

MINUTES
Sewer Commission
February 20, 2007

A special meeting of the Board of Sewer Commissioners was held tonight to meet with Lloyd Geisinger of the Thorndike Development project. Members attending tonight were Elaine Fiore and Peter Cobb. Ms. Fiore called the meeting to order at 7:05 PM.

Ms. Fiore reviewed diagrams the Board had received from Don Freeman of CDM. The plan received has been based on the larger on ramp to Rte. 3. Mr. Vandal commented that Mr. Freeman was concerned about the slope of the grade by the biofilters. The reply was that the construction of the on ramp would level this area out.

Ms. Fiore expressed concern about maintaining the remaining available space at the current site for future use. The Thorndike plan is showing the WWTF land being used by the Transfer Station, the new on ramp and the wind turbine. All of these encroachments might compromise land for use by the Sewer Commission in the future.

Mr. Geisinger stated that there is a reference to the parcel the WWTF is on that it is for wastewater use. He continued that he was quite confident that he could get the triangle of land shown on the diagram from Mass. Highway as a swap for land the Town owns and is needed for the new highway ramp. There would be a 10 to 12 foot elevation difference between the new ramp, after it is built, and the new plateau created by leveling the land Mass. Highway currently owns. The total area is 1.8 acres. The compost area shown on the diagram is about ½ acre. The new detention basin is about ½ acre but will be on the other side of the new ramp. A drainage pipe will bring water to the new basin.

Peter Cobb referred to item 3. F. The developer builds the leaching fields. He stated that he need clarification because in 1. B. the agreement refers to the developer funding the design of the leaching fields. He thought CDM would design the leaching fields. Mr. Geisinger explained that CDM would design the plant expansion but that their engineer would design the leaching fields. The final design will be reviewed for approval by CDM.

Mr. Geisinger asked if the people on the waiting list would be charged betterments and if so would they be the same as previous customers. Ms. Fiore said they would be charged betterments but they would be based on the cost to the Town. The betterment could be more or less than previous betterments depending on the cost. The waiting list is increasing based on replies to letters that have been sent out to those on the list. The Sewer Commission wants an SBR for 175,000 gallons.

Mr. Geisinger commented that he thought an SBR was 200,000 gallons. He feels it is fair to pay for the portion of the SBR that the development will use. If they require more than 1 SBR to handle 220,000 gallons, then they would expect to pay for that part of an SBR. If the Town builds the first SBR and reserves 50,000 gallons for Thorndike,

then Thorndike would fund that portion of the SBR and pay for a second SBR in full. Ms. Fiore commented that based on the build out schedule, they would be sending 50,000 gallons to the plant by 2011. Mr. Geisinger said it would be 100 apartments by 2011. The question is when will the Town exceed 130,000 gallons? What is an acceptable period of time? If only 125,000 gallons is used up, where does the other 50,000 gallons come from to fill an SBR? Ms. Fiore replied that the Wastewater Department has always relied on septage revenue to help subsidize the budget. The department needs to retain that capability after the upgrade is complete. If the Town has 1 SBR for 175,000 gallons and a leaching field for 175,000 gallons, then the Sewer Commissioners will need nothing more for the Town from Thorndike. The remaining leaching area would be available.

Mr. Geisinger said from his point of view circumstances have changed. Ms. Fiore said that capacity needs have changed based on the waiting list the Board has been maintaining. Mr. Geisinger asked that the Town pay for the expansion costs associated with the 175,000 gallons of capacity and said that Thorndike would pay for the engineering costs and a leaching field to accommodate the 175,000 gallons. Ms. Fiore replied that Thorndike would pay 50% of the shared plant expansion costs and 100% of the SBR needed just for the development. Everything would be sized to accommodate the full expansion and could be equipped when Thorndike needs it to be. The Board has been told that just the concrete for an SBR, without any blowers, etc. would cost \$1,000,000.00. Mr. Geisinger asked if everything had to be constructed with the construction of the first new SBR. Ms. Fiore stated that it had to be done at the same time. The plant costs would be split 50/50, the Town would pay 100% for the first SBR and Thorndike would pay 100% for the second SBR. The Town would be able to take 50,000 gallons from Thorndike on a temporary basis for about 1 year to 18 months. Mr. Geisinger stated that the project will have no cash flow after the first 2 years and do not expect to until year 5. Ms. Fiore replied that the expansion could not be done if no funding could be provided before the 5th year of the project.

Ms. Fiore stated that another factor that has changed is that the fact that the original capacity requested from Thorndike was 90,000 gallons and now a request has been made to change this to an actual flow of 220,000 gallons. This is a significant increase. What could possibly be planned to create this much more flow for 730 units? Mr. Geisinger replied that he has always asked for 50,000 gallons to be reserved, based on Title 5. Ms. Fiore replied that Mr. Geisinger has also mentioned that the project might want to change some of the 1 bedroom units to 2 bedroom units part way through the project. Mr. Geisinger said that the 50,000 gallons would be loaned to the development. If it were not loaned to the development, who would be using it? Ms. Fiore replied that the Wastewater Department has always depended on septage revenue to help offset some costs that would otherwise cause an increase in user fees. The 50,000, if used for septage would generate \$3500.00 in revenue. Mr. Vandal added that user fees pay the operating costs for the WWTF. Septage revenue pays for any capital improvements that are needed.

Mr. Geisinger continued that he did not feel that asking for 50,000 gallons to be reserved was asking for too much if he is going to provide funding for the WWTF improvements up front.

Ms. Fiore stated that she was confused since the written agreement that the Board has received does not agree with the build out chart that was provided for the development. Mr. Geisinger stated that they would be building 100 apartments first and

wait to see how they sell. If the market is bad then they will not keep building until the market improves. Every project he has been involved with has always been finished. There has never been a default on a loan.

If Thorndike were to build 175,000 gallons of leaching fields, pay the consulting fees and 50% of the shared plant expansion costs, they will need more than 2 years to write the next check for a second SBR. In exchange for the contributions being made to start the expansion, they should be able to 35,000 to 50,000 gallons reserved for more than 2 years. Ms. Fiore replied that based on the numbers provided, it could be 2011 when the next funding would be provided but if it is not until 2014 it would not be acceptable. Mr. Geisinger replied that he would be spending about \$3,000,000.00 in exchange for renting 50,000 gallons of SBR space. If the Town wants to move forward sooner than his schedule then the Town would need to pay for the second SBR. When Thorndike needs capacity in the second SBR, then the Town would be reimbursed.

Mr. Cobb pointed out that Mr. Geisinger was basing his needs on Title 5 but is then asking to meter the flow and use the actual flow numbers for his capacity at the WWTF. DEP has always based flow on Title 5. How can 2 systems be used to estimate the same flow? Mr. Vandal added that it would not be fair to the customers that are already connected if the Thorndike capacity at the WWTF was based on the actual effluent flow as it is metered. Ms. Fiore continued that the flow is not treated based on Title 5 but the actual flow. DEP is concerned with the number of gallons flowing into the plant. The number of people living in the units might be less than expected. Based on the proposed zoning, they are not allowed to put 800 units on an area permitted for 730 units. If restaurants are interested in moving in, then they probably would use up to the 220,000 being requested. The current system is based on what the property is assessed for according to Title 5. It does not allow for any reduction in cost if you send less flow to the WWTF than Title 5 has estimated for the property.

Mr. Geisinger then asked if the Board could guarantee him 730 homes plus 300,000 square feet of commercial space in exchange for what Thorndike has offered. Can the Board agree to 730 connections based on the build out schedule? Ms. Fiore stated that the 300,000 square feet of commercial space needs to have a Title 5 number defined for it. It can be used any way they like as long as it remains within the total flow number available to it. Mr. Geisinger replied that he needs to do a sensitivity analysis and then a Title 5 number will be provided. They will max out their bedroom estimate and make a best guess on what the restaurants might be. It probably would come to more than 220,000 gallons per day. Ms. Fiore said she would review the waiting list and what is expected to be built within the next 5 years.

Mr. Geisinger reviewed again that Thorndike would provide 175,000 gallons in leaching fields, pay consulting fees for the expansion and leaching field design review, and pay 50% of the shared costs for the WWTF expansion. The Town would build the first SBR and reserve 50,000 gallons of capacity for Thorndike. The Town would give Thorndike 5 years before further funding would be required. If the Town feels that after 2 years they need more than 120,000 gallons of capacity, then they have to fund the second SBR.

The meeting was adjourned at 8:25 by Elaine Fiore in order to attend a Secure Energy meeting. The meeting to be resumed at the conclusion of the discussion with that group. Please refer to separate minutes recorded for this meeting.

The meeting was called to order again by Elaine Fiore at 9:07 PM. Ms. Fiore asked that Mr. Geisinger clarify the terms, 'materially cost effective', written into the agreement he has submitted for review. Mr. Geisinger stated that he understood that some improvements needed to be completed all at once to be cost effective, otherwise the cost for the same work and materials could increase significantly. This refers to work being done at the same time instead of in stages.

Mr. Geisinger mentioned that the representative working on this project at the Department of Housing and Community Development (DHCD) is planning to retire soon. In order to get the project approved in a timely manner the Town would need to have the agreement finalized by March 13, 2007 and send a letter to DCHD from the Town before Town Meeting. Once the agreement has been reviewed by Town Counsel it has to be reviewed by DHCD. They usually have comments to agreements which require revisions. A letter of approval from DCHD would be needed at Town Meeting. Ms. Fiore stated that if the Board were to receive the defined numbers by tomorrow they will be reviewed at the regular meeting that evening. Mr. Geisinger agreed to provide the numbers Wednesday morning. He also indicated that the roads are not locked in at this point and will probably change when everything is engineered.

Ms. Fiore asked that the waiting list be brought to the meeting tomorrow night.

MOTION, by Peter Cobb, seconded by Sean Walsh, to adjourn the meeting at 10:00 PM. The motion was unanimously voted.

Suzanne Richards
Administrative Assistant