

Town of Eliot
Joint Budget Committee and Select Board Workshop
May 31, 2018, Stormwater

Budget Committee Members: Donna Murphy (Chair), Jim Tessier (Vice-Chair), Dennis Lentz (Secretary), Ed Strong, and Janie Wang. Steve Furbish and Noah Lemire were excused due to prior commitments.

Select Board Members: Rebecca Davis (Chair), Jack Murphy (Vice-chair), Robert Pomerleau, and Brad Hughes. Richard Donhauser was absent without notice.

Town Staff: Dana Lee, Joel Moulton, Emily Prescott

Open Workshop/Roll Call:

Meeting was called to order @ 6:00 pm by Rebecca Davis (video streaming was used).

Public Comment:

One member of the public was present.

Stormwater/MS4 Discussions:

Dana reviewed the documents that were provided. He reviewed the memo from Emily and Joel about the proposed Clean Water Committee. It will be on the SB agenda for June 14th. Also have an email from Kristie Rebasca to Joel Moulton. Kristie was going to have to take on duties that Kate used to do for MS4. Dana reviewed the responses to Rebecca Davis' email. Kristie, Dana, and Joel sat down and went over and tried to adequately respond. Dana stated that last March we had this type of workshop and that document was provided from that meeting. Dana turned the meeting over to Rebecca. Dana asked if the responses adequate. Rebecca stated that she preferred the workshop as many had questions. We wanted to hear from the horse's mouth on where things are going. Dana stated we are at the end of the cycle and starting a new cycle. There are new requirements. Joel reviewed the highlights. Joel stated it was new and old information. The CIP plan from Maine DEP from June of 2013 was reviewed. In March of 2017 the Select Board and the Budget Committee had a workshop discussing the CIP based on \$200,000 a year with 4% inflation. Current rates are 6% a year. The current rates for 2018-2023 will be distributed by the DEP in the next few weeks. The anticipated permitted costs are year one \$22,700, year two \$22,980, year three \$22,2180, year four, \$17,880, and year five \$22,180. This is based on

the fiscal year. Integrated is the name of Kristie Rebasca's firm. Kristie is hired by Southern Maine. There are five MS4 communities. Is that put out for bid? Dana did not know. Dana will look into it. Jim Tessier doesn't recall agreeing to the 4% increase. Dana stated he recalled it. Bob stated he recalled 3%. Dana stated that it is fine and is what it is. Joel stated it is based on current inflation. Jim recalled \$200,000 a year and do what you could with it and put in CIP. Brad stated it was, these are the costs now. We had Joel do it at a percentage and after that agreed to \$200,000 a year. Joel stated he did a projection from 3%-6%. Jim stated it was based on the project not the funding. The percentage increase was for the project not a percentage increase on the \$200,000. Dana stated the bullet points are construction and will be \$178,000 for construction and \$22,000 for the permitting. If the \$200,000 is held as the number then the permitting is done first and the remainder of the funds are used for construction. This chart does not include the MS4 fees. Dana stated that staff was not in agreement with the \$200,000. Dana stated that the construction side will get delayed. As long as we are making reasonable progress it is acceptable. Bullet number three regarding the draft of the 2018-2023 five-year permit. Jim asked for an explanation of what we are getting for the \$22,000. Education. It is determined by Kristie's estimates. Kristie sets the rate for each community. Bob spoke to Joel's answer on Rebecca's fifth question regarding the consultant's fees. Bob felt they were comparing apples to oranges comparing households other than breaking out per household. Those numbers as presented are misleading for what we are getting for our money. Janie stated that each community is charged \$14,000 each. There are 10,000 households in Portland and 6,000 in Eliot. There are a number of ways of doing it. One is per household. Just to compare flat numbers between Portland and Eliot, Portland has more households. Each are charged \$14,000. Dana stated it is based on each community here and each pays a different amount for public education. It is a portion of the \$22,000. Jim asked if it was broken down somewhere. Joel stated he could get it. Rebecca stated we would like to see more detail. Bullet number four regarding the EPA requirements and the current negotiations with NH and Massachusetts. Those projected costs are based on sampling. Testing helps to reduce cost in the future. Bullet five regarding the audits. Joel stated that Eliot was at the top of the audit list last time. When they start over Eliot will be near the top and they are anticipating an audit later this year. They will come here first. The DEP has a plan and we have a process. Bob stated we are the top because we are near the river. Dana stated we need to do the MS4 permitting first. The \$200,000 then gets put in a reserve for a later project. Jim stated he hasn't see the Stormwater CIP. Dana stated it will be there when we get some money. Bob stated Kristie did a presentation for Kittery. Kristie stated the permitting would be the same. There are some minor changes in the ordinances. Joel stated it is new information from yesterday. The NH and Massachusetts permits are going to become effective this year and Maine follows NH and Massachusetts. It is a heads up. Joel anticipate costs going up. This is what happened in the past and this is what we are anticipating. Bob stated he exchanged emails with John True. Based on law,

because we are a border state with the river any Federal requirements on that side will be imposed on this side. Joel stated final note is, when are we going to be done with this? It is going to be a never-ending cycle. Janie asked have we ever looked at bonding? Is this an option. Dana stated yes if the Select Board and Budget Committee were of that mindset. Is there a benefit? Bob stated it would be a good idea if you had a plan. There is no standard to meet. Bob stated that some of these things like Riverview. Why is this the Town's responsibility. What is mandated vs. discretionary. The EPA says you cannot do nothing. You must have some plan. Then you look at the spreadsheet and where did that come from? There is nothing remotely close and it is Riverview's septic system. Joel stated they have noticed an illicit discharge and it is coming from their septic and it is crossed. As Riverview fixes their system they continue to monitor. Riverview has done repairs and there is still illicit discharge. The trench for the sewer and drainage are interconnected. The way it was constructed may not be best. They had to rule themselves out and there were some costs. Bob went back to the original construction? Who was responsible for the original drainage? Joel stated when the Town accepted the roads they accepted the infrastructure including the drainage. The septic is private. The Riverview HOA has been paying some. Rebecca stated the human waste is not coming from the drainage and it is on for \$800,000. The \$800,000 is not for their septic. The \$800,000 is for the drainage. Rebecca stated that it is their system that is the problem. Us changing the Stormwater won't fix their issue. Why are approaching from this angle? Joel stated he would change this on the list because Riverview is doing work. The Town would then re-evaluate. Joel stated they can look at the disrepair of the road. They would fix their sewer, we would fix the drainage, and then the roads. Dana stated their roads may not be the priority but would change so they were doing it at the same time. Joel stated they are some of the worst roads. Jim asked to discuss how the problem with Riverview started. Joel stated the Town is required to test all outfalls. They noticed that the algae was from human waste. A sample of the water was taken. This got the ball rolling and the Town started an investigation. They started with the Town's issue and it pointed to the system. The pipes are not hooked together and they are seeping. Some lines are in disrepair and they need to find the source. They are slowing finding the problems. Jim asked if the homeowners found and fixed their issue would we need to replace? Joel stated yes. They have bad joints, silts, and sediments. It is the whole realm. People using pesticides is an illicit discharge. Human waste is the biggest. Rebecca stated the Riverview HOA is cleaning their system. Joel stated they have done some sleeving. The Town's drainage is between eight and ten feet below ground. Rebecca asked why we are not cleaning and sleeving? Joel stated they would talk about this. Joel stated a foundation drain is not allowed. A sump pump into the sewer is illicit. A new system would bring the elevation to four or five feet, frost level and it is easier to maintain. You wouldn't dig up the existing. It is abandoned in place. Denny asked if the Riverview HOA had a detailed list and timing? Joel stated there is a detailed list. Who reviews that? Joel stated the Town and Kristie. They are working on it.

It comes down to funding. Denny asked how do we justify any of this funding until we know when they are done? Joel stated you keep Riverview on the list and move them down and monitor them moving forward. You would then look at doing some of the other smaller projects. Denny asked who makes the commitments to the State and who reviews them. Dana stated the State either likes it or not. People want black and white. It is a negotiation. The DEP respects Kristie. It is ongoing negotiation. Joel stated to Bob's point that you can't do nothing. Denny asked about the negotiation and referenced a letter from Kristie. The total cost was \$300,000 for five years. For 2015 it has gone up to over a million and this one is over two million. Dana stated that Kristie said the first estimate was junk. Joel stated it was just the outfall. If you don't alleviate the issue and fix the outfall you still have the issue. Five years ago, it was believed it would be a minor pain and it has grown. Denny stated it was the same project on each. Kristie flat out said it was wrong. If the question is could we get away from \$200,000 and go to \$150,000 we could still make progress. Denny asked if Kristie is professional and made this mistake do we have to stick with her? Dana stated the implication is are we getting good skills. Dana understands the concern and stated that we have others who have made estimates and made mistakes. Joel stated there are a multitude of engineers. Kristie is a Stormwater engineer. Rebecca stated the technology is changing and she and Bob learned this at the conference they attended at UNH. Rebecca stated that with someone new we could get new ideas. Joel spoke about the different methods. Joel stated before they are going to do more projects they will do an RFQ and RFP. Get the consultants for the design and get the best price. This is instead of always going to Ransom. Get fresh ideas. This is what they are going to work on in 2018. Janie thanked Dana and Joel to making it clear. In the negotiating with the DEP will we get pushback for moving the projects? Is the DEP flexible? Joel stated they are flexible. Joel stated there are two entities in the DEP, land bureau and Stormwater bureau. If we move Riverview on the list, identify that we are waiting for Riverview to complete their work, and we are waiting to re-evaluate it is reasonable. If you give a reasonable explanation the DEP is reasonable. Bob stated he doesn't see where the DEP has once ounce of authority. It says the permittee not the DEP or State. The language doesn't give them any authority to overrule if it is reasonable. Joel stated as long as we are doing maintenance we will be in good standing with DEP. Janie talked about "the work will never end". She asked about bonding the \$800,000 bonding over 15 years. Rebecca stated that the priorities will shift. Janie asked if it is required by financing to commit to a project? Dana stated from a political view it is not best but from a business sense he agrees with Janie. It balances out payments. Politically unless you can say it is committed people shy away. Joel stated once the bigger projects are complete it will be maintenance unless the regulations change. Sampling of outfalls is expensive. Joel stated we went from eleven to three outfalls and saved a significant amount of money there. Joel stated that with any preventative you are putting good money forward. Joel stated what we are doing is good for the long term. Bob stated he supported bonding if we knew what we are spending it for. Bob stated that he

goes back to Riverview and the violation is human bacterial. If the human waste was not happening would it even be on the list? We are looking at \$800,000 for Riverside and it's obviously not a storm water problem. It is a septic system. There is not a logical explanation for anything else. Joel said they could make an adjustment and move things around. Bob stated his point was if we had decided to go ahead and bond \$800,000 in Riverside and it was not what we thought it was. We don't know what we are spending this money for. Janie stated setting aside Riverview for a moment, she understands what Bob is saying and it makes total sense. In addition to that additional 1.4 million dollars for the projects, are there any of those projects something that we know we definitely have to do and there is no question about it or whether it might get bumped off the list? Dana stated that for discussion taking Riverview out makes some sense. We know there are some medium and lower threat things on the list they could identify and make a project list for whatever that amount of money is to be bonded. Dana does not know if this is overly aggressive. Maybe that it taking storm water and being overly aggressive with it although the money makes sense to do it because if you get the ball fixed you get down to just the maintenance price and you are just maintaining. Janie stated what she is hearing is what is on your medium low list in ten years could be on your high list and will cost three times as much, where if you fix it today and bond it over fifteen years you're paying 2.5% interest versus inflation. It is kind of a no brainer in terms of long term fiscal health. Jim stated to have a fixed amount each year to pay the debt. Janie agreed and stated it would be way less than \$200,000. Bob stated it goes back down to the confidence level. Bob stated that you try to avoid Riverside and the \$800,000 is not justified in his mind. Janie stated she is taking this off the table right now. Bob stated he knew this and back to the point that if we had bonded we would be embarrassed because now because we had bonded money and included the \$800,000 for Riverside and there is no logical explanation that the Town is responsible. Janie stated that she agreed and is wondering if there is anything on the list that there is no ambiguity about it. Dana stated there is and we know where we need to do work. Joel stated everything else. Dana stated that we can put those together if there is a serious desire to see a bond then we could certainly do the leg work to get four or five projects in one bond or three projects in a bond and what each one costs and what we will need when we go out there. We would be in a position like Bob said to be more positive on whatever it is we are doing and it would have to be done at some point. Dana stated that the only thing he is not sure about is that the DEP would say great you took care of these four projects let's push it forward and find four more projects. Janie stated that even if you did the four projects Riverview which you have to do something about. You will always have something. Janie is all for not pushing the burden further down the road. Ed stated he attended a meeting in Florida on Stormwater for the cities and towns. Ed stated the technology will eliminate digging and putting in sleeves and upgrading the basins and can sleeve them. They didn't have to dig anything up. Dana stated you don't know that new technology will come along to bring down the cost. Joel stated new technology costs more

initially. Rebecca stated the conference showed some new techniques. Denny asked about the paving budget included in the Stormwater budget. It was stated that Riverview roads are Town roads. Joel stated they are holding off on doing the roads in Riverview until their work is done. The paving comes out of the paving budget. Bob asked if it was not on the list to pave and it needed to be repaved due to Stormwater why wouldn't it be part of the Stormwater budget? Joel stated it would. Rebecca stated Joel has been merging the two. Joel stated they have done this before as part of the Stormwater but it is cheaper for the Town to merge them. Brad stated that the last time they moved some projects around we moved Riverview higher and tonight we are having the same conversation as in March of 2017. Brad asked if there is anything coming up that should be on the list? Jack asked about the river and the York River. Are they looking at this? Joel stated they already did. Joel then answered Brad question and stated this is the list and all is on the list. Jim asked about paving. Dana stated in a bond, paving would be part of the bond. Joel stated that last two roads would not need paving. The roads are Dixon Avenue and Grover Avenue and they would not need to be repaved. Denny stated that Leach is not on the paving this year. Joel stated they are in Phase I. It would be on next year's list. Leach is done. Wood and Staples need to be done. Denny asked about the resident on Spinney Road who had an issue. Joel stated the resident has an issue with drainage. Rebecca asked if there are any other positive discharge for bacterial other than Riverview. Joel said no. Joel stated there are other illicit discharges associated with them. Emily stated they still need to work on them. Donna requested a short list of some identified illicit discharges other than human waste. Joel stated silt, sediments, pesticides, oil and gas from vehicles, and dog feces. Rebecca asked if Kristie's preliminary report could come before the Town before or at the same time it goes to the State. Joel will see that the Town had a copy. It is the permit report. Dana wanted to point out they are proposing a Clean Water Committee. Dana suggested reading through the document. It will be before the Select Board on June 14th. Bob asked about the response on question number six. What is the value? The Local Health Officer (LHO) is the only person to issue fines for the faulty system. Bob stated it was not in State law or the ordinance. The Town officers have the authority. The first statement is not accurate. Dana stated here in Eliot he is the LHO. Dana goes out and then calls Joel. They work together. They recently issued one on Governor Hill Road. Jack asked if the Chair received calls. Rebecca stated no. Emily stated she receives them as does Joel. Jim asked if they were going to assess moving forward with a bond. Dana stated they needed to look at the list and consider for next year. Joel stated if they move forward with the RFQ and RFP you can then develop a bond amount. Dana stated you do save money when you do it together. Joel stated they did this with Brex Corporation. You saved money on inflation. Joel stated if it is guaranteed they buy all at once and they store it. It was stated that they will give a heck of a price for guaranteed work. Ed stated he was going to raise the same point. Joel stated he thinks it is doable. Denny stated we keep talking about the Stormwater in the CIP plan but it is not in there. It is in all the documentation as the

CIP. It is stand alone. Dana stated it should be in there. Joel stated it should be in the CIP and the MS4 elsewhere. One is administrative and one is CIP. Jim said to make clear, if we don't go with the bond we will put \$200,000 in per year unless we change that. Bob said no. it is not a foregone conclusion we will not change.

Other Business:

No other business.

Adjournment:

Chair called for a motion to adjourn. Motion by Ed Strong 2nd by Jack Murphy. Vote 9/0 to adjourn.

Respectfully submitted,

Donna Murphy, Chair

Date Approved: July 10, 2018