

**United States Department of Agriculture, Rural Development
Re: Wastewater Project
Meeting with Randolph**

Town Office, 9 am Thursday, November 6, 2008

Present at meeting: Dennis G. Beaulieu, Area Specialist, Housing and Community Programs, USDA, Lewiston; Scott Emery, P.E., Civil Engineer, USDA, Rural Development, Bangor; Aubrey Strause, P.E., Earth Tech, Inc., Environmental Engineer, South Portland; Chuck Applebee, Gardiner Public Works and Wastewater Supervisor, Randolph Wastewater Advisor; Janet Richards, Randolph Town Treasurer; and Robert Davis, Randolph Selectman.

See the letter and application package checklist (48 pages) dated October 27, 2008, from Dennis Beaulieu. He had been contacted by on our behalf by Aubrey Strause. He said the Board of Selectmen must vote to submit an application to the USDA (it can withdraw the application at any time). The checklist application package includes historical, informational, compliance, and other certification documentation to the Federal Government. Dennis and Scott offered their assistance in filling out the forms. Chuck, Scott, and Dennis discussed at length the framing of the application. The total engineering and construction costs of the entire project, with the priority of completing the pump station portion first, could go over \$600,000, of which it could be possible to obtain \$300,000 of in grant money.

Scott said that the funds are already there and available today, should the Town want to borrow the entire amount ("go the loan route"), for a 30 - year USDA loan at 3.58%. He said approval would be "automatic". Chuck said that Gardiner has already had success at this: of a \$7 million project, they were able to obtain grant funds of \$4.1 million, of which \$1.2 million were Maine DEP funds, and \$500,000 in STAG funds. The application would be processed in Maine, but Dennis said USDA Headquarters in Harrisburg, PA, would require information regarding Randolph's charter or Articles of Incorporation (Janet said it has no charter; Bob said that selectman Edward Gorham was looking this up in State of Maine records), and also the last three years' CPA audits. Janet furnished audit copies for 2007 and 2005, and will obtain a copy of the audit for 2006 (she did not have one on hand).

Also discussed with Janet was the makeup of the wastewater users' quarterly bills (gallons usage, base rate, calculation of charges, late fees, etc.), an enterprise account, that come from pump station and Gardiner Water District readings, and usage charges paid to the City of Gardiner. All property tax payers are charged for the wastewater sewer pipe infrastructure laid under the town's streets, even if a few of them have septic waste disposal systems on their land and are not connected to the sewer system. Chuck said that it is possible in the distant future, all wastewater charges including infrastructure would be included in the sewer bills (this would reduce property taxes). This could make obtaining future grants easier.

In re the first-priority pump station project, Aubrey had furnished at Dennis' request preliminary information about the design Randolph has chosen (see copy). She said that Efficiency Maine (a PUC program) would be able to provide (re energy use) a grant because VFD (Variable Frequency Drive) pumps are being used - the grant being up to half the cost of the motors.

On another matter connected to Earth Tech's proposals for the SSES and CSO Master Plan dollar amount estimates, Aubrey submitted a letter and corrected copies of these figures, as they had inadvertently been transposed in the original contract documents between the Town and Earth Tech - the totals are the same. See her letter and four sets of pages for the Selectmen and Earth Tech to sign.

The meeting at the Town Office lasted until 11 am, at which time Dennis, Scott, and Aubrey went to the main pump station on Water Street to check the Flood Plain levels as per the drawings of the building.

Minutes by Robert Davis