

CONWAY VILLAGE FIRE DISTRICT  
BOARD OF COMMISSIONERS' MEETING  
Thursday, June 16, 2022, 5:00 P.M.  
Administration Building

Meeting was called to order at 5:00 P.M.

Commissioners present: Steve Bamsey, Mike Digregorio, and Tom Buco.

Staff present: Amy Snow - Municipal Bookkeeper, Chief Solomon, and Superintendent Vallieres.

Also present are North Conway Water Precinct (NCWP) Commissioners Bob Porter, Sue Nelson. Superintendent Jason Gagnon. Also, Bill Hounsell, John Eastman, and Andrew Smith from the Town of Conway.

Mr. Bamsey thanked everyone for coming and meeting together. Mr. Bamsey then stated that they wanted to discuss the transfer of the IMA and the capital projects that you (NCWP) had approved at your annual meeting. He then asked if there was anything that they (NCWP) wanted to discuss. Mr. Porter stated that there were several things on the list (submitted by the Conway Village Fire District (The District/CVFD)) that needed to be discussed but he felt that the bases has been covered.

Mr. Bamsey began with the IMA. We are exploring the possibility of dissolving the District and then everything would transfer to the town. One of the pieces is, What about the IMA? There is language in the IMA saying that it is transferable, and our understanding is that legally it does transfer. The RSA is pretty vague making a basic statement of all financial obligations will continue as if the Distract has not dissolved. So, our first question to you (NCWP) is do you have any objection to the IMA transferring to the Town of Conway?

Ms. Nelson answered that if this dissolution goes through then the IMA is in play, but the IMA has some flaws. You (The District) had a committee that worked on it in an attempt to make some changes, but it never went anywhere.

Mr. Digregorio offered that changes in staff and covid stopped negotiations and any changes. I think we were going down that path of becoming a customer rather than an IMA contract. We didn't follow through. We were talking about going to a flat rate. We were concerned about some of the projects which is why we were even in that discussion. There are some flaws and how to fix them, we're not sure which way to go.

Ms. Nelson, it seems to me that if you're going to dissolve, we feel that it is not the problem of the town. We feel that there are some issues with the IMA and therefore, ya know have conversations with them.

Jason recapped the history of previous talks about flat rate. He then stated that we were negotiating rate rather than a very cumbersome Appendix C which caused a lot of extra work to pick out single expenses out of a \$2,000,000.00 budget and figure out what percentage is allocated to different places. We spent a three or four weeks of time, which ultimately is money for something that we could simplify.

Jason, the only thing that we saw in the existing IMA that makes it cloudy, is section 4F where it talks about the sewer service area. The original IMA, Appendix D outlines the borders of the Conway Village Fire District. It specifically says that the IMA applies to sewer service for that district service area. If that changes, it changes the nature of the IMA. His understanding is that one thing the town is looking to consider is if they take over water and sewer is to expand that service area, which again changes the nature of the IMA. So, that is something that we would have to discuss with the town if it did transfer.

Mr. Bamsey requested Jason to say that again to hear what he was saying as far as the paragraph.

Jason said it was really the last part of the last sentence.

*CVFD shall not re-assign treatment capacity provided under this Agreement to another community or convey flow from parts of CVFD outside of the designated District Service Area.*

If the town were to expand the sewer, which my understanding is that they would consider for a couple of potential housing projects and those sorts of things, that would not fit with this section of the IMA.

Mr. Bamsey, I suppose that's true if CVFD existed. If we dissolve, so does CVFD.

Jason, right but the IMA has Appendix D which outlines the service area for the IMA which happens to be CVFD's boundaries as it existed when the IMA was signed.

Mr. Digregorio, going forward do you envision that we would have to sit down with the town collectively and work on that kind of language?

Jason, I think it's important if they want to expand that this agreement, as approved by the Attorney General really contemplates that the IMA doesn't work for expansions for that defined service area only. We would be happy to work with the Town of Conway and try to figure out a resolution on it.

Mr. Digregorio, If I heard you correctly, when we expanded to Almost There, technically we should not have expanded the District?

Jason, when did this expansion happen?

Mr. Digregorio, about 5 years ago.

Jason, is that area covered by the map of Appendix D?

Mr. Digregorio, Almost There asked to join in. Because they are in Albany, we had to expand our boundary.

Amy added that our water went by there anyway.

Jason, if you look at it from a commonsense perspective, if you pick up a neighbor right next to where you already have lines, that's different than moving into new areas of town with whole new interceptor systems.

Discussion ensued regarding future discussions needed to sort through the possible IMA transfer.

Ms. Nelson stated we are all taxpayers, and this benefits all of us. And she didn't think any transfer was seamless but there may be things that need to be changed, this is an opportunity.

Mr. Hounsell spoke regarding District capacity, funding future projects and expansion.

Discussion then continued around the flat rate, the simplification of the IMA.

Mr. Digregorio stated that he has always been an advocate for us to merge. He still believes that the District and NCWP should combine out resources and work together to migrate the Fire Department to the Town of Conway. He feels this is a conversation that they should have. Discussion ensued.

Mr. Bamsey stated that at NCWP annual meeting, there were probably three projects that directly impact CVFD. Aeration, single carousel capacity upgrades, sludge dryers and the erosion control.

Starting with the Aeration, single carousel capacity upgrades, Jason explained that they are well above capacity during some peak seasons. In 2012 there was an upgrade to one carousel and now 10 years later we again find that an upgrade is needed to the other original carousel. Jason stated that unfortunately, the 2012 upgrade didn't work as expected due to poor design.

Discussion ensued around going after the vendor that did the original upgrade.

Mr. Bamsey stated that CVFD is not the cause of the capacity issue, in fact our flows are less now than when we were first connected and yet you're asking us to pay for it? The increase in septage is creating some of this issue.

Jason answered that the septage is causing a lot of this issue and we share that revenue proportionally from it. We should share the revenue and the expense equally.

Mr. Bamsey asked why not have the septage hauler pay for this? This is septage coming from outside of Conway, correct?

Jason answered that it varies.

Mr. Digregorio added that a short-term solution would be to raise rates.

Jason answered that they are looking to raise the septage rates .01. He added that Maine has banned land applications of all bio-solids, which means if it's too expensive at the plant then it ends up on the fields all along the Saco. There are a number of haulers here that do that. The reason why the precinct has a wastewater plant to begin with is to protect our groundwater and natural resources. So, it's kind of our duty to do that. If we raise our rates to high, it's contrary to our mission.

Mr. Bamsey asked why not cap it and limit the amount being brought to the plant each day?

Jason answered that if you can it you are essentially capping the revenues.

Mr. Bamsey, again, we're the ones paying for something we're not responsible for.

Jason, you're also the one receiving the revenue from it.

Mr. Bamsey, But if the payments start to exceed the revenue that doesn't make sense. And looking at a couple of these other project, you want \$10,000,000 for a dryer, you gotta start asking yourself, maybe septage receivable isn't a financial benefit to everybody.

Ms. Nelson explained that the reason that a lot of these things ended up on the warrant this year is to jump ahead with the applications for money that is going to be available. So, we're being proactive in setting ourselves up to improve things with Federal and State funds. The warrants passed.

Mr. Bamsey then stated that you have been approved for 50%. You have a much larger tax base and for us to make up a million and a half dollars is a significant difference in what it does to our rate payers. So, we are going to be really stubborn on these projects and the value. One good thing about the IMA is that it limits what we are allowed to pay for, it's basically three things: repair, refurbishment, and regulatory improvements. Our flows are down. You are making some decisions where we weren't consulted at all prior. We're going to fight very doggedly to keep these costs as manageable as possible. Did you raise your sewer rates this year to pay for this. We would be raising our rates.

Ms. Nelson, Isn't this another reason to look at the IMA and consider a flat rate. Wouldn't that take care of some of this. If your flows are down, you're sort of being penalized.

Jason, Beyond the flat rate, if we were Town of Conway water & sewer and we had 5 Commissioners these costs would be spread proportionately amongst the tax base, but the way the IMA is set up where it's flow proportioned, that's a potential flaw in the IMA because your tax base does pay a proportionately, higher share based on that evaluation, so perhaps that's another thing that we look at in the IMA to better create equity between the two tax bases.

Amy, Somewhere in the IMA it specifically states that if you guys are paying for stuff on taxes that we don't participate in that, its only stuff based on your sewer rates. It also specifically says that we have no title to any of your assets. 4C says, nor shall CVFD have responsibility for any new cost after implementation except for Appendix C, repair, refurbishment, and regulatory. It's spelled out in the IMA.

Mr. Hounsell offered that both parties have maintained their own governments and explained the need to request state aid and federal grant monies early on.

Mr. Digregorio asked when do expect any of these projects to have a timeline?

Jason stated that he thinks the Aeration upgrades, we're looking at a reasonable timeline of 2024. We have received SRF and AARPA funding for that last year, it was approved at this year's annual meeting, and we are on track for June 30 deadline. We have been able to get additional \$200,000 grant for energy efficiency improvements.

The sludge dryer, not sure that one is ever going to go. The only way that it will go is if we find a way to do the project that is cheaper than not doing the project.

The erosion project, that is likely going to be a DES requirement. He thinks they will enter the design phase this year. Best case scenario it could be ready to go to bid winter of 2023 for construction in 2024. There are a lot of dynamics on this one. Discussion ensued.

Mr. Bamsey, The sludge dryer is not a regulatory requirement, correct?

Jason, It is not a regulatory requirement that I know, again it's just like the dewatering and septic upgrades, we will only do it if it the net result of the project is a profit for the Precinct and the District.

How do we justify paying for it (sludge dryer) since it is not repair, refurbishment, and regulatory improvement? Honestly, we wouldn't pay for it.

Jason, Then you'd get to have your cake and eat it too. And that's probably a flaw with the IMA where it doesn't contemplate that things change in the future.

Mr. Bamsey, explain to me why you need a sludge dryer? You're getting along without one right now.

Mr. Porter stated that dump has cut back on the amount that we can take to the land fill. It's going to cost \$500,000. a year just to transport it. We're processing more septage.

Jason explained in depth multiple aspects of sludge disposal. There isn't a black and white answer.

Discussion ensued around state and federal funding, budgeting, and the IMA.

Mr. Bamsey questioned the profitability of the dryer with the Districts share being \$157,000 a year. Fuel prices are \$6.00 a gallon.

Jason stated that fuel cost are the biggest barrier to making sense right now so we're looking into alternatives. Conversation ensued.

Jason added that even with sludge disposal, the revenue brought in from that septage is greater than the cost of treating it.

Mr. Bamsey stated that we need more conversation needed on this and also look at where we left of 2 plus years ago.

Mr. Digregorio stated that we should get the Town of Conway involved in that conversation.

Mr. Bamsey chose to move on to the franchise project.

The Chief stated that just outside of the District there are 33 cottages and maybe, maybe not half of the assisted living facility, everything else is within the precinct boundaries.

Jason said that the current lot is probably 2/3's to 3/4's in the precinct and once the subdivide it there will be that cottages lot that is holding outside the precinct and that's the whole reason that we need the franchise area. Some discussion ensued.

Mr. Bamsey asked if you guys have anything for us?

Mr. Porter said that we should do this more often. Mr. Bamsey agreed.

Discussion ensued regarding changes to the IMA and more meetings.

The Chief had nothing to report.

Discussion ensued regarding the joint meeting and future meetings. Mr. Bamsey asked that Bruno reach out to Jason about the flat rate.

#### SUPERINTENDENT'S BUSINESS

We've been working on Chase and Farrington a lot this week. The town boys will blow in over there next Monday. Don't drive through there.

#### BOOKKEEPER'S BUSINESS

Amy stated that a girl had called the other day and sent an email and stated that she had been coming up Wilder Street, swerved to avoid the gravel and popped a tire and her parents said that we are responsible. Amy called the lawyer, and he says we are not responsible. Amy told her that I would put this before the Commissioners and contact her Friday with the decision. Discussion ensued and it was determined that we are not responsible.

**Mr. Bamsey made a motion for a backflow testing abatement in the total of \$110.00 for Federal Spice at 64 Hobbs Street. Seconded by Mr. Digregorio. Motion passed 3-0-0.**

#### ADMINISTRATIVE BUSINESS

**Mr. Bamsey made a motion to ratify a., and b. Seconded by Mr. Bucu.**

- a. Ratify Payroll Manifest and sign check for week ending 6/12/22
- b. Ratify A/P Manifest dated 6/15/22 and sign checks dated 6/17/22

Discussion: Electrical Installations, \$18,500. – Treatment Plant alarm **Motion passed 3-0-0.**

**Mr. Bamsey made a motion to approve the chief's timesheet for week ending 6/12/22. Seconded by Mr. Bucu. Motion passed 3-0-0.**

**Mr. Bamsey made a motion to approve the minutes for week 6/9/2022, seconded by Mr. Bucu. Motion passed 3-0-0.)**

**Mr. Bamsey made a motion to agree to the Franchise agreement between North Conway and the PUC. Seconded by Mr. Digregorio. Motion passed 3-0-0.**

The next meeting will be June 23 2022, at the Admin Building. There will no meeting on June 30 2022.

There being no further business to come before the Board, meeting was adjourned without objection at 7:14 P.M.

Respectfully submitted,  
Lisa Chisholm, Office Assistant