD finances; however, this is done (without formal policy) as a means of internal control over financial reporting. You will notice that my proposed motions for the monthly (reconciliation) finance reports use the phrase "accept" not "approve" and contain no option for amendments to the report. While this language of my proposed motion is often ignored it is worded specifically to formally establish that the board is reviewing financial data regularly, but it does not cross the recommendation of parliamentary law that states the Board does not have legal control over the contents of a treasurer's report; basically it is what it is. Of course the treasurer and Board would take action to correct an error or wrong-doing if found, but that is an entirely different action than accepting a report. Workman recommends that the Board amend the motion made at the December 2006 meeting so that it does not include the reservation.

- Moved by Andrews, seconded by Tomah, that we accept without reservation the finance reports of October and November of 2006.

All Approved (8)

2. Finance Report for December 2006 – Bank statements not in yet

3. Membership Agreement 07/08

- Workman provided the Board with a draft copy of the membership fee request letter. He will be working on a packet to mail to each manager, council and budget committee. The packet will contain the 2006 Annual Report. [[See Attachment IV.A.3 – Draft Letter](#)]

B. ETMD Strategic Planning Phase I – Tabled

D. Trail Projects

1. OOB – Tabled
2. Kittery Dennett Rd – Tabled
3. Well Project – Table to February meeting
4. Turnpike – Tabled
5. GSGT

Trail Easements

- Moved by Andrews, seconded by Shields, that an easement subcommittee be formed to handle trail easements.

All Approved (8)

Andrews, LaNigra, Kline, Shields and Gillard to be on the committee

Note: Subcommittee to consult with Steve prior to any action taken

VII. Adjourned at 10:27

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January 6, 2007

ETMD Board of Directors
PO Box 840
Kittery, ME 03904

Dear Directors:

As I reflect on the past year I shudder slightly and am glad it is over. I was plagued with deteriorating health and my back injury in May rendered me helpless for the first time in my adult life; a terrifying experience. As I lay three days in bed at the hospital; heavily drugged, but trying to do some work by cell phone a long procession of healthcare professionals began asking me if I was not getting the messages my body was sending me. This message was echoed again and again as I embarked on the three months of physical therapy and recovery for the back to say nothing of the other stress related illnesses I was still experiencing with growing ferocity. I know this will come to a shock to all of you, but I can actually be quite stubborn ☺ so I got it but I figured I could dig my way out. As it turns out, I almost did it by the end of the year; however, it was only through working 6 to 7 days a week and an average of 5 hours of sleep per night; albeit a few days off here and there. Rather than reduce my workload I continued to try to hold it all together, but the price was a growing resentment of the very work I was claiming to be committed to.

I share all this with you because it is very important to me that it is understood that the last six months do not represent how I wish to conduct my business nor the level of productivity I wish to be remembered as my last term with the ETMD. I am truly sorry for the ways in which my situation negatively impacted the progress of the ETMD; however, I also will not accept responsibility for the things that were out of my control. Clearly, I stacked my workload so precariously that one or two variables could, and did, bring it all down, but that raises the question why did I add so much work when clearly the Eastern Trail had a list of mile long of work to be done. The answer to that leads me to two other things that I would like you to understand.

My contract with the ETMD has grown increasingly more unstable with each passing year. The first reason is rooted in money. The ETMD has been under-funded since its incorporation and we all new it, but rather than move toward real sustainability a host of forces began to play upon our ability to do so. Some were forces beyond our control: economy, state & federal funding shifts, but others were very much within our grasp and yet little was actually done despite the recommendations that I provided. I am not sure that everyone understood or remembers that we avoided going bankrupt at the end of the last fiscal year by a few thousand dollars and that was only because my accident left me unable to work. If that had not happened and I continued to work the same rate I was prior to my accident the ETMD would have had to shutdown in June until the new membership fees arrived; as it turns out it essentially did because of my injury. The second reason for the instability is that each time my contract came up for renewal a personal campaign in some form was mounted not to renew it. Combined, these two factors left me feeling attacked and that I was putting all my work efforts into one proverbial basket with no guarantee that it wouldn't disappear at a rate that would leave me unable to compensate quickly enough to avoid financial ruin.

Finally and most important, I accepted the issues around my contract through the years with much less trepidation when I believed that the majority of the Board and I shared the same common vision for the ETMD and Trail. What I have now come to understand is that there has been a shift in the organization, its supporters and me over time that has left my vision incompatible with that of the Board. I tried for several years to ask for Board assistance to reconcile this division or factors that I felt were a threat, but ultimately I either failed to communicate clearly or I had become blind to the fact that you and I no longer shared the same vision and goals. I believe the later to be true.

As I look back over the almost 10-year relationship that I have had with the Eastern Trail I can still clearly remember the night I stood at the Eliot Selectman's meeting and advised the Selectman to get behind John's concept of the Eastern Trail; the result of opening my mouth, was that I was immediately given the task. I do not regret for one moment the time that I have devoted to the ET and feel that for all the energy I put into it I received back in experience and sustenance. I think quite often the people that have the vision to start an initiative are not the best suited to see it through to completion and I think that is the case here. Also, as I have grown and changed I have a new direction for my career that I have wanted for some time, but made no progress for lack of time and effort. So yes, I have finally received the message and it is time for me to move on. So in accordance with the terms of my contract please accept this as the required 30-day notice that I am terminating my contract with the ETMD. I shall send a copy of this letter by certified mail on Monday, January 8, 2007 and that date shall become the start of the thirty day period. With your agreement, I will extend the 30 days making my last day February 16, 2007.

During my final month I will not take responsibility for the generation of agendas, minutes, the formation of the new strategic plan or incidental board initiatives, but instead will focus on the numerable projects at various stages of completion that I have been working on over the years. Recognizing that this will be a difficult transition for the ETMD initially I will extend the following offer: I will agree to complete work on the following tasks at my current rate of compensation so that someone is not put in the position of having to learn my role in the middle of a project already in motion. These projects include the Kittery Project, the OOB Project, the final negotiations and close-out of the Scarborough Project, ETMD representation on MDOT 236 & Route 1 Committees (both vital advocacy roles which to date have gone unacknowledged by the Board) and the KEYS Gap Study. This will change my role from on-going to project specific focus with concrete completion dates and it will take me out of the role of charting a course for the ETMD. If the Board wishes for me to consider taking any additional tasks beyond those for a temporary period of time, my rate of compensation will be \$87.50 per hour. If the Board wishes to accept all or part of this offer it will require a new contract(s).

In closing, I feel it unfortunate that John and I became polar opposites during this relationship; especially as we each never wavered in our ultimate goal to see a complete Eastern Trail. I hope that my departure will eliminate the entrenchment that John and I created and that the Board, Eastern Trail Alliance and John will experience a new surge of energy that will sustain the ETMD and move the trail to completion. I have significant concerns about the sustainability of the ETMD under current circumstances, but throughout it has been my privilege to work with many wonderful people that I am confident can change the course and make this dream the reality we have each had a part in advancing. I will continue to be a dogged supporter of the Trail and perhaps one day will find a way to again contribute.

Sincerely,



Steve Workman



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January 8, 2007

DRAFT

Dear Member:

Please accept this letter as an official request for you to appropriate \$5,000 for your 07-08 membership fee in the Eastern Trail Management District. This represents a zero percent increase since fiscal year 2003. The ETMD is sensitive to the challenging economic times and is working to keep increases to a minimum; however, with eight miles of trail constructed and open to the public and another 15 miles in final engineering and construction the ETMD must address the cost of trail maintenance and inflationary costs impacting our operating budget (insurance, labor, materials, etc.).

Responsibility for trail maintenance, like trail construction, was originally conceived and memorialized in the Membership Agreement for the Eastern Trail Management District as the responsibility of the District. At the time that the agreement was negotiated, presented to the municipalities and adopted it was fully understood that the ETMD was to carry out its duties on behalf of the municipalities, not independent of them. The Municipalities recognized that sharing the burden amongst 12 communities would significantly reduce the cost that any one municipality would have to pay if it was to construct and maintain its own section of trail independently. To that end the municipalities recognized that there would be rising costs associated with the expanding trail system; however, that it could help to reduce the amount of direct financial contribution by providing in-kind services when appropriate. An example would be the Town of Scarborough which has donated over \$200,000 in additional funds for construction and maintenance and countless hours of in-kind services helping the ETMD to further and maintain the trail.

It is common practice for municipalities to use reserve accounts to prepare for future high cost expenditures. The ETMD would like to apply this practice and create a new maintenance reserve fund so that it can meet current needs while slowly building a reserve for both emergency and expanded future maintenance costs. Currently, the ETMD does not have any reserve funds and its annual operational funds (raised by the members) are generally depleted by the end of the fiscal year. If the current course is maintained, the ETMD with the municipalities are in jeopardy of defaulting on their shared maintenance obligations because of lack of funding. To prevent this we are asking our members to appropriate an additional \$1,000 to be dedicated to the trail maintenance reserve fund. It will not be possible for the ETMD to continue to operate under a zero percent increase in future years; however, we feel steps like the establishment of the maintenance reserve fund and in-kind services from municipalities will help to minimize future increases.

Our goal is to construct the 55 miles of off-road trail from Kittery to South Portland. To date we have completed trail in Scarborough, on-road improvements in South Berwick and the City of South Portland has constructed most of its section. We have secured funds for additional construction through 2009 in Scarborough, Old Orchard Beach, Saco, Biddeford, Arundel, Kennebunk and Kittery. We are currently looking for funds to pay for additional construction in Wells, the Scarborough-South Portland Connector and to undertake the Kittery, Eliot, York, and South Berwick Gap Study.

A secure coalition of municipalities is vital to the success of the ETMD. Your annual contribution leverages federal and state funds that we have been told would not have been possible without this collaboration. The ETMD does not seek general construction funds from its municipal members; this money instead comes from federal and state sources. The commitment that we make to secure these funds is that we will manage the project and that we will maintain completed projects for a minimum of 20 years. Your annual contribution goes primarily toward these two categories and without it we would not be in a position to accept the awards. The benefit to each municipality to maintain the ETMD to plan, construct and maintain the Eastern Trail is significant. It is important to remember that while you may be sharing a financial burden now to essentially have trail built in other communities there will come a time when your project(s) will be constructed while other communities share that burden. Looking toward the future when the Trail has been constructed in your community, the burden to maintain it will be shouldered again by all members not just your community. Together, we can realize the Eastern Trail and provide our residents with this transportation and recreation opportunity that will last for generations to come.

In summary, we are asking each member to take the following action: Appropriate \$5,000 for the annual membership fee; appropriate an additional \$1,000 for the trail maintenance reserve fund; and insure that you have appointed both a director and alternate to the ETMD who are fulfilling their obligations. Enclosed you will find our 2006 Annual Report which should provide more information about what the ETMD has been doing on your behalf. Please accept this as an official request to also meet with your council/board and budget committee to further discuss this request. In the meantime, I encourage you to contact me directly with any questions or concerns.

Sincerely,

DRAFT

Robert Hamblen
ETMD President

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