

DATE: November 7, 2022

Boothbay Harbor Sewer District Board of Trustees Regular Meeting/2023 Budget Workshop #3

Attendees:

Trustees Deryl Kipp, Jim Stormont, Russell Hoffman, Superintendent Chris Higgins

Call to Order:

Trustee Kipp, called the regular business meeting to order at 16:55 hours. All materials were sent to the Trustees prior to the meeting. All materials were available to the public upon request. Trustee Hoffman noted he needed to leave by 6:00 p.m.

The superintendent noted the meeting is available on Zoom and no members of the public are logged into the meeting.

One tap mobile: US: +16465588656,,83110364582#,,,,*954536# or +16469313860,,83110364582#,,,,*954536#

Meeting URL:

<https://us02web.zoom.us/j/83110364582?pwd=YUdOeStFcXlNY0FnTkZYT2lBMlNOQT09&from=addon>

Meeting ID: 831 1036 4582

Passcode: 954536

Join by Telephone

Dial:

US: +1 646 558 8656 or +1 646 931 3860 or +1 301 715 8592 or +1 309 205 3325 or +1 312 626 6799 or +1 253 215 8782 or +1 346 248 7799 or +1 386 347 5053 or +1 564 217 2000 or +1 669 444 9171 or +1 669 900 9128 or +1 719 359 4580

Meeting ID: 831 1036 4582

Passcode: 954536

1. Review and Execute Minutes of November 7, 2022:

Trustee Stormont made motion to accept the minutes of November 7, 2022, as presented. Trustee Kipp seconded the motion. Vote to accept was unanimous 3-0.

2. Review and Execute Warrant #1454:

Trustee Kipp made motion to approve Warrant 1454 as presented. Trustee Stormont seconded the motion. Vote to execute was unanimous (3-0).

3. Execute 60-Day Late Letters: Blois, Ellen G., Dexter, Randall & Luis Brigida Dexter, Engert, Bruce C. & Mary-Ellen, Lampke, Richard G., Moyet, Luis M.-Dora Estates – (House is on the Market and is Active Under Contract.), Noonan, Deborah & Christopher Keir, Russell, Kim & Joni, Russo, Jonathan, Schmidt, James K. & Nancy L., Townsend, Dale F., Wasilition, Timothy P. & Laurie.

Trustee Stormont reviewed and executed the letters.

4. Execute Demand Notices: Abbe, Benjamin O. & Hannah E.(OM), Coast Guard Station, Field III, John E.

Trustee Stormont reviewed and executed the demand notices.

5. Execute Lien Discharges: None

6. Execute Lien Certificates: None

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, maintenance, chemical usage for the plant since the last meeting. The superintendent advised work in the SBR tanks would commence at the end of November or early December. All of the steel superstructures will be replaced.

1. Riparian Rights/Seawall Project Work – The superintendent reported a meeting was held 10/20/22, at 11:00 at the district office with Geoff Smith and Julia Latter of the Town of Boothbay Harbor regarding local permitting needs for the Project. Bryanna Denis and Maeve Carlson represented Wright-Pierce. Geoff Smith gave a brief overview of the Town requirements, and the district may have to go before the Planning Board. There were some questions on setbacks and Geoff Smith was going to check with DEP and the Town attorney on this and report back to the group.

The superintendent advised the Maine Infrastructure Adaptation Fund Grant Agreement was returned to the District with all issues addressed. The sunset



date for the grant is still December 31, 2026. The superintendent advised the trustees accept the \$4.015 million dollar grant. After review, Trustee Hoffman made motion to accept and execute the MIAFG agreement between the State of Maine MeDOT and the sewer district. Trustee Stormont seconded the motion. Vote to accept and execute the unanimous. Trustee Kipp signed the agreement, and the superintendent will forward to MeDOT for their counter signature.

2. **Me DOT Projects** – The superintendent advised the 2023 LCP paving projects were announced by MeDOT. The project will be bid in March 2023. Actual start date is unknown at this time. The affected streets are Route 96 from the intersection with Route 27 to the Boothbay Town line and Union Street and Atlantic Avenue from Union to Sunset. A total of forty-six manholes (both 24" and 26") will have to be raised. The superintendent advised the district has some riser rings in stock, but more may have to be ordered.

3. **Blower Evaluation** – The superintendent reported the draft evaluation is completed and thoroughly reviewed. A final stamped copy will be issued. A future project will be determined as funds become available.

All other operations and maintenance at the plant were routine.

B. Collection System Operations

The superintendent reported the new conduit, explosion proof boxes, bollards, and wire pulled for the Factory Cove Road pump station. The station has been restored to its original operation. The Town assisted the district with equipment and manpower.

The superintendent reported he met with AB Electric and surveyed the Atlantic Avenue and Lobster Cove Road pump stations for the installation of the new panels. AB Electric anticipates installation within the next three weeks. This will complete the 2023 upgrade projects.

All other collection system operations and maintenance were routine since the last meeting.

2. **Personnel** – The superintendent reported all the recruiting firms were notified and thanked for their time and the chosen firm advised of their selection. The superintendent advised CMA would like to have a kickoff meeting on November 28, 2022, at 4:00 p.m.
3. **Manhole Rehabilitation Project** – The superintendent reported the Phase B documentation has been reviewed and executed by all parties. Vortex has indicated they will be onsite in the spring of 2023. The superintendent advised Wright-Pierce that the MeDOT will be paving sometime in the spring within the rehab area. Wright-

Pierce will convey the information to Vortex to see if they will start sooner in the spring. Vortex is to be done by May 29, 2023.

Phase A of the project will be starting November 14, 2022. Green Mountain expects to be done by mid-December.

4. Fullerton Street/Tupper Road Sewer Project – Nothing to Report.

5. East Boothbay Sewer Discussions - Nothing to Report.

New Business

1. Budget Workshop #3 – The superintendent distributed the third draft of the 2023 budget. The superintendent reminded the board the presented draft has updated year-to-date expenses and revenues. The superintendent advised the water district will hold the meter read fee at \$4.67 per read for the 2023 fiscal year. The superintendent advised he had reduced the health/dental insurance lines due to an employee opting out and the payroll lines have not been set. Trustees Kipp and Stormont agreed payroll should wait until the next meeting when a full board is present to discuss. The superintendent did advise the current CPI-U for the region is at 8.1% through September 2022.

2. Investment Report for October 2022 – The superintendent distributed the October 2022 report from The First. The trustees reviewed the report. The market has improved, and the investment balances are showing a positive trend. The superintendent reminded the trustees a meeting is scheduled with the First Advisors on November 15 at 3:00 p.m. to discuss the investment plan and discuss the investment strategy going forward. No other action was taken.

3. Financial Reports as of October 31, 2022 – The superintendent distributed the year-to-date financial reports for the period ending October 31, 2022. The superintendent explained the District revenues are ahead of budgeted projections by \$189,606.64 and expenses exceed budgeted amounts by \$108,466.93. The expense overages were due to Phase 2 of the Relining Project, Sea Wall Project Engineering, Fullerton Street/Tupper Road Engineering, and the pump purchases for Pump Stations 9, 13, and 15. The District is still in a net positive position of \$81,139.71. District liquid assets stand at \$2,208,442.76.

4. Certificate of Commitment – November 1, 2022, Billing – Trustee Kipp made motion to commit the invoices of November 1, 2022, to the treasurer for collection. Trustee Stormont seconded the motion. Vote to commit was unanimous.

5. Jeff Nichols Property, Boothbay – The superintendent advised the trustees the Town of Boothbay is scheduled to foreclose on the property in December 2022. The superintendent advised Nichols currently owes \$265 in back sewer fees. The

superintendent asked the board if they wanted to payoff the property taxes, \$1,059, in order to reserve the district's interest in the property. Trustee Stormont advised the district not to pay the property taxes to preserve the \$265. The remaining trustees agreed.

- 6. The First Interim Financing Terms Update** - The superintendent presented the new loan term conditions for the Relining/Manhole project interim financing. The update simply extends the term of the note through the end of March 2023 from December 2022. There is no change in interest rate. Trustee Kipp and Stormont executed the term update.

- 7. Wright-Pierce Plant Evaluation Proposal** - The superintendent presented the draft proposal to evaluate the treatment plant and incorporate the evaluation into the district's CIP and develop a proper operations and maintenance manual for future employees. Trustee Stormont made motion to approve the draft proposal for a not to exceed price of \$132,000. Trustee Hoffman seconded the motion. As part of the following discussion, Trustee Hoffman asked if the evaluation would address capacity should East Boothbay be sewerred. The superintendent discussed the wastewater collection of East Boothbay, the existing overboard discharge systems, and the district's obligation to collect and treat. The superintendent also discussed the political voting issues required by the district charter and the number of users in Boothbay and Boothbay Harbor. The superintendent advised the district currently has capacity to serve some of those areas. The superintendent went on to state, cost could be a limiting factor regarding collection and treatment of East Boothbay sewage at the existing plant in Boothbay Harbor. Trustee Kipp closed the discussion and asked for a vote on the motion on the floor. The vote to proceed with the evaluation by Wright-Pierce Engineers was unanimous 3-0.

- 8. 2023 Rates Workshop #1** – Trustee Kipp asked the superintendent to explain how the rates are derived. The superintendent explained each section of the of the spreadsheet, the contents therein, and how the calculations work. The superintendent advised the rates are dependent on budget requirements and are rooted in average user consumption data during the past 14 years. Based on the existing budget requirements and current depreciation funding level, a rate of \$13.13 is recommended for 2023. Discussion ensued regarding the water district discharge being withdrawn from the sewer district due to an upcoming dewatering project at the water district. The superintendent advised the water district has indicated that project will come online in 2024. That project will reduce that amount of treatment by the sewer district thus lowering the revenue from the water district that will have to be made up by the remaining users thus increasing the rate per 100 cubic feet charged by the sewer district to the remaining customers. The superintendent advised funding depreciation at a slightly higher level. Trustee Stormont and Kipp concurred in order to adequately fund reserve accounts and to anticipate the loss of water district revenue. Trustee Kipp recommended a rate of \$13.50 for 2023 and start consideration of a stepped increase top cover the loss of water district revenue in 2024-2025. Trustee Stormont concurred with the strategy and instructed the superintendent to increase depreciation

funding for 2023 to accommodate the \$13.50 rate per 100 cubic feet. The superintendent will revise the rate calculations and redistribute for the public hearing so the full board can deliberate.

Correspondence:

1. **Maine Municipal Bond Bank 2021 Audit Response** – The Board reviewed the letter with no action taken.
2. **New Height Group – Butler Road Affordable Housing Response Email** – The Board reviewed the email response. The superintendent advised he is gathering flow data for the Meadow Station and Pump Station Nine to determine potential impact of the housing project on existing infrastructure.


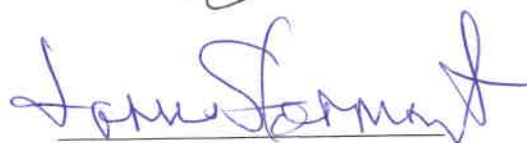
Public Comment: None

Adjourn Meeting:

Trustee Kipp asked for a motion to adjourn. Trustee Stormont made that motion. Trustee Kipp seconded. Vote to adjourn was unanimous. The trustees adjourned the meeting at 1840 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
Russell Hoffman, Clerk
James Stormont, Treasurer