

DATE: November 15, 2021

Boothbay Harbor Sewer District Board of Trustees Regular Meeting/2022 Budget/Rates Public Hearing

Attendees:

Trustees Deryl Kipp, Jim Stormont, Jay Warren, Superintendent Chris Higgins, Member of the Public – Robin Cox

There were no other attendees on the Zoom call.

Call to Order:

Trustee Kipp, called the regular business meeting to order at 17:00 hours. All materials were sent to the Trustees prior to the meeting. All materials were available to the public upon request.

1. Review and Approve Minutes of November 1, 2021, Meeting:

Trustee Stormont made motion to approve the minutes of November 1, 2021, as presented. Trustee Warren seconded. Vote to approve was unanimous (3-0).

2. Review and Execute Warrant #1434

Trustee Warren made motion to approve Warrant 1434 as presented. Trustee Stormont seconded the motion. Vote to execute was unanimous (3-0).

3. Execute 60-Day Late Letters: Correa, Engert, King, Lefebvre, Nightingale, Paquette, Russell, Russo, and Vise

After review Trustee Stormont executed the letters.

4. Execute Demand Notices: None

5. Execute Lien Discharges: None

6. Execute Lien Certificates: Chase, Nichols, Roberts

After review Trustee Stormont executed the Lien Certificates

7. Execute Notice of Impending Foreclosure: None

8. Sewer Entrance Application(s): None



Old Business

1. Plant Operations

A. Routine Operations – The superintendent reported normal operations for the plant since the last meeting.

1. The superintendent advised the TSS sampling at Pump Station 9 is completed and the data correlated and sent to the Water District for their review. Still no word from the Water District as of this meeting date.
2. The crew is winterizing the plant in anticipation of winter operation.

All other operations and maintenance at the plant were routine.

B. Collection System Operations

1. The superintendent reported the crew responded to 5 DigSafe requests since the last meeting.
2. The superintendent advised paving work on Emery Lane is completed.

All other operations were routine.

C. Website Traffic –

The office manager reports since the last meeting, direct debit customers stand at 265 (increase of 2), email customers at 339, DOXO users at 49, and direct debit auto pay at 19. This has provided a savings of \$705.71 in postage costs.

2. **Personnel** – The superintendent advised the Collection System Tech 2 has completed the probationary period and will receive a \$0.50/hr. increase in pay.
3. **Odor Issues** – Nothing to Report
4. **Blower Evaluation** – Nothing to Report
5. **Relining 2 Project Update** – The superintendent reported a pay requisition is being drafted for submittal to RD-USDA for payment. This will close out the Relining Project.
6. **Manhole Rehabilitation Project** – Nothing to Report
7. **Riparian Rights & Plant Coastal Resiliency Upgrades – 27 Sea Street –**

The superintendent advised Boothbay Region Land Surveyors is completing research of the deeds at the Lincoln County Registry.

8. **Fullerton Street/Tupper Road Sewer Project** – The superintendent advised Wright-Pierce is still waiting on information from the water district on the needs survey in order to develop cost estimates for each party.
9. **Sidewalk Project – Boothbay Harbor to Boothbay** – The superintendent advised the sidewalk project is awaiting surface paving.
10. **Hennessy Fence** – The superintendent advised the trustees Hennessy received the letter from the trustees and contacted the superintendent via text messaging. The superintendent passed the phone around so they could read the text message string. Hennessy asked for the copy of the survey, the superintendent advised a copy would be sent. Hennessy said in the messages that he will contact the fence company and move the fence to his side of the property line. The superintendent complimented Hennessy on the fence. Hennessy responded with “ Yep, tried to be a good neighborly getting a 2-sided fence, I guess it impossible with some folk”. The superintendent did not respond to the comment but advised to look for the email with the survey.
11. **Yard project** – The superintendent advised preliminary work is underway in preparation to be sent to Cameron Dufour at DEP about possible permitting requirements in order to rehabilitate the stormwater culvert area behind the garage with additional fill.
12. **Investments** – The superintendent advised he is waiting for Mr. Stone and start the process.
13. **Community Solar Power** – The trustees reviewed the Nexamp and Arcadis contracts for community solar farm pricing. The trustees favored the Nexamp contract due to its shorter span (3 years with auto renewal) and optimum discount rate of 15%. The Arcadis contract was for 10 and 20 years. The Board directed the superintendent to contact Nexamp and discuss moving forward with joining a community solar farm.

New Business

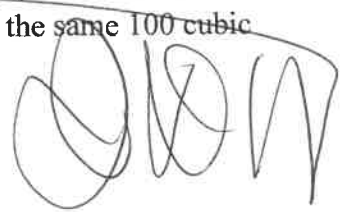


1. 2022 Budget/Rates Public Hearing

Trustee Kipp opened the 2022 Budget/Rates Public Hearing at 17:25 hrs. The superintendent distributed the final draft of the 2022 Budget. For the benefit of the attendees, the superintendent explained the values for each class of revenue. The user lines were derived from the primary customer water usage database. The totals are based on individual customer averages since 2014 with today's sewer rate applied. The trustees reviewed the expense lines. The superintendent advised the “year-to-date” column is current and the “annualized” column updated. The superintendent

advised the office manager recommended the postage line be returned to \$7,000.00 from the revised amount of \$3,000.00 established at the last meeting by the trustees. The rationale was the annualized amount was artificially low due to the waiving of interest, fees, and the associated certified mailings due to line processing due to Covid-19. The trustees considered the information and trustee Stormont then made motion to fund the line at the requested amount of \$7,000. Trustee Warren seconded the motion. Vote to restore the postage line to \$7,000 was unanimous. The superintendent adjusted the line in the master budget sheets. After review trustee Stormont made motion to approve the 2022 budget as revised. Trustee Warren seconded the motion. Vote to approve was unanimous (3-0).

The 2022 Rates were discussed based on the approved 2022 budget. The superintendent explained the rates calculation sheet section by section for the attendees. Based on the proposed 2022 budget, the rates for 2022 were calculated to be \$13.00/100 cu. ft., a reduction from \$13.13. The minimum bill was reduced from \$105.00/qtr. to \$95.00/qtr. The minimum allowance per user per quarter was reduced from 850 cu.ft. to 700 cu.ft. The reduction in the cubic foot allowance is consistent with the Trustees goals to reduce the impact of subsidizing other users on seniors and lower consumption users, but still maintain capacity allocation for each sewer user. The average quarterly increase per sewer user is \$9.86/qtr. The superintendent distributed the 2022 Schedule of Rates and Fees. The superintendent explained the schedule of fees and advised the fees to have been increased to reflect current costs. The last time fees were adjusted was 2010. The superintendent recommended septage fees increase to \$0.15/gal from \$0.14/gal. This increase is in line with the anticipated increase in sludge disposal costs and new PFAS testing expenses. After discussion trustee Stormont made motion to approve the new sewer use fees for 2022 and to approve the 2022 Schedule of Fees. Trustee Warren seconded the motion. Vote to adopt the new 2022 Schedule of Fees and sewer use fees for 2022 was unanimous (3-0).

The Board again discussed the "filter factor" used to calculate the Water District sewer bill. Trustee Stormont asked the superintendent if there had been any input from the Water District since the last meeting. The superintendent advised the Water District has not commented on the proposed increase to 0.04. The superintendent advised the Board, he notified Jon Ziegler via email after the last meeting. Trustee Stormont, again, advised the sewer district ratepayers should not be subsidizing treatment costs for people receiving water outside of being a sewer district user. The trustees agreed. After discussion, Trustee Stormont made motion to adjust the filter factor to 0.040 and review the factor going forward on an annual basis during the sewer district budget/rate process. Trustee Warren seconded the motion. Vote to adjust the factor was unanimous (3-0). Currently, sewer users pay \$13.00 for 100 cubic feet of wastewater (2022). The water district equivalent for the same 100 cubic feet varies but is averaging \$4.05 per 100 cubic feet.



The Board discussed the proposed pump station upgrades at PS 09, 13, and 15. After discussion, the Board agreed to fund the upgrades through the special assessment provisions in Section 19 of the District Charter. Trustee Stormont made motion to impose the special assessment on users of PS 09, PS 13, and PS 15 on a flow proportional basis to be paid back over a five-year term. Trustee Warren seconded the motion. Vote to assess was unanimous (3-0).

Trustee Kipp asked for a motion to close the Public Hearing on the 2022 Budget and Rates and return to the regular business meeting at 1810 hrs. Trustee Warren made that motion. Trustee Stormont seconded. Vote to adjourn Public Hearing and return to the regular business meeting was unanimous (3-0).

Correspondence :

1. The superintendent presented emails received as part of the 2020 Budget/Rates process. The superintendent requested the Board make them part of the public record. The Trustees reviewed the emails and agreed to make them part of the record and are attached hereto. Emails received from: Ben Kirk, Terri Herald, Raquel Arrechea, Robert Mitchell, Stephen Apolinsky, Steve Rosser, Lee Corbin, and Sharon Wursthorne

Public Comment: Robin Cox thanked the Board for their work in overseeing the management of the District. Ms. Cox was pleased with the fiscal conservancy displayed by District management.


Adjourn Meeting:

Trustee Stormont asked for a motion to adjourn. Trustee Warren made that motion. Trustee Stormont seconded. Vote to adjourn was unanimous. The trustees adjourned the meeting at 1933 hours.

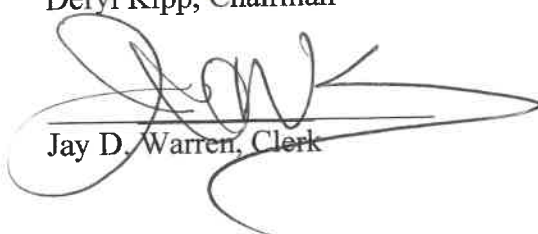


Deryl Kipp, Chair

We, the undersigned, do hereby waive notice of the above meeting and do agree to the business transacted and certify these minutes are true and accurate.



Deryl Kipp, Chairman



Jay D. Warren, Clerk

A handwritten signature in dark ink, appearing to read "James Stormont", written over a horizontal line.

James Stormont, Treasurer