

Minutes of Freeport Sewer District
REGULAR MONTHLY MEETING
Monday, October 20, 2025, at 6:00 P.M.

Trustees and Staff in Attendance: Chair Michael Ashby, Vice-Chair Chad Coffin (via zoom), Treasurer Thomas Hudak, Vice-Treasurer Kathryn Wallingford, Clerk Marissa Elliott, Trustee Timothy Whitacre, Trustee Molly Lincoln, General Manager Sara Randall, and Construction Manager/Senior Advisor Leonard Blanchette (via Zoom).

Members of the public in attendance: Reginald Leese (via Zoom).

1. **Call to Order:** Chair Asby called the meeting to order at 6:00 PM.
2. **Public Comment:** Chair Ashby opened the Public Comment period. There being no public comment, Vice-Treasurer Wallingford moved, seconded by Clerk Elliott, to close the public comment period. Unanimous approval of Trustees.
3. **Minutes:** Vice-Treasurer Wallingford moved, seconded by Clerk Elliott, to accept the minutes of the September 2025 Trustee meeting as presented. Unanimous approval of the Trustees.
4. **Financial Reports:** The September financials were reviewed. GM Randall noted the budget is on track and we had to purchase a new incubator for the lab. Treasurer Hudak moved, seconded by Vice-Treas. Wallingford, to accept the Sept. Financial Reports. Unanimous approval of the Trustees.
5. **WWTP Rehab & Upgrade with Engineer Brent Bridges of Woodard & Curran.** Mr. Bridges noted that as with the Board and staff, he was surprised by the bids received. He expected the bids might come in over the \$12 million allotted in the PER budget developed by W & C, but did not expect the low bid to be \$5 million over. Woodard & Curran and FSD met with the low bidder, T. Buck Construction, to discuss ways to bring the project closer to the budget, such as cutting things out or reducing costs of items. T. Buck Construction was asked to provide estimated costs for the buildings (i.e. Headworks, UV System, Process, Sludge Storage, and Control). It is a bit difficult as the bid categories are categorized by disciplines, i.e. electrical, control centers, concrete, HVAC, etc. Once this information is provided, we can better assess which costs can be reduced or eliminated, or even postponed long enough to allow FSD to seek additional funding.

One potential area identified for cost reduction was the plan to install the sludge holding tanks below ground. Due to the soil conditions, the sheeting required to be installed to stabilize the excavation is required to remain in the ground and due to depth quite large pieces are needed. The sheeting alone costs \$700,000. By elevating the tanks, that cost can be reduced or eliminated. Another area is the UV System. The current plan includes installing a redundant UV System should one fail or require downtime for maintenance. The current chemical disinfection system will be maintained to provide backup if needed. FSD could build just one system and use the existing chemical system when needed.

Mr. Bridges discussed the various options for additional funding. The most obvious being the USDA, but that will come with a higher interest rate than FSD's current loan and the continued BABA requirement with no grant available due to Freeport's new high median income. Other options included continuing to seek grant funding through Congressionally Directed Spending via our

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elected delegation. He noted he will speak with Collin's office. And/or apply for funding through the MDEP's Clean Water SRF program. Mr. Bridges noted some SRF funds are being returned to DEP as the recipients have run into various roadblocks on their projects. Mr. Bridges spoke with Brandy at MDEP earlier today. The SRF interest rate is currently 2.5% and their loan term is 30 years.

The Trustees asked various questions of Mr. Bridges to obtain a better understanding of the various funding options and possible ways to reduce the project's costs. Trustee Whitacre asked if it would be possible to request USDA to eliminate the BABA requirement due to the unexpected high bid costs. We can always ask! was the response. Vice-Treasurer Wallingford and Clerk Elliott asked if we could delay the project (no), and if we can reduce the scope of work from what has been approved by the town (Yes), for example the second driveway. Wallingford noted that one possibility was to consider selling some of the land at the WWTF. Trustee Whitacre noted one possibility is to ask the Town for some revenue sharing.

Bridges said that there is not much that can be done to reduce the costs of the planned Admin & Lab building. But options can be discussed with the contractor. A pre-construction meeting is planned to occur shortly.

In summary the options available include: additional funding and/or grants, reduce scope of work, and/or delay portions of the work. The plan on funding is a work-in-progress, and FSD is still in the early stages of determining a course or courses of action for Phase 2 funding. USDA continues to be on furlough so it is not possible to consult with our funding partner on this issue at this time.

In regards to the Pump Station Easements, FSD met with the property owners bordering the Harraseeket PS regarding the easement expansions requested of Mr. Naab and Mr. Broderick. The property owners object to the above ground building proposed to house the pumps and equipment. The District explained the need for the building and why it is beneficial to sewer operations. No agreement has yet been reached and more discussions will occur to find a middle ground.

6. **Update Rules & Regulations to include BOD and Caustic Alkalinity limits.** Following a discussion on the need for the specific BOD and Caustic Alkalinity numerical limits requested, it was moved by Vice-Treasurer Wallingford, seconded by Treasurer Hudak, to amend the Rules & Regulations to assign a BOD limit of 500 mg/L and a Caustic Alkalinity limit of 100 mg/L. Unanimous approval of Trustees.
7. **2026 Operating and Construction Budgets and 2026 Sewer Rates.** The draft 2026 Operations Budget and 2026 User Rate provided at the October Board meeting were revised to include a proposed 3% user rate increase. The proposed increase from 5% to 10% for the CIP surcharge remains the same. A new Surcharge Rate for exceedances for BOD and TSS are being recommended for inclusion in the Rate Chart. Following a discussion, it was moved by Vice-Treasurer Wallingford, seconded by Treasurer Hudak, to propose an increase to the User Rate by 3%, and to raise the CIP surcharge from 5% to 10% for 2026. Unanimous approval of Trustees.

Following a discussion on the need for and the proposed amount of the BOD and TSS surcharge rate, it was moved by Clerk Elliott, seconded by Vice-Treasurer Wallingford to set the proposed

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surcharge rates for excessive BOD and TSS at \$1.57 per pound. Vote 6-1, with Trustee Whitacre against, motion passed.

The public hearing for the rates has been set for November 17, 2025, at 6:00 PM, followed immediately by the regular Board meeting for November.

8. **Update Submeter Policy.** The proposed revisions to the Submeter Policy include a revision to the dates by which the customer can request the submeter read, a requirement that customers be current with sewer bill to obtain the credit, and that any annual credit not reduce the customer's annual minimum sewer user charge. It was moved by Trustee Whitacre, seconded by Clerk Elliott, to adopt the proposed revisions to the Submeter Policy. Revisions to take effect immediately upon adoption.
9. **Capital Improvement: Mast Landing Air Release Valve Replacement.** The District has received a quote from Ray Labbe & Sons to perform the work for replacement of an air release valve, its manhole structure, and potentially 100 feet of the force main on Lower Mast Landing Road. Along with the required pumping service from R.A. Webber & Sons, the estimated cost is around \$84,600. This project was included in the 2025 CIP budget at \$95,000. Following a brief discussion, it was moved by Trustee Whitacre, seconded by Vice-Treasurer Wallingford, to approve accepting the quote from Ray Labbe & Sons. Unanimous approval of Trustees.
10. **Communications.** There remain minor adjustments to the website before it goes live.
11. **Staffing.** Upon initiation of this new Paid Family Medical Leave (MPFML) law last year, the Trustees chose to pay the 0.05% required contribution with a plan to reassess for 2026. Since that time IRS has developed rules that make it less favorable for employers to pick-up the employee payment. In addition, FSD's payroll service provider will no longer process the employer payments for employees. Given that, the GM recommends that the policy be changed to assess the tax, one-half of 1% of pay, directly to the employee as a withholding through payroll deduction. It was moved by Vice-Treasurer Wallingford, seconded by Clerk Elliott, to have the employee pay the MPFML tax as a withholding through payroll deduction. Unanimous approval of all Trustees.

GM Randall noted that in following the Procurement Policy, she is approaching the \$10,000 limit in regards to the bookkeeping and financial services provider. She is requesting a waiver of the policy limit to allow the continued use of the provider, JHM Associates. And to apply the waiver ongoing as she sees benefit in continuing to utilize the provider for financial advice and oversight, even if someone is selected to fill the office administrator position. It was moved by Trustee Lincoln, seconded by Trustee Whitacre, to allow a waiver of the Procurement Policy limit in regard to the continued use of the bookkeeper and financial services. Unanimous approval of all Trustees.

12. **Superintendents Report.** Due to the workload of the Superintendent there is no report.
13. **New Business: Depot Street Development.** A 51 Unit Family Housing project is proposed for Depot Street in back of the First Parish Church. The building will be constructed over an existing sewer line owned by FSD. The developer has proposed abandoning the sewer line and constructing a new line that will come down the entrance way of the property and connect to our line on Depot

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Street. All the work will be at the developer's cost. Following construction, staff will inspect the work followed by a one-year warranty in which the developer will be responsible for the line. Following the warranty period, we will re-inspect the line and if no issues, will then request the Board of Trustees to formally accept the new line for ownership. All staff inspection costs will be billed to the developer.

14. **Upcoming Meetings:** The public rate hearing will be held on Monday, November 17, 2025 at 6:00 PM w/ Regular meeting to follow. The December meeting will be December 15 at 6:00 PM.
15. **Adjournment.** There being no further business before the board, it was moved by Vice-Treasurer Wallingford, seconded by Treasurer Hudak, to adjourn the meeting at 7:24 P.M. Unanimous approval of Trustees.