

Minutes of Freeport Sewer District
TRUSTEES REGULAR MONTHLY MEETING
Monday, November 17, 2025

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

Members of the public in attendance: Reginald Leese, Jeffery Stenzel, Wendy Whitacre, and Marion Freeman, Corky Ellis and David Hench on zoom.

1. **Call to Order:** The regular meeting was called to order at 6:25 PM following the close of the Public Rate Hearing. Thomas Hudak and Kathryn Wallingford were congratulated on their re-election and thanked for continuing to serve.
2. **Election of Officers:** Vice-Chair Coffin moved to maintain the current slate of Officers. Seconded by Trustee Whitacre. Unanimous approval of Trustees present.
3. **Public Comment:** Chair Ashby opened the Public Comment period. Ms. Freeman noted that there was a discernable odor in the neighborhood last week and wished to know who to call with that concern. GM Randall responded that she can call the District, as a log of complaints is held. There being no further public comment, the public comment period was closed.
4. **Minutes of October Board meeting:** Vice-Chair Coffin moved, seconded by Trustee Lincoln, to accept the minutes of the October 20, 2025 board meeting as presented. Unanimous approval of the Trustees present.
5. **Financial Reports:** October 2025 financial reports were reviewed. Budget is on track with no unusual expenditures. Vice-Chair Coffin moved, seconded by Treasurer Hudak, to accept the October Financial Reports. Unanimous approval of the Trustees present.

A. Draft 2024 Financial Audit with Timothy Gill of Runyon, Kersteen & Ouellette. A draft 2024 financial audit report, the Government Audit Standards report, along with a printed power point presentation was distributed and discussed. The presentation covered cash, investments, and receivables; capital assets/long-term debt; net position; revenues; expenses; and revenues vs. expenses with charts comparing financial positions from the last five years.

Though the firm is awaiting some information before it is finalized they do not expect it to impact their general findings. Mr. Gill explained the difference between various types of findings, including material weakness, significant deficiencies, and other comments. There were no material weaknesses or significant deficiencies found. "Other comments" are recommendations for improvement. The auditor outlined the other comments, which are to develop a formal policies and procedures manual, tracking of reserve funds, and preparation of financial statements. He also noted they are being addressed by the district.

Mr. Gill also reported on the special single audit required by the receipt of federal funding in excess of \$750,000 in one year. He noted only one significant finding where the District could

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not show when it had timely filed a document to the USDA. He also noted that the event occurred at the time of the unexpected loss of the former general manager.

The Board thanked Mr. Gill for the presentation and he departed the meeting at 6:47 PM.

6. WWTP Facilities Rehab & Upgrade with Engineer Brent Bridges of Woodard & Curran.

a. Phase 2 Project Cost Review. Following up on the discussion at its October meeting, T. Buck Construction, the low bidder for the WWTF upgrade, provided an estimated costing of the project's components of the Headworks Building, UV System, Process Building, Sludge Storage, and Control Building. It was a bit difficult as the bid categories are segregated by disciplines, i.e. electrical, control centers, concrete, HVAC, etc. As such, the estimates are broad ranged. But now that the elements have been separated out, we can better assess which costs centers can be reduced or eliminated or even postponed long enough to allow the District to seek additional funding. Mr. Bridges reminded the Trustees that the low bid is some \$5 million above the secured funding.

Mr. Bridges noted two goals: 1) How can we save money without changing the project? 2) How can we reduce overall cost?

Relative to question #1, an estimated \$300,000 can be saved by elevating the sludge storage tanks from 3 feet out of the ground to 9 feet. Also, by using precast concrete tanks vs cast-in-place, potentially an additional \$500,000 savings. These are permanent savings without changing the scope of the project.

One area discussed for cost reduction was to remove the redundant UV disinfection "train" thus reducing cost by an estimated \$500,000. The current chemical disinfection system will be maintained to provide backup when needed. The second system could be added back at some point in the future. Complete removal of the UV System would save an estimated \$1.8 million. Another cost reduction is to eliminate the improvements to the Headworks Building, thus saving an estimated \$1.2 million. Mr. Bridges stressed that these elements are stand-alone and can be deferred without affecting anything else. That stands in contrast to other pieces such as the electrical, which cannot be piecemealed. In that case, adding a component back in would be very expensive, and it would be better to install the electrical system as designed to be prepared when elements of the project can be added back in.

Mr. Bridges discussed four options for additional funding. The most obvious being the USDA, but it would be a loan and come with a higher interest rate (4.5% at minimum due to the increase in Freeport's median income since the District's initial application) and the continued BABA requirement. He spoke with MDEP, which suggested the District apply next spring for a CWSRF loan, with a 20-year term at 2.5% interest rate. GM Randall noted she calculated a \$4 million CWSRF loan would increase the annual debt payment by some \$200,000.

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Another possible avenue is through FEMA disaster funding through the Maine Adaptation Fund. This funding would hinge on tying in an issue incurred during either or both of the two declared disasters. Finally, the District can continue to seek grant funding through Congressionally Directed Spending via Sen. King and Collins. These grants come with a 20% required match. To lay groundwork, the District and Woodard & Curran should meet with Senators King and Collin's offices prior to submitting applications. The focus for funding should be on issues of concern that resonate with the funding agencies, such as PFAS and biosolids handling and reduction, which relate to the planned Process Building and Sludge Handling facilities.

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 suggested the District contact the Town to set up a meeting so that they are aware of the funding shortfall. Mr. Bridges noted that there is still time to seek additional funding as the project will not start until next spring. The Trustees understood that a decision will need to be made within the next month regarding which elements of the project will need to be removed or deferred. Mr. Bridges departed the meeting at 7:21 PM.

7. **Vote to Adopt the 2026 Operations Budget and 2026 User Rates.** Following a discussion on some increases to the expense line items and the capital budget as originally presented, it was moved by Trustee Whitacre, seconded by Treasurer Hudak, to adopt the 2026 Budget as presented. Vice-Chair Coffin then moved to amend Trustee Whitacre's motion to include the 3% User Rate increase, the 5% CIP Surcharge increase, and the BOD & TSS Surcharge rates. Seconded by Treasurer Hudak. Unanimous approval of Trustees present.
8. **Capital Improvement Project: Lower Mast Landing Air Release Valve and Pipe.** The budgeted capital project to replace the air release valve and parts of the forcemain on Lower Mast Landing Rd. The project was projected to be completed over the course of the week and included the replacement of up to 100 feet of 10-inch diameter pipe. It was discovered during excavation that there is more damaged pipe than expected and the force main can not be closed up for the night as planned due to the condition of the pipe. Thus, it will require overnight bypass pumping to be monitored by staff. The District is working with contractor to determine the extra cost to the \$84,600 project. Total project cost may exceed \$100,000.
9. **MDOT & June 2025 Sewer Force Main Break at Exit 22:** The District has received payment from MDOT for the full amount requested, \$41,788.26. The District had asked MDOT to reimburse the costs for the repairs to its force main damaged by MDOT's contractor.
10. **Communications.** GM Randall and Clerk Elliott reported that the District's new website has been launched.

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10. **Superintendents Reports for Sept. and Oct.** Trustee Hudak raised the issue of rag accumulations in both pumps 1 and 2 causing pump failures at the Hawthorne House Pump Station.

In response to a question, GM Randall noted the two articles from the Maine Municipal Association included in the meeting packet were informational, with no Board action required. *[Note: One article reported on a new Maine law that requires sewer district customer records be confidential, the other on proper emailing for Board members under ME's Freedom of Access law.]*

11. **Upcoming Meetings.** Meeting schedule was reviewed with the next meeting being Monday, December 15, 2025, at 6:00 PM.

12. **Adjournment.** There being no further business before the board, it was moved by Clerk Elliott, seconded by Treasurer Hudak, to adjourn the meeting at 7:42 P.M. Unanimous approval of Trustees present.