

**DATE: November 7, 2023**

**Boothbay Harbor Sewer District Board of Trustees Regular Business Meeting/2024  
Budget Workshop #2**

**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.

The superintendent noted the meeting is available on Zoom, but no members from the public were in attendance.

Meeting URL:

<https://us02web.zoom.us/j/89487491201?pwd=Zk1GODI-mRlZbSlnLlZ0UjS0VM0NWZz09>

Attendees:

Trustee Deryl Kipp, Trustee Jim Stormont, Trustee Russell Hoffman, Superintendent Chris Higgins, New Superintendent Nicholas DeGemmis, Bryanna Denis – Wright-Pierce, via Zoom.

**1. Review and Execute Minutes of October 16, 2023:**

Trustee Hoffman made a motion to accept the minutes of the October 16, 2023, meeting as presented. Trustee Stormont seconded the motion. The vote to accept the minutes was unanimous (3-0).

**2. Review and Execute Warrant #1476:**

Trustee Kipp made a motion to approve Warrant 1476 as presented. Trustee Hoffman seconded the motion. The vote to execute was unanimous (3-0).

**3. Execute 60-Day Late Letters: Campbell, June, Curtis, Jeffrey D., Kristoff, Lisa M., Pingree, Michael D., Russo, Jonathan, Vise, Alex E. & Kathy A., Wright, William T.**

Trustee Stormont reviewed and executed the late letters.

**4. Execute Demand Notices: Boothbay Region Healthcare, Inc. (with copy to: Big Rib VIII, LLC), Spruce One, LLC (with copy to: Stonehouse Capital, Attn: Jeffrey Broaden)**

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): Robert Hallinan - 18 Highland Park, Boothbay Harbor**

The trustees reviewed and executed the entry permit for both locations.

## **Old Business**

### **1. Plant Operations**

- A. Plant/Collection System Operations** – The superintendent reported mostly normal operations, maintenance, chemical usage for the plant and collection system since the last meeting. The superintendent advised the Board that Vortex was onsite to clean, and video inspect the outfall pipe. Vortex made several cleaning passes in the pipe but blew their jetting hose after the third pass causing the cleaning operation to cease. Vortex did try to video inspect the line but was not able to reach the end of the pipe due to material still in the pipe. Vortex will reschedule to complete the work.

The superintendent reported The VFD for the primary bowl of the centrifuge failed. It appears the rectifiers burned out. That drive is obsolete, but another comparable drive has been ordered and we are awaiting its arrival. Currently, solids are being held within the system. The new drive is expected next week.

1. **Riparian Rights/Seawall Project Work** – The superintendent advised the district has not yet received the inspection report from Black Dog Divers for their inspection work on the outfall pipe.

The superintendent advised he had not heard back from Signal Point regarding the district's responses to their September letter. The superintendent also advised he did receive comment from John Hennessy's attorney. Mr. Hennessy's position is he wants compensation in exchange for the temporary construction easement.

2. **Butler Road/Kenny field Drive Workforce Housing Update** – Nick and David Pratt attended a Pre-Bid meeting for the project. Bids are due next week.



The superintendent reported EM Wood is progressing on landscaping and foundation work. The sewer line still requires extension to the north. The superintendent reported that water line installation may hold up the sale of the lots.

3. **CMBG/YMCA Sewer Extension** – The superintendent reported the CMBG and YMCA would like to come and address the project and how the district may be able to help both in getting water/sewer extended. The superintendent advised a later meeting with both entities was warranted to discuss the district's role in the project.
4. **Plant Evaluation/CIP – Bryanna Denis, Wright-Pierce Engineers** – The superintendent introduced Bryanna Denis via Zoom. Ms. Denis summarized the evaluation and the associated CIP. Ms. Denis advised the CIP to be all inclusive based on the plant evaluation and whether the plant receives a nitrogen limit in its upcoming discharge permits. DEP is leaning on a monitoring requirement in the next permit because there is no ambient nitrogen data available to determine if a limit is necessary. That permit will be issued in 2026. If there is a need for a limit or a limit imposed, that will probably occur in the 2031 permit. We are not sure what that limit will look like. York just received its new permit with monitoring requirements for Nitrogen. Because of this unknown, the district is at a crossroad in which direction to take, i.e. 1) upgrade and protect the existing plant pursuant to the CIP list (28M), 2) take property for room to build tertiary treatment on the existing site and include item 1 (44M), or 3) move the plant to a new location and build a new plant to include tertiary treatment (45-60M). The superintendent advised a conversation with DEP needs to occur to determine data collection for nitrogen to start a decision formulation process on how to proceed. Several other financial and physical scenarios were discussed. Ms. Denis indicated the delivery of the rate impact information will be forthcoming now that the CIP is developed.
5. **Website Activity** – The office manager reported email billing savings to date at \$998.04. Direct Debit customers stand at 301, email customers at 408, and DOXO users at 133 with 13 on Auto Pay.

All other operations and maintenance at the plant and collection system were routine.

## **2. Personnel – Nothing to Report**

## **New Business**

### **1. The First Investment Report as of October 31, 2023**

The Board reviewed the October report. No other action was taken.

**2. Certificate of Commitment for November 1, 2023**

Trustee Hoffman made a motion to commit the bills for the November 1, 2023, billing to the treasurer for collection. Trustee Kipp seconded the motion. The vote to commit was unanimous (3-0).

- 3. Financial Reports for October 2023** – The superintendent distributed the reports. The reports were reviewed, and no other actions taken. The superintendent reported the revenue line will be low for the residential user's class. The superintendent asked the board to transfer \$98,000 from the equipment replacement reserve to pay for the new panels at Factory Cove, Breakwater pump stations, and SCADA equipment. Trustee Kipp made a motion to transfer the funds from the equipment reserve to the regular checking to pay for the equipment. Trustee Hoffman seconded the motion. The vote to transfer was unanimous (3-0). The superintendent will contact the First to start the transfer.

- 4. 2024 Budget Workshop #2** – The superintendent distributed the 2nd draft of the 2024 Budget. The superintendent reported that no changes were made to the budget other than updating the annualized columns and this budget would represent an 8% increase in proposed rates. Trustee Kipp questioned the reduced change in engineering costs. The superintendent advised last year's line included the plant evaluation and the CIP that will not be carried forward. Trustee Stormont questioned the need for pH and Mag Oxide control. The superintendent advised the lines were not used this year, but requested the line amounts stay should they be required in the future. Trustee Hoffman also questioned the chemical line increases. The superintendent advised these were all vendor increases and not increased usage at the plant level. The trustees agreed and left the lines as is. Trustee Hoffman asked about the septage line and why it is low year-to-date. The superintendent advised only porta potty waste is coming in at this time due to a local hauler suspending operations for health reasons. The superintendent noted the hauler should be resuming operations next year. Trustee Hoffman asked what was included in the interest line. The superintendent advised that line included all the wealth management interest and any interest received on local accounts. Trustee Hoffman asked about the treasurer bond line. The superintendent advised this line was required by our funding agencies to ensure the treasurer and the notes are for two years. Trustee asked if the truck maintenance line should be more for 2024 due to the expenditures in 2023. The superintendent advised 2023 expenses were due to two vehicle issues that were one-time expenses, and the line-item amount should be adequate. The new superintendent asked the trustees to consider a sum of \$15,000 be added to either the service contract or engineering line to cover the cost of the use of a consultant for specific day-to-day operations should they be needed. The trustees agreed to the need and to the amount and left the placement within the budget to the discretion of the new superintendent.

The new superintendent asked the Board to consider purchasing an updated jetting machine. The district was quoted a price last year of \$86,500. This year the jetter has been reduced to \$59,500. The superintendent advised he had been in contact with the vendor and the vendor is willing to bring the unit back up to Boothbay for a test run, but if that happened, the vendor would like an answer as to the probability for purchase. The superintendent thought we may be able to get the price down a bit more with the vendor knowing we were interested and with winter coming as they would need to store it. The superintendent advised the funds would come from equipment replacement reserve. Trustee Kipp made a motion to authorize the purchase not to exceed \$59,500. Trustee Stormont seconded the motion. The vote was unanimous (3-0). The old jetter will be placed for sale.

Trustee Hoffman asked if there were backup analyses for the line items in the budget. The superintendent advised on the revenue side that the estimated revenue is based on actual average customer usages dating back to 2014 and the assessed rate per 100 cubic feet. The expense side of the budget data comes from historical expenses for insurance, power, chemical usage, postage, operating supplies, etc. The maintenance lines come from known routine tasks/cost of materials. There is some discretion in the pump station and equipment repair lines for unknown expenses such as pump failure or other equipment failure.

Trustee Stormont asked about salaries. The superintendent reported the cpi-u is at 2.6% for the end of October. No merit has been included. The superintendent advised he included 2.6% in the lines. The superintendent asked what the board's wishes were for the amount of merit-based increases. The board agreed to give an amount not to exceed 5% above the COLA and based on performance evaluations.

No other action was taken on the 2<sup>nd</sup> draft of the budget.

## **5. Meeting Date Change**

Trustee Kipp asked the other trustees if they would consider a change in the meeting dates to the 1<sup>st</sup> and 3<sup>rd</sup> Tuesdays of the month instead of the 1<sup>st</sup> and 3<sup>rd</sup> Mondays of the month. The superintendent advised this action would require a change in the By-Laws. The other trustees had no issue with the date change request. The superintendent advised there will be an agenda item to change the By-Laws to reflect the date change at the December 5 meeting for the board to discuss and vote on.

## **6. Executive Session Title 1 Section 405.6.C**

Trustee Stormont made a motion to enter Executive Session pursuant to Title 1 Section 405.6.C. Trustee Kipp seconded the motion. The board entered executive session at 18:52 hrs. The Board came out of executive session at 19:11 hours and resumed the regular business meeting. No other action was taken.



**Correspondence:**

- 1. MMBB Letter Requesting the 2022 Audit** – The superintendent advised he has not heard from Brewer and Associates. Trustee Stormont advised he will contact Brewer.
- 2. Boothbay Properties, LLC – Additional Unit – 38 Townsend Avenue**  
The Trustees reviewed the letter.
- 3. PCE, LLC – Additional Unit – 957 Wiscasset Road**  
The Trustees reviewed the letter.

**Public Comment: None**


**Adjourn Meeting:**

Trustee Kipp asked for a motion to adjourn. Trustee Stormont made that motion. Trustee Hoffman seconded. The vote to adjourn was unanimous. The trustees adjourned the meeting at 1920 hours.

  
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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.

  
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Deryl Kipp, Chairman

  
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Russell Hoffman, Clerk

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James Stormont, Treasurer