

**TOWN OF OLD ORCHARD BEACH
TOWN COUNCIL BUDGET WORKSHOP
TUESDAY, APRIL 10, 2007 – 7:00 P.M.**

A Town Council Budget Workshop was called on Tuesday, April 10, 2007, 7:00 p.m. at Town Hall to discuss the following budgets: 20107 – Town Clerk; 20108 – Elections; 20109 – Registrar; 20106 – Assessor; 20176 – Transit District Subsidy; 20161 – Waste Water Treatment Plant. The Town Council Chairman, Joseph Kline, called the workshop to order at 7:01 p.m. The following were in attendance:

**Chairman Joseph Kline
Councilor Roxanne Frenette
Councilor Robin Dayton
Councilor James Long**

Absent: Councilor Shawn O’Neill

**Also in attendance: Jill Eastman – Finance Director
James Thomas – Town Manager
V. Louise Reid – Assistant Town Manger
Kim McLaughlin – Town Clerk
Beth Gilman – Voter Registrar
George Green – Assessor
Chris White – Superintendent – Waste Water**

The Chairman indicated that we would consider the Waste Water Treatment Plant first. The question of salary increases were considered separately last year. I see that they are built in this year. It was noted that we have built in the 3 ½% increase for all employees with the exception of Union employees and that is figured on the basis of the Union contract. In the Waste Water consideration there are no new positions being added. We will address salaries later. Clothing costs are Union related. The questions of whether we should use one engineering firm than another. Wright Pierce is not a GIS system expert. Woodward & Curran are used for engineering projects and in some degree the preference of the department head is a consideration. The question of whether we wish to place the \$260,000 in the equipment replacement and there was discussion in this regard. The question of why the equipment repurchase is not in the capital account. It was noted that it was just removing from one area of necessity to the other – dedicated funding. It is the same amount of money but moving it from one account to another. It was noted that repairs of equipment is all over \$5,000 and should last more than three years. The suggestion that we move capital funding into operational funding. The questions were raised on what is a capital item and what is an operational item. The suggestion is that it is just a different way of accountability. The recommendation is made that next year there should be a more detailed listing of equipment purchased, date, time, cost, etc. It was indicated that we want to track everything; there are

systems that we need to integrate into the planning for accountability next year. Clarification of what a capital item is would be helpful. It was recommended that money be moved back to capital that now is in the operational account.

The following was given to the Council for their consideration.

BOND PACKAGE

The first of these items is the major upgrade of the West Grand Pump Station located on West Grand Avenue. This is the largest of the nine pump stations and serves most of the population on West Grand and East Grand Avenue. It was originally built in 1976 and was enlarged twice; once in 1985 and another time in 1995 to meet the needs of the growing tourist population. This station appears to have capacity for future development, but the existing equipment needs to be replaced. As part of the Pump Station Study that was done with Wright-Pierce, a major upgrade was recommended at a projected cost of \$500,000. This includes replacing all pumps, electrical service, new emergency generator, controls, HVAC as well as installing an odor control system. The grit removal system which was designed originally in 1976 will no longer be used and a new grit removal system will be constructed at the wastewater facility. The existing concrete structure appears in good condition, but may need further evaluation.

The second item is the Halfway Pump Station located at the wastewater facility. This is the second largest station and serves a large portion of the Ocean Park area as well as the residents on Smithwheel Road. This station was originally constructed in 1972 with larger pumps being installed in 1985. Staff has observed both pumps running under wet weather flows and if a pump were to fail, it could cause major sewer back ups in the mostly residential area. The grit removal system that was built as part of the station in 1976 no longer operates. Wright-Pierce has proposed abandoning the current station and constructing a new station that will be better equipped to handle flows. This includes all new equipment in a custom concrete structure that will be located near the facility at a pre design cost of \$1,300,000.

The third item is the Milliken Street Pump Station which is located on the corner of Milliken and Walnut Street. This station is the fourth largest pump station and serves the area located on Cascade Road and Portland Avenue. It was constructed around 1968 with larger pumps installed by wastewater staff sometime in the 1980's. The station is in poor condition, undersized to handle wet weather flows and prone to flooding since it is an underground station. Wright-Pierce has a pre design cost of \$1,200,000 to construct a pre-cast pump station with all new equipment and a new force main installed down Milliken Street and connected to the Orchard Street gravity line. Although not included in the pre design cost, Wastewater and Public Works Departments may take the opportunity to improve the storm water drainage and rebuild Milliken Street as part of the project.

All of the pre-design figures listed above include;

- 1) Contingency and engineering costs.**
- 2) All final designs will take into account the projected maximum flows that will occur for future growth.**
- 3) All costs are as of September 2006.**

The fourth item is an odor control system for the facility. A large portion of Ocean Park has had to endure odors that emanate from the facility during the summer months due to higher solids loadings from the tourist population and waste from septic haulers that is dumped at the facility. I have had preliminary talks with a few odor control companies. I have attached a price of \$100,000 to address this issue.

The fifth item is new dewatering equipment at the facility. The solids that are removed from the waste stream is performed by a “Belt Press” which is a vital part of this operation as well as the major cost. The facility currently does not have reliable back up to this operation if there were to be a failure of the existing equipment. The current piece of equipment is 11 years old and since it was installed there have been great strides in this application that save money through more efficient equipment. It is vital that the town have time to test some of the equipment that is out there as well as procure “performance guarantees” before making any decisions. I would propose replacing the existing equipment as well as adding redundancy. I would estimate this cost at \$500,000.

The sixth item is a new work shop and an equipment/parts storage building located on the facility grounds. As stated above, the maintenance staff is severely lacking work space and storage space for both parts and equipment. They are working out of a two bay garage that was built in 1976 and is only capable of storing two trucks. It contains asbestos, electrical code violations and is in poor shape. The storage building that was originally used as part of the biological process is now used for storing emergency equipment, tractors and supplies. It is in poor shape and no longer meets our needs. Both these buildings have been recommended for demolition as part of the Capital Improvement Study. The new work shop and storage structures would be built on facility grounds and a budgetary price will be included in the final draft of the CIP study. I would estimate this cost at \$500,000.

The seventh item is new office, laboratory, control room and planning offices. All of these functions take place in the original building that was built in 1963 with an addition in 1976. It contains asbestos, has HVAC/electrical issues and is in poor shape. This building has been recommended for demolition as part of the CIP study. The new facilities would be built on facility grounds and budgetary price will be included in the final draft of the CIP study. For now I have set a budgetary price of \$700,000.

The eighth item is a new Supervisory Control and Data Acquisition system, or SCADA for all of the pump stations. This would allow staff to monitor and control the operation from the facility itself. It would also simplify alarms and make them much more reliable. The town would no longer pay line charges or be billed for monthly and yearly monitoring costs as well as cut down on overtime and call outs. A cost of \$200,000 was worked out by Results Engineering as of March 2006.

All of these projects are eligible to be funded by Maine State Revolving Loan Funds which are currently available at 3% interest for 20 year terms. If the council chooses to go ahead with any or all of these projects, it is crucial that an engineering firm is chosen to go through the pre design process starting immediately. The pump stations and facility are all designed around the three busiest months of the year and it is necessary to closely monitor flows and conditions during these months.

Items #1, #2 and #3 listed above only address \$3,300,000 of the \$6,700,000 that was projected to be needed as part of the pump station upgrade. It does however address the most important issues such as lack of present capacity and overall age and condition. The remaining stations also have issues, but most of those are either age or lack of capacity for future growth. Item #4 has been one of ongoing inconvenience to the surrounding residents for some time and can only be addressed by capital investment. Item #5 deals with one of the most critical part of operations which is solids handling. Items #6 and #7 are geared towards personal safety issues as well as creating more work, planning and storage space. Item #8 deals with the outdated communication and alarm system the staff is currently working with. The capital investments listed above address an aging infrastructure and work towards making the wastewater department more efficient by taking advantage of new technology that will save money and manpower.

The following adjustments were made to the Waste Water budget draft:
\$25,000 more added to the electrical expenses – Account 20161-50400 – Waste Water. Also \$25,000 was moved from the Wastewater Operation Account to Capital Account – 20161-50502.

20107 – Town Clerk – The suggestion about computerizing her records but the enormity of the cost was also discussed. Digitizing of the records was discussed for a short period of time and at some time the money will have to be funded. This would be a capital expense however.

20108 – Election - It was noted publicly of the efforts of the Town Clerk to flat line her budget regarding the considerations of the revenues.

20109 – Registrar – No comments or questions were issued in this item.

20106 – Assessor – Discussion regarding a vehicle for the Assessor’s office will be considered under Capital expense. The Town Manager also recognized the Assessor for his consideration of budget increases and his awareness of budget constraints. The issue of joint working with Sanford has worked out well and seems to be patterned by other communities. It was noted that the atmosphere downstairs is professional.

20176 – Transit District Subsidy – It was decided not to increase since it was increased last year.

ADJOURNMENT: The Workshop ended at 8:15 p.m.

Respectfully Submitted,

**V. Louise Reid
Secretary to the Town Council**

I, V. Louise Reid, Secretary to the Town Council of Old Orchard Beach, do hereby certify that the foregoing document consisting of five (5) pages is a true copy of the original Minutes of the Town Council Workshop held on April 10, 2007.

V. Louise Reid