

- PUBLIC MEETING -

Rockport Select Board

Meeting Minutes

Monday, August 10, 2020 – 4:30 p.m.

Streamed at <https://livestream.com/Rockportmaine>

Please note: Due to the pandemic, the Select Board has been authorized by the state to meet remotely or in-person without the public present as long as the public can view and hear the meeting and provide comments on agenda items that include a public hearing or that otherwise allows for public comment. At this meeting, the Board met in-person and broadcasted the meeting through livestream. Public comments or questions, if any, were sent to the Town Manager at wpost@rockportmaine.gov or through the livestream of the meeting.

Present: Chair Debra Hall, Jeffrey Hamilton, Finance Director Megan Brackett, Library Director Benjamin Blackmon, Town Manager William Post and Audio/Video Technician. Remotely present on the telephone were Mark Kelley, Douglas Cole, and Vice-Chair Denise Munger.

I. Call Meeting to Order – Chair Hall called the meeting to order at 4:30 p.m.

II. Executive Session

a. Convene in Executive Session pursuant to 1 M.R.S. Section 405(6)(A) to discuss a Personnel Matter

Board Member Hamilton moved to go into Executive Session pursuant to 1 M.R.S. Section 405(6)(A) to discuss a Personnel Matter. Chair Hall seconded the motion VOTE: 5 FOR – 0 OPPOSED (roll call)

Board Member Hamilton moved to adjourn the Executive Session at 5:05 p.m. Chair Hall seconded the motion. VOTE: 5 FOR – 0 OPPOSED (roll call)

At this point, Vice-Chair Munger and Board member Cole exited meeting by telephone. Board member Kelley attended the rest of the meeting by telephone.

Board Member Kelley moved to go into Wastewater Commissions, Board Member Hamilton seconded the motion. VOTE: 3 FOR – 0 OPPOSED (roll call)

III. Convene as Wastewater Commissioners

a. Discuss Wastewater Billing

Finance Director Megan Brackett provided the Board with some history of the Wastewater System.

The History of the System

In the 1980's, the Town of Rockport addressed a serious environmental issue. Many homes and businesses were discharging their sewage directly into the Penobscot Bay, both into Rockport Harbor and Clam Cove. Under State and Federal mandates, the Town constructed a wastewater collection system (the sewer) in two parts; one to service Rockport Village and surrounding areas, and another to service the Glen Cove portion of Town. Agreements were secured with Camden (for the Village system) and Rockland (for the Glen Cove system) to send the collected

wastewater to their treatment plants, which meant that Rockport did not have to construct its own treatment plant.

The construction of the two separate systems was financed with a combination of State and Federal grants and by borrowing money through bonds that were to be paid back over several years by the users of the wastewater systems. Since the original construction of the system, we have increased the number of road miles that is serviced by the system. Extensions to the original system to serve Camden Hills Regional High School and properties along Commercial Street (Route 1) from West St. (Route 90) south to Elwood Avenue were constructed between 1988 and 1989 funded in part by a Tax Increment Financing District (TIF) established for that purpose. As the Comprehensive Plan was developed in 2003-2004, the issue of expanding the wastewater system was addressed. One of the highest priorities noted in the Comprehensive Plan is the linking of the two wastewater systems by extending the sewer system along Commercial Street from Elwood Ave (the southern terminus of the "Village" system) to South Street (the northern terminus of the Glen Cove system).

In the summer of 2014, the Wastewater Commissioners undertook engineering and feasibility studies for one section of this area, from Elwood Avenue to Sea Light Lane.

In 2019 the voters of Rockport approved a 4.5 million-dollar bond that will be used to continue the system and finish the connection between the Southern and Northern ends. This extension is now known as the Sea Light Lane to South Street extension. Much of this project will be funded using TIF revenues and State and Federal grant money. Our current plan is to send this project out to bid this fall and start construction next spring.

The additional construction that the Town undertook has two major components to it that benefit the Town as a whole. The first being that access to public sewer and public water have proven to increase development in the areas in which it is available, the more development we have in Town, the more value there is to spread the tax commitment to, thus potentially lowering your property tax bills. The second major component is that it allowed property owners of failing septic systems the option to discharge their waste by connecting to the public system and avoiding a huge expense on their part to construct a new septic system.

How Rates are Established

The Debt Service Fee - February of each year the Finance Director and Woodard and Curran Engineers and system maintenance crew meet and update the capital improvement plan for the system. The plan includes items ranging from pump replacements at our pump stations, to placing motorized cameras in the pipes to check for cracks or leaks, to replacing full pump stations. These are very important steps, as we want to make sure that we are maintaining the system the best way we can so that we do not end up with costly breakdowns or repairs. Once we have come up with a list of the things we would like to get done, this is condensed down to what we can afford to do, and what has to be done before we have issues with the system. We also know that the Camden Treatment Plant needs some very costly repairs and upgrades, and we are responsible for a portion of those upgrades. A few years ago, we established a reserve account and have been setting aside a portion of what we believe will be our annual debt payment to Camden for these upgrades. We did this to help lessen the burden on the sewer users in the future with a drastic increase in the debt service fee to cover the cost of this upgrade; instead we have been able to save money for this purpose alone and increase the debt service fee slightly each year to cover this increase.

Once we have finalized the capital improvement plan, we then determine what the debt service fee will be for the new year. The debt service fee is figured by looking at the total estimated cost

of our above and below ground capital maintenance, add in any debt payments that have to be made that year, and subtract the budgeted use of the Capital Reserve.

In the Fiscal Year 2020-2021 wastewater budget we have allocated \$279,000 to above ground capital maintenance, \$75,000 to below ground capital maintenance and an annual capital reserve deposit of \$40,000, for a total capital investment of \$394,000. We also budgeted using \$104,000 from the Capital Reserve, making the net amount billed to users \$290,000. This \$290,000 investment is then divided equally to all users of the system, and anyone that owns property where sewer is located but has not connected to the system. We also have \$276,142 due in principal and interest payment on current debt that is due by the system, of this amount \$212,591 is funded by TIF revenues, which leaves the net amount \$63,551. We currently have 1,194 equivalent users of the system, which means each equivalent user (based on number of bathrooms in your home) is being charged \$296.11 per year or \$74.03 per quarter. This is an increase of \$12.24 per quarter over last year (ending June 30, 2020).

The Usage Rate – The usage rate is comprised of all other operating expenses not listed above, including contracted services to maintain the system, treatment expenses from the Town of Camden and City of Rockland, administrative services for billing, record keeping and lien processing, as well as additional Town of Rockport staff time to conduct other wastewater related business. Your usage is directly correlated to how much water you bring into your house. We do not have separate meters for the outgoing wastewater, so we rely on Maine Water’s meters for the incoming water, which is the standard practice. If you do not have access to public water, but you use the public wastewater system, Maine Water will estimate your usage based on your house and family size and you are charged an estimated usage amount. If you have outside water faucets that you use a lot for watering, or filling your pool, you can purchase a meter to attach to that faucet and call in your meter readings to Maine Water for a credit on that usage, as that water is not returning to our wastewater system to be treated. If you are interested in this, you should reach out to Scott Bickford, Code Enforcement Officer at the Town Office.

If you are not on Maine Water for public water, and connected to the public wastewater system, your current wastewater bills are estimated based on a formula in the sewer ordinance. Depending on your living situation, this might result in an overcharge of what you are using. The only way that we have to correct this and get a more accurate reading is for you to install a meter on your well, it would be the same type of meter discussed above. You be responsible for calling Maine Water with the actual readings from the meter, but you would only be charged for what you are sending through the system. If this is something that you are interested in, please reach out to Code Enforcement Officer Scott Bickford and he can help you with this process.

Some major changes that effected this year’s usage rates are as follows:

1. There is an inflow/infiltration problem somewhere in the system, this could be from users connecting sump pumps and/or roof drains to the system. This is a problem because this additional water is not metered, and we have no way of billing customers for this. Last summer the Town spent a significant amount of time and resources trying to locate the sources of additional inflow. We may also have a crack in an inground pipe that we are not aware of, which is why we are dedicating resources to sending motorized cameras through the pipes. We are certain this is a problem because we are being billed from Camden and Rockland for more waste then what we are billing.
2. We are projecting increases from the City of Rockland and Town of Camden for the costs associated in treating Rockport’s Wastewater. It has been asked of us many times why our usage rate is not low like Camden’s? This answer is twofold, one being that Camden is charging us the same usage rate as their customers are being charged, which is reasonable as it is costing them the same amount to treat Rockport’s waste as it is theirs;

and Camden has 1,880 users (not including the Town of Rockport users) and Rockport has 1,194 users. This means that there are more users to split the costs. On the other side, Rockland has 4,600 users on their system, a difference of 3,406 users. Another driving factor for keeping Camden usage rates low is that in the past, per Camden's Town Charter, the entire tax base paid for sewer projects instead of just the users of the system. Camden has a minimum quarterly bill which is currently \$74.60 a quarter. To put it into perspective, that is just slightly more than our current debt service payment.

3. We are processing more lines for nonpayment of sewer bills. This means that we have more residents that are not paying their sewer bills and our only recourse is to start the lien process on those accounts that are more than 90 days past due.

How the Billing Works

Users receive quarterly sewer bills from Maine Water, and your sewer usage is based on the amount of water that is brought into your home. Maine Water has a meter on the incoming water, and we assume what goes in must come out, which is the standard practice. If you live in a house that is not connected to public water, then Maine Water has a way to estimate your usage based on the number of people living in the house and the size of the house. Once your usage has been determined then we apply the usage rate to that amount. For example, say your normal usage is 14 units a quarter, this would equate to a charge of \$269.50 for the quarter (14 units multiplied by the usage rate of \$19.25 per unit), or \$89.83 a month.

Also included in your quarterly bill is the debt service fee, this fee is based on how many equivalent user(s) you have assessed to your home or business. The number of equivalent users is determined by the Code Enforcement Officer when you get the permit to connect to the sewer system. The current rate is \$74.03 per quarter per equivalent user.

Megan Brackett explained the issue that occurred when 117 users received a much higher bill in July. Maine Water did not get read the meters in April due to COVID-19, they just estimated usages. In July there was an actual meter reading, and it was discovered that about 1/3 of the readings in April were underestimated, so the bills for these accounts was much higher in July.

In Summary

It is the Town's hope that the sewer rates will be able to be reduced in the coming year. Hopefully by then the inflow problem will be resolved. If users know they have a roof drain or sump pump, or other items connected to the system that should not be connected, these should be removed, and the homeowner should find another way to discharge the water.

Chair Hall moved that for the 117 residents who were undercharged in their April 2020 bill, that their bills be adjusted by the formula recommended by the Staff to the prior rate of \$13.50. Board Member Hamilton seconded the motion. VOTE: 3 FOR – 0 OPPOSED (roll call)

Megan Brackett stated that she would send the 117 residents letters letting them know about the correction and will notify Maine Water to issue a credit on the next invoice.

Brackett stated that because of COVID-19 Maine Water did not read actual meters in April to determine that quarter's usage. Instead, an average usage amount was calculated, and users were billed for that amount. About one-third of Rockport's users saw no change at all, one-third of the users had over estimations for the April billing, and the other third of users are the ones that saw huge increases in their July bill. She recommended that it would be fair to bill those users that were under charged in April at the prior rate of \$13.50, which is the FY2020 rate. Her

recommendation was to do this for all accounts that were underestimated in the month of April. This would be a total cost savings for those accounts of \$12,652.88. The Board agreed.

Town Manager Post also recommended that the Town should waive late fees and interest on the accounts that are still being investigated as the bills are due on the 17th. The Board agreed.

b. Consider Adjustments to FY2021 Wastewater Budget

Wastewater Debt Service Fee Budget Factors

Megan Brackett stated that the Camden Treatment Plant upgrade is a large consideration. A few years ago, the Town's wastewater budget had some large capital items completed and paid off. At that time, she recommended, and the Commissioners agreed, that a reserve account be created for the Camden plant upgrade with the savings from the debt reduction. The reserve account was created with a plan for increasing the deposit made to this reserve annually so that instead of increasing the debt service fee all at once to account for the new debt for the treatment plant upgrades, the Town would gradually increase this fee in an effort to not shock users of the system.

New this year that is factoring into the debt service fee is the money that has been allocated for pipe repairs and additional review of the pipes we have in the ground. This amounts to \$50,000.

Douglas Cole re-joined the meeting via phone at 6:03 p.m.

Proposed Changes to the Capital Budget

Finance Director Brackett stated that there are two changes that could be made to reduce the capital budget including reducing \$16,000 for a lease/purchase payment for a second vehicle for the second employee in the Wastewater Department and reducing the reserve deposit for the Camden treatment plant upgrade by \$10,00.

With these two suggested changes and keeping the use of the Capital Reserve at \$104,000, the debt service fee could be reduced from \$74.03 to \$68.58, which would be a decrease of \$5.45 per equivalent user per quarter, or a yearly total of \$21.80.

Board Member Hamilton moved that the Wastewater Commissioners remove \$16,000 associated with the Capital Improvement Plan for the lease payment of another vehicle and that the reserve deposit for the Camden Treatment Plant upgrades be reduced to \$62,000 from \$72,000 with a budget saving of \$10,000. Board Member Kelly seconded the motion. VOTE: 4 FOR – 0 OPPOSED (roll call)

Operating Budget Changes:

Finance Director Brackett stated that there are two changes that could be made to reduce the Wastewater Department's operating budget. These include:

1. Remove the monthly billing from the Administration budget and go back to quarterly billing. Maine Water is not currently prepared to accommodate monthly billing. This would be a reduction of \$17,000.
2. Reduce the Camden Treatment Plant billing amount. There is currently \$353,272 in this line. Over the past five quarters Rockport has sent Camden an average of 10,612 units of wastewater to be treated per quarter. This would mean that on average Rockport sends Camden 42,448 units of wastewater in course of the year. At Camden's current usage rate

of \$7.46 per unit, that would equate to \$316,662.08 in the fiscal year. She recommends this budget amount be reduced to \$325,000, a savings of \$28,272.

Brackett stated that these changes would reduce the usage rate from \$19.25 per unit to \$18.10 per unit. This would make a difference for an average single-family user of about \$8.05 per quarter or \$32.20 for the year.

The changes proposed between the debt service fee and the usage charges would have a combined quarterly savings of \$13.50, for a single user family, and a yearly savings of \$54.00 over the current rates.

Board Member Hamilton moved the Board approve the usage rate related changes as proposed specifically the monthly billing from the administrative budget with a cost savings of \$17,000 and the Camden Treatment Plant billing amount be reduced from \$353,272 as budgeted to \$325,000 saving \$28,272 savings for the year. Board Member Kelley seconded the motion. VOTE: 4 FOR – 0 OPPOSED (roll call)

Megan Brackett mentioned to the Board that they should now decide whether to make those changes retroactive to the July billing. The Board agreed that the changes would be in effect for July 1, 2020.

Chair Hall would like the staff to provide information to the Board on what it would take for Rockport to have its own sewer treatment plant. Board Member Hamilton recommended getting some numbers and bringing them back to the Board for a discussion.

The Wastewater Commissioners meeting ended, and the Select Board meeting reconvened at 6:24 p.m.

IV. Town Manager's Report/Update

Town Manager Post presented his Town Manager's report:

MSAD #28 Assessment Errors

As the Board knows, the Town of Rockport was recently notified by MSAD #28 that the calculation to determine the allocation for Rockport and Camden's share of the school budget was incorrectly calculated for the 2020-2021 budget in an amount of \$422,784.40 over-assessed to Rockport taxpayers, and that the assessments have likely been calculated using an incorrect formula since at least 2009. The school district is working with an independent school finance consultant to verify the assessments for FY21 so that both Towns can commit taxes later this month.

While the District has announced that it is working to correct the issue for the 2020-2021 assessment, there must be a thorough examination and investigation of prior year calculations to fully understand the overall amount and extent of incorrect assessments to Rockport taxpayers. The Town has begun to work with MSAD # 28 and the Town of Camden to ensure a comprehensive investigation and potential solutions.

It is important to note that the error was discovered after inquiries from Rockport staff about the assessment calculation.

Public Safety Building Parking Lot Project

The Town received two bids for this project from Wellman Paving from Winterport and Performance Paving from Owls Head. The Request for Proposals asked for two bids: one for shim and overlay and one for a full depth reclaim and then paving. I have awarded the contract for this project to Performance Paving for a full depth reclaim and paving. The full depth reclaim will include grinding the existing pavement to eliminate any cracks and rutting, grading, and reshaping the surface and the pavement will be placed including a base layer and finish layer. After the grinding is complete, Public Works will excavate in front of the bay doors and refill with proper base material that will be compacted so that the rutting that has occurred in front of the doors will not happen again. This project is part of the 2019 Infrastructure Bond project list.

Parking Work Group

The Parking Work Group met on July 24th for the first time since the start of the pandemic and reviewed where we left off and what the next steps are moving forward.

Pascal Avenue Crosswalks

As you know, MDOT directed the Town to remove and not repaint two crosswalks on Pascal Avenue previously. However, after residents contacted me, I directed the Public Works Director to discuss further with MDOT. After additional guidance, I am pleased to announce that we will be repainting the crosswalks on Pascal Avenue at the Ship Street intersection and the West Street intersection (near RAYR). These will be located to allow for safe landing zones at each location.

Sea Street Water Line

Maine Water notified the Town and residents on Sea Street that they will be replacing approximately 1,800 feet of 2.25-inch cast iron water main with 8-inch ductile iron. The project will begin at the intersection of Pascal and end at the intersection of Maple and is expected to start by the end of August.

Revenue Sharing – New Projections

After the state's revenue forecasting committee met, the State Treasurer released new revenue sharing projections on August 3rd. Our original projection in March was \$348,000. The new projection is \$308,000. This is good news for Rockport as I did not adjust the revenue sharing estimate when we adjusted the budget due to the pandemic. We have estimated only \$216,000 for FY21. This also allows us flexibility for FY22 budgeting.

West Rockport Fire Station

Chief Peasley and I met with Amanda Austin of 2A Architects and Bill Lane of Gartley and Dorsky Engineers and reviewed the preliminary sketches based on discussion from the stakeholder group and tours of the current station and the Lincolnville Fire Station. After discussion, there will be some changes made to the sketches and another review will be done by Chief Peasley and I.

Annual Employee BBQ

I have cancelled the annual employee barbeque that is usually held in July because of the pandemic. Years of service awards will be presented to employees at their department location by their Department Head and me soon.

Employee years of service awards:

Russell Fuller, Public Works Department – 20 years

Scott Bickford, Code Enforcement – 15 years
Kerry Leichtman, Assessing – 10 years
James Moore, Police Department – 5 years

V. Public Input on Non-agenda Items – None

VI. Amendments to the Agenda – None

VII. Consent Agenda

- a. Meeting Minute(s):
 - July 31, 2020 Emergency Meeting
- b. Accept Donation to Public Works from John Lane of Pleasant Mountain Blueberries, LLC

Board Member Hamilton moved to approve the Consent Agenda as presented. Board Member Kelley seconded the motion. VOTE: 4 FOR – 0 OPPOSED (roll call)

VIII. Action Items

a. Act on Recommendation of Camden/Rockport Broadband Task Force

Chair Hall provided an overview of the recent efforts on broadband. She stated that the Select Board previously agreed with the formation of the Camden / Rockport Broadband Task Force to consider next steps for bringing high speed internet to Camden and Rockport residences and businesses.

She stated that the Task Force has taken the following steps:

1. Drafted and published numerous articles about high-speed internet over a period of several months. Topics included the need for and benefits of high-speed internet in the areas of healthcare, education, and work.
2. The Task Force has had discussions with Mission Broadband, the entity that prepared surveys (at no cost) for both towns to post on their websites asking questions about how residents were faring with respect to internet connectivity and bandwidth during the pandemic. Survey responses as well as other resident feedback confirmed continued difficulty by residents not only with respect to bandwidth but with reliability of service.
3. In meetings with Mission Broadband and others, the Task Force confirmed that the recommended next steps include the development of a high-level design for the system as well as the development of an RFP and management of that process. This includes the first two phases on the attached July 28, 2020 proposal from Mission Broadband.

Chair Hall stated that the next step after completion of the first two phases is the consideration of whether to proceed and the options for funding any such system including the issuance of revenue bonds, the creation of a utility district and others. It is not feasible to proceed to those considerations without knowing the parameters of the system and the associated costs.

The Select Board included funding for this in the FY21 budget as did Camden and Rockport also has a grant that will cover 70% of the cost for the first two phases.

She stated that the Camden / Rockport Broadband Task Force unanimously recommends to both Camden and Rockport Select Boards that the Task Force be authorized to proceed with retaining

Mission Broadband for the first two phases of this project with the cost to be shared between the two towns on an equal basis. The Camden Select Board addressed this issue at their meeting on August 4, 2020 and voted to proceed and authorized an amount not to exceed \$10,000 for the project.

Board Member Hamilton moved that the Board adopt the recommendation of the Camden /Rockport Broadband Task Force to retain the services of Mission Broadband to design a system and draft a Request for Proposal to bring high speed internet to the communities of Rockport and Camden, with Rockport allocating up to \$10,000 for this purpose. Board Member Hall seconded the motion. VOTE: 4 FOR – 0 OPPOSED

b. Act on MMA Annual Election – Vice President and Executive Committee

The Manager stated that this ballot is for the annual election for the proposed MMA vice-president and three members for the MMA Executive Committee. MMA has a nominating process that is followed and submits a proposed slate of nominees to member municipalities. The Select Board cannot provide a write-in candidate. The MMA Voting Ballot must be approved and signed by a majority of the Select Board or a municipal official designated by the Board. Instead of voting on the proposed slate each year, the Board could choose to authorize the manager to perform this function each year.

Board Member Hamilton moved that the Board authorize the Town Manager to cast the Town of Rockport’s MMA Executive Committee and Vice President Ballot Annually. Board Member Hall seconded the motion. VOTE: 4 FOR – 0 OPPOSED (roll call)

IX. Discussion Items

a. Discuss Program Room Use and Future Maintenance at the New Library

Board Member Cole discussed how he would like the Town Manager to draw up a policy on how the Rockport Room will be used.

Town Manager Post has put the Library Director and Staff in charge of the use of this room, and have drafted a policy that will come to the Board for approval after they discuss what the fee schedule will be, by using the Opera House fee schedule as a basis. He recommends that the fees be allocated to a reserve account to help with the upkeep of this room.

Board Member Cole left the meeting at this point (by telephone).

X. Announce Future Meetings, Office Closures, Etc.

- Tuesday, August 18, 2020 – Elections – Town Office Closed
- Wednesday, August 19, 2020 – Select Board and Organizational Meeting – ROHA
- Monday, September 7, 2020 – Town Offices Closed Labor Day
- Monday, September 14, 2020 – Regular Select Board Meeting - ROHA

XI. Select Board Liaison Reports

Board Member Kelley had nothing to report.

Board Member Hamilton stated that the Camden/Rockport Pathways Committee met on August 5th. All the agenda topics were related to Camden. There is a lot of activity going on in the preparation of the bike path and trying to maintain proper sidewalks that are ADA compliant. There is also a proposal regarding a bike lane on Mechanic Street in Camden, basically having a

two way turn into a one-way street, which would make it narrower with a single yellow line down the middle of it.

Chair Hall stated the MCSWC had their annual meeting and elected the same officers as before which is Robert Falciani as Chair, Alison McKellar as the Treasurer, Mike Brown as Vice-Chair and David Barrows as Secretary. The MCSWC Board also revised and approved the bylaws which includes not requiring town managers and administrators to attend meetings as part of the quorum requirement.

XII. Adjourn

Board Member Hamilton moved to adjourn the meeting at 7:06 p.m. Board Member Kelley seconded the motion. VOTE: 3 FOR – 0 OPPOSED (roll call)

Respectfully submitted,

Diane Hamilton
Executive Assistant as Recording Secretary