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# FY16 Sewer Fund Budget

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As Re-Introduced  
By The  
Finance Director &  
Public Works Director

July 21, 2015

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# Town Of Bar Harbor

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July 21, 2015

## Budget Message

You will find attached the proposed Sewer Budget for FY16. Under the requested budget, the estimated annual sewer bill for a typical four-member residential household will not change but the revised rate structure will eliminate a split rate and migrate to one overall rate, if approved, following the public hearing Starting in fiscal year 2016 with this budget the *operations* and *capital* rates will be eliminated and combined into one sewer rate that will be billed based on current usage. Previous to this budget the operations rate was based on current usage and the capital charge was based on the prior year's usage and then billed as a flat amount quarterly—a methodology that was complex to explain to customers.

### Fund Balance (page 8)

The Wastewater department has traditionally funded its rates by a dual ratemaking system, as approved by the Town Council in 1998. The *Operations* rate raised the necessary annual monies to pay its day to day bills, payroll, maintenance, utilities and chemicals, etc. The *Capital* rate raised the necessary funds to fund capital equipment reserves, ongoing main replacements and pay all debt service acquired since 1998 when the new plant was built. Fund balance accumulates as both cash and other assets.

#### Fund Balance – Operating Fund (page 8)

Using our formula for arriving at necessary working capital on hand, we arrive at \$440,624. This *designation for working capital* provides us with the cash necessary to run the Division until the first quarterly bill payments come in later in October.

Cash Reserve-Designated for Working Capital @ 6/30/15	\$440,624
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#### Fund Balance – Capital Fund (page 13)

Certain unfinished CIP projects and equipment reserves are funded each year in the capital rate and designated for these specific line items shown in the CIP section.

Cash Reserve-CIP Projects & Reserves @ 6/30/15	\$1,262,846
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## Operating Expenditures (page 10)

The recommended budget for operating expenses will decrease \$4,674 in the coming year, or .4% below last year's budget and 3.2% above the FY2015 actual. Wages are scheduled to increase by 2.0%, with 1% for the base COLA per the union agreement and 1% for the employees picking up a higher portion of the health insurance costs from 15% to 17.5%. Total budgeted payroll and benefits will increase 6.2% due primarily to the re-organization of the wastewater staff.

During the union negotiations, as well as the retirement of the Superintendent, jobs and responsibilities were re-evaluated and wages adjusted upward for increased duties and responsibilities. This comprehensive review resulted in Mr. Van Trump being appointed Superintendent of both Water and Sewer Divisions with 50% of his wages/benefits charged to each. Additionally, the seasonal worker was dropped and a full time person added. Related to this was a \$14,892 reduction in *General Fund* management fees with wastewater staff directly picking up that administrative work load. So, last years direct payroll budget showed 8 full timers and 1 seasonal employee (no benefits). This year, we have 8 full timers and 1 full timer budgeted, but with 50% of the latter's wages & benefits charged to the water division. The net changes to payroll between the two budget years are estimated at 5.3%.

Other than payroll, all other expenses are *reduced* by 5.7% from last year's budget, coming primarily from lower Contractual Services and with minor increases in the other categories. Reduced *Town Management Fees* and deferring the wet well painting accounts for the Contractual Services decrease.

### Last Year's Operational Results

Fiscal 2015 final results indicate that wages and benefits will end \$37,000 (or 6%) below the budget; 7% below budget in Contractual Services and approximately 2% over in the other operating expense categories. Overall, the wastewater operations will end the FY2015 year 3% under its budget.

## Capital Expenditures (page 14)

A "Year by Year Overview" of our Capital Improvement Program is on page 14 of the budget, with a narrative description in Chart A, starting on page 18. With very few exceptions, the Five Year capital plan proposed in this year's budget looks similar to the Consolidated Work Plan provided to the Council last fall. The "capital charges" separately stated on a customer's sewer bill primarily funds the CIP replacement needs year to year as well as wastewater's debt service. However, unlike the Water Division's rates, which is governed by the PUC, *depreciation* is not used in calculating sewer rates...an *equipment reserve* system is utilized instead, similar to the General Fund's CIP funding mechanism. At year end FY15, we anticipate \$1,262,846 of monies raised in prior years to remain unspent that are assigned to specific projects and equipment.

### Combined Sewer Overflow (CSO) Elimination Project (page 18)

During the coming year, we will continue discussions with state regulators in an attempt to postpone this federally mandated \$7.5 million project. As previously directed by Council we

will be working towards moving this project beyond the five year planning cycle. Over the last three decades, we have removed 99% of our sewage overflows to the ocean. Some CSO engineering for pump station improvements is scheduled to start in Years Four and Five of the capital plan at a cost of \$100,000.

#### Mains and Route #3 DOT Construction Impact

In year 1 (FY16), we have included \$20,000 for sewer related manhole costs due to the pending DOT Route #3 construction. These are capital monies related to sewer work, as previously highlighted by the DPW Director before the Council and may be adjusted depending upon conflicts with other utilities.

#### Debt Service

Debt service encompasses approximately 72% of the capital charge and just under 29% of all sewer revenues raised each year. No new sewer debt has been taken on since FY2011 and it appears there is no need for further borrowing at least in the next five years.

#### Construction & Repair Projects (page 19)

Throughout the five years of the CIP, we plan to continue repairing sewer mains, basins and services in order to reduce infiltration and inflow (I&I) and help us comply with the State and Federal mandates to reduce our CSOs. One new item not previously listed and brought to Council is for re-lining 1400 feet of the Crooked Road. Additionally, the work on Ash Place is a project deferred from the current FY15 year. Specific projects are detailed in Chart A, the narrative description of the CIP, and are timed to coincide with the other road, sidewalk and storm drain projects of Public Works Director Chip Reeves's Consolidated Capital Work Plan.

#### Pump Stations (page 20)

The Division has started some of its pump station reconstruction program with work scheduled on the Main St. pump station in FY16, and in the current year with Albert Meadow. Two new pump stations were added within the last 3 years (Ocean Avenue and at the Pier). However, prior to spending additional monies on 11 pump stations staff will be fully evaluating the priorities based on known CSO demands, condition of the units and other factors previously not taken into account.

#### Equipment Replacement's (page 21)

We are still under DEP pressure to add more standby power, so we are completing a generator install at the Hulls Cove Treatment Plant in FY15 and will be replacing the Hulls Cove Pump Station generator in Year Two (FY17).

Several pieces of aging equipment are scheduled for replacement over the coming five years. Two units of sewer cleaning equipment will be replaced: a 60 year old bucket machine in Year Two and a 14 year old sewer jet in Year Three. The rodding machine, originally on the replacement schedule, will not be replaced.

Three of the four pickup vehicles are scheduled for replacement over the next five years. The largest equipment replacement will occur in Year Three when we replace the Programmable Logic Controller (PLC) at the LedgeLawn plant which monitor and control our sewage collection system and treatment process controls at the treatment plants.

## Billing Volume (page 32)

Forecasting revenue continues to be difficult due to a decline and some fluctuations in our billing volume; that is, our customers' water consumption, from which their bills are calculated. We are projecting FY16 volume that will increase over last year's actual but still remain conservatively comparable to this past year's budgeted volume. While the commercial and Jackson Lab sectors have increased slightly in the last year, Residential volume decreased just enough to cause a net decline.

### Historical Volume: (cubic feet)

FY2016 Budget	26,650,000
FY2015 Estimate	26,035,000
FY2015 Budget	26,620,000
FY2014 Actual	26,680,000
FY2013 Actual	26,500,000
FY2012 Actual	25,970,000
FY2011 Actual	25,590,000

## Revenues

Income other than user fees is an important part of the budget, since it helps to keep down sewer rates. Operating revenues in FY15 will fall below the budget target by 3% and 2% below FY14 actual due to the 4 month delay in approving the FY15 budget. *Connection Fees*- per Council directive last year, are still being evaluated at the time of this budget. It is expected that staff will return with a higher but reasonable connection fee recommendation based on more comparable connection fee rates of similar communities.

## Rates (page 31)

Staff recommended and the Town Council concurred at the July 7<sup>th</sup> meeting to replace the split operation rate and capital rate charges with one rate, based on the current usage for each quarter. The lowest minimum bill for a residential customer can be as low as \$187 per year- for usage up to 600 cubic feet per quarter.

### Historical Rate Increases: (blended opr/cap)

FY2016 Budget	0.0%
FY2015 Actual	4.7%
FY2014 Actual	0.5%
FY2013 Actual	0.6%
FY2012 Actual	1.3%
FY2011 Actual	5.1%
Fy2010 Actual	3.0%

Average annual increase over the last 7 years – 2.17%

**Discounts Available to Sewer users:**

*Summer Residential User Discount:* Available to year round residential users that may be entitled to a credit off their usage for the summer quarterly bill reflecting water that does not enter the Town's sewer system; e.g., sprinkling lawn and gardens, washing vehicles and other similar uses. There is no fee and the customer must sign up on an annual basis. In the last year approximately 125 residential customers took advantage of this discount. Out of 1430 total customers, there are 760 listed residential properties.

*Outside Deduct Meters:* Available generally to commercial, non-residential properties that purchase a meter to measure outside summer water usage that does not enter the wastewater system. There is a \$100 initial fee (for installation inspection) and then a \$25 administrative fee annually. Meters are read by Town staff in June and September and are shown on the water bill as a deduction off their water usage in the calculation of the quarterly sewer bill. For example, if there is no separate summer water service line for outside watering to a hotel property, then this metering deduction system to measure that garden/lawn usage is an option available for the customer to reduce their sewer charges. This deduction also assists the customer to not include the higher gross water usage as part of the annual sewer capital charge calculation. Approximately 40 customers have 60 meters in place every summer to take advantage of this program.

**Requested Action by Council**

In summary, the budget submitted:

- Contains a flat expense budget with no changes being requested to raise additional revenue in FY16
- Projects that overall billable volume will remain stable.
- Projects a .4% decrease in operating expenses vs. the FY2015 budget
- Replaces the Operation & Capital rates with one rate calculated to be \$7.80 per 100 cubic feet to raise the same revenues.

Accordingly, we respectfully suggest that the Town Council pass a motion to tentatively adopt the Sewer Budget Ordinance as proposed [or amended] pending a public hearing on August 4, 2015.

Respectfully submitted,

Stanley Harmon,  
Finance Director

Chip Reeves  
Public Works Director

	Actual Yr.Before Last: FY13	Actual Last Year FY14	Budgeted This Year FY15	Actual This Year FY15	Requested Next Year FY16
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# *Fund Balance*

**FUND BALANCE - Operating Fund**

Starting Fund Balance	2,217,715	2,100,868	2,314,733	2,024,738	1,876,573
Revenues & Other Sources	2,167,333	2,149,895	2,242,126	2,180,875	2,133,000
Oper. Expenditures	1,256,436	1,207,669	1,335,225	1,289,253	1,330,551
Capital Expenditures	1,027,744	1,018,356	1,085,661	1,039,787	869,396
Ending Fund Balance	2,100,868	2,024,738	2,135,973	1,876,573	1,809,625
<b>Designated Fund Balance</b>					
Working Capital (Note A)	268,619	408,392	408,392	440,624	440,624
Unfinished CIP Projects (Note B)	1,501,922	1,414,343	1,188,807	1,262,846	1,258,950
Total Designated Fund Balance	1,770,541	1,822,735	1,597,199	1,703,470	1,699,575

<b>Unreserved &amp; Undesignated Fund Balance</b>	<b>330,327</b>	<b>202,003</b>	<b>538,774</b>	<b>173,102</b>	<b>110,050</b>
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Change in Unreserved & Undesignated Fund Balance		(128,324)	(178,760)	(28,901)	(63,052)
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RNY/BTY

**Notes:**

**A. Designation for Working Capital**

Since our first billing of the new fiscal year doesn't go out until October, and cash doesn't start coming in until late October, we need to reserve four months' operating expenses at the end of each fiscal year to get us started in the next fiscal year. This is calculated at four month's cash expenditures. i.e.- 33% of the total current year expenditures (BTY) for the operating fund. For next fiscal year, this equals:

Operating Expenditures Budget This Year	1,335,225
Four Month's Expenses	33%

Recommended Designation for Working Capital                      \$440,624

**B. Designation for Unfinished CIP Projects & Equipment Reserve**

These are either active ongoing projects or equipment reserves funded for future replacements/upgrades.

	Actual Yr.Before Last: FY13	Actual Last Year FY14	Budgeted This Year FY15	Actual This Year FY15	Requested Next Year FY16	Request's Change From This Year's: Budget	Estimate
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## Sewer Fund Revenues

### 3597 OPERATION & CAPITAL RATE CHARGES

<i>Sub Total: Charges from Operations Rate</i>	1,969,947	2,035,414	2,032,150	1,992,000	2,015,000	-17,150	23,000
		3%	0%	-2%	1.2%	-0.8%	1.2%

### OTHER CUSTOMER CHARGES

4932 Sludge Dewatering	66,124	61,609	70,000	64,000	66,000	-5.7%	3.1%
4934 Septic Tank Dumping	32,965	18,685	25,000	19,000	23,100	-7.6%	21.6%
4936 Connection Fees	58,508	7,885	11,760	6,400	8,000	-32.0%	25.0%
<i>Sub Total: Other Charges</i>	157,597	88,179	106,760	89,400	97,100	-9,660	7,700
		-44%	21%	1%	9%	-9.0%	8.6%

### OTHER INCOME

4700 Interest on Investments	6,346	5,761	6,971	6,000	6,000	-13.9%	0.0%
4704 Penalties for Late Payments	4,470	4,888	4,470	4,200	4,300	-3.8%	2.4%
4938 Miscellaneous	6,740	1,018	4,000	2,000	3,000	-25.0%	50.0%
4944 Special Assessment-Woodbury	0	0	79,775	79,775	0		
4928 Sale of Fixed Assets	0	4,500	0	0	0		
4940 Lien Cost Reimbursements	6,259	10,135	8,000	7,500	7,600	-5.0%	1.3%
<i>Sub Total: Other Income</i>	23,815	26,302	103,216	99,475	20,900	-82,316	-78,575
		10%	292%	278%	-79%	-79.8%	-79.0%

### OTHER-TRANSFERS IN

From Cruise Ship Fund	15,974
From Wastewater Fund Oper.	0

### Total Sewer

### Fund Revenues

2,167,333	2,149,895	2,242,126	2,180,875	2,133,000	-4.9%	-2.2%
	(17,438)	92,231	30,980	(47,875)	-109,126	-47,875
	ALY:YBL	BTY:ALY	ETY:ALY	RNY:ETY	RNY:BTY	RNY:ETY
		4%	1%	-2%	-4.9%	-2.2%

	Actual Yr.Before Last: FY13	Actual Last Year FY14	Budgeted This Year FY15	Actual This Year FY15	Requested Next Year FY16	Request's Change From This Year's: Budget	Actual
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## Operating Fund Expenditures

### 51 PERSONNEL SERVICES (\* = See Chart B)

5105	Wages-Salaries *	0	0	0	27,600	41,078	n/a	48.8%
5105	Wages-Hourly Full Time *	360,455	345,254	356,826	312,000	353,581	4.1%	13.3%
5110	Wages-Overtime *	39,357	39,972	41,481	39,000	39,985	1.4%	2.5%
5130	Wages-Summer/Seasonal *	10,852	15,283	15,063	9,045	0	n/a	n/a
5170	Wages - 27th Payperiod Accruals	425	0	0	0	0		
5175	Wages - Vacation Accruals	543	2,158	1,385	2,158	2,212	59.7%	2.5%
<b>Total Personnel Services</b>		411,632	402,667	414,755	389,803	436,856	5.3%	12.1%
					24,952		22,101	47,053

### 52 EMPLOYEE BENEFITS (\* = See Chart B)

5160	ICMA Retirement *	0	0	1	2,000	2,671	#####	33.6%
5200	FICA & Medicare *	29,899	30,465	31,623	30,465	33,250	5.1%	9.1%
5210	MSRS Retirement *	20,620	24,065	31,068	25,000	35,027	12.7%	40.1%
5215	Workers' Compensation *	8,505	8,168	8,681	8,168	8,429	-2.9%	3.2%
5220	Unemployment Compensation *	2,167	2,765	2,700	2,765	2,550	-5.6%	-7.8%
5225	Health Insurance * - (5.5)	85,717	84,722	95,400	89,000	88,788	-6.9%	-0.2%
5230	Health Insurance Opt Out - (3)	12,221	14,885	15,000	14,885	29,000	93.3%	94.8%
5245	Retirement Health Savings Acct. *	909	874	950	919	950	0.0%	3.4%
5255	Innoculations & Physical Exams	227	739	500	500	500	0.0%	0.0%
<b>Total Employee Benefits</b>		160,265	166,683	185,923	173,702	201,166	8.2%	15.8%
					12,221		15,243	27,464

### 53 CONTRACTUAL SERVICES (\* = See Chart C)

5300	Alarms & Paging *	760	824	870	821	837	-3.8%	1.9%
5304	Audit & Accounting	1,800	1,923	1,900	1,900	1,950	2.6%	2.6%
5306	Town Management Fees *	114,187	99,318	101,837	101,837	86,945	-14.6%	-14.6%
5308	Billing Processing	1,389	1,113	1,030	750	1,030	0.0%	37.3%
5310	Office and Lab Cleaning	5,565	6,676	6,775	6,676	6,775	0.0%	1.5%
5311	Special Waste Cleaning *	3,500	0	4,000	5,150	6,000	50.0%	16.5%
5312	Pump Station Pumping *	2,125	1,025	1,200	2,900	1,200	0.0%	-58.6%
5314	Copier	417	449	460	491	460	0.0%	-6.3%
5326	Engineering *	20,537	23,239	3,000	5,566	3,000	0.0%	-46.1%
5330	Wet Well Prep & Painting *	0	0	35,000	15,000	0	n/a	n/a
5332	Generator Service *	5,924	4,888	5,715	5,300	6,400	12.0%	20.8%
5334	General Professional Fees	366	207	300	207	300	0.0%	44.9%
5336	General Equipment Maintenance*	8,476	10,070	10,012	10,555	10,484	4.7%	-0.7%
5340	Legal Services	955	0	602	600	602	0.0%	0.3%
5348	Mowing	3,360	3,024	3,360	3,360	3,360	0.0%	0.0%
5366	Sludge Disposal *	51,921	51,195	52,345	51,195	52,345	0.0%	2.2%
5368	Technology Licenses & Support *	3,338	2,582	4,147	4,897	5,000	20.6%	2.1%
5380	Testing - Drug & Alcohol	440	684	700	684	700	0.0%	2.3%
5384	Laboratory Testing *	4,230	3,710	11,905	8,000	11,000	-7.6%	37.5%
5388	Uniform Cleaning & Rental	9,386	9,550	8,200	8,900	8,300	1.2%	-6.7%
<b>Total Contractual Services</b>		238,676	220,477	253,358	234,789	206,688	-18.4%	-12.0%
					18,569		-46,670	-28,101

	Actual Yr.Before Last: FY13	Actual Last Year FY14	Budgeted This Year FY15	Actual This Year FY15	Requested Next Year FY16	Request's Change From This Year's: Budget	Estimate
<b>OPERATING FUND EXPENDITURES</b>							
<b>54 MATERIALS &amp; SUPPLIES</b> (* = See Chart D)							
5410 Clothing Purchases*	2,806	3,577	4,100	4,360	4,300	4.9%	-1.4%
5412 Copier & Printer Supplies	1,016	566	782	650	782	0.0%	20.3%
5418 Forms, Checks, Etc.	594	400	703	400	703	0.0%	75.8%
5424 Sodium Hypochlorite *	11,634	8,925	9,467	10,785	11,000	16.2%	2.0%
5428 Lab Supplies	10,925	9,158	9,979	9,158	9,979	0.0%	9.0%
5432 Mains & Services	3,970	5,072	5,916	5,072	5,916	0.0%	16.6%
5436 Office Supplies	828	777	769	1,462	820	6.6%	-43.9%
5438 Operating Supplies	8,069	12,806	10,650	12,500	11,000	3.3%	-12.0%
5441 Magnesium Hydroxide & Other *	27,353	30,263	31,000	30,263	31,000	0.0%	2.4%
5442 Polymer Supplies *	8,208	13,300	11,000	12,300	12,500	13.6%	1.6%
5444 Safety Supplies	2,647	2,427	2,400	3,025	2,500	4.2%	-17.4%
5452 Sodium Bisulphite *	3,291	4,994	5,000	4,200	5,000	0.0%	19.0%
5458 Vehicle Supplies*	5,530	7,600	6,500	6,500	6,500	0.0%	0.0%
<b>Total Materials &amp; Supplies</b>	<b>86,871</b>	<b>99,865</b>	<b>98,266</b>	<b>100,675</b>	<b>102,000</b>	<b>3.8%</b>	<b>1.3%</b>
				(2,409)		3,734	1,325
<b>55 UTILITIES &amp; COMMODITIES</b> (* = See Chart E)							
5504 Electricity - Plants	89,805	87,438	91,980	93,000	92,000	0.0%	-1.1%
5506 Electricity - Pumping	53,202	58,781	57,000	58,781	57,000	0.0%	-3.0%
5508 #2 Heating Oil & Kerosene*	19,936	18,621	21,000	23,636	17,923	-14.7%	-24.2%
5514 Motor Fuel - Diesel	10,931	12,127	12,140	12,127	12,140	0.0%	0.1%
5516 Motor Fuel - Unleaded Gasoline	19,064	15,375	18,825	15,375	18,500	-1.7%	20.3%
5518 Motor Oils & Grease	1,175	2,400	1,839	1,600	1,850	0.6%	15.6%
5520 Propane	2,351	3,647	2,651	3,200	3,100	16.9%	-3.1%
5528 Telephone & Cellular	4,021	4,228	3,901	3,400	3,400	-12.8%	0.0%
5530 Water	5,978	2,346	3,900	3,900	3,900	0.0%	0.0%
<b>Total Utilities &amp; Commodities</b>	<b>206,463</b>	<b>204,963</b>	<b>213,236</b>	<b>215,019</b>	<b>209,813</b>	<b>-1.6%</b>	<b>-2.4%</b>
				(1,783)		-3,423	-5,206
<b>56 REPAIRS &amp; MAINTENANCE</b> (*=See Chart E)							
5602 Buildings	12,498	2,294	9,300	7,784	9,300	0.0%	19.5%
5612 Technology	0	0	150	150	150	0.0%	0.0%
5616 Line Equipment/Flo Totes *	9,528	10,368	22,600	19,800	25,000	10.6%	26.3%
5628 Mains & Services	44,163	15,104	19,950	23,300	19,950	0.0%	-14.4%
5634 Plant Equipment	15,702	21,061	30,000	27,000	30,000	0.0%	11.1%
5640 Pump Station Equipment	17,706	13,556	18,000	25,194	19,000	5.6%	-24.6%
5644 Radios	1,113	1,094	1,100	1,094	0	n/a	n/a
5658 Vehicles - Repair by Others	1,044	2,607	2,500	2,500	3,000	20.0%	20.0%
<b>Total Repairs &amp; Maintenance</b>	<b>101,754</b>	<b>66,084</b>	<b>103,600</b>	<b>106,822</b>	<b>106,400</b>	<b>2.7%</b>	<b>-0.4%</b>
				(3,222)		2,800	-422

	Actual Yr.Before Last: FY13	Actual Last Year FY14	Budgeted This Year FY15	Actual This Year FY15	Requested Next Year FY16	Request's Change From This Year's: Budget	Estimate
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**OPERATING FUND EXPENDITURES**

**57 EQUIPMENT PURCHASES (\* = Chart F)**

5700	Technology Equipment *	7,994	0	8,550	5,177	6,050	-29.2%	16.9%
5702	Office Equipment *	770	0	700	275	6,400	814.3%	2227.3%
5704	Operating Equipment *	2,874	5,530	13,200	14,946	9,900	-25.0%	-33.8%
<b>Total Equipment Purchases</b>		11,638	5,530	22,450	20,398	22,350	-0.4%	9.6%
					2,052		-100	1,952

**58 OTHER EXPENSES, TRAVEL, ETC.**

5800	Advertising	228	235	230	2,397	230	0.0%	-90.4%
5802	Uncollectable Customer Accts.	2,000	2,000	1,500	1,200	1,500	25.0%	0.0%
5808	Dues & Licenses	325	675	800	675	800	0.0%	18.5%
5822	Insurance: Liability & Crime	6,576	6,018	6,508	6,508	6,508	0.0%	0.0%
5824	Insurance: Property & Casualty	13,172	13,910	13,556	13,556	13,556	0.0%	0.0%
5826	Insurance: Automobiles	3,023	4,964	4,718	4,718	4,718	0.0%	0.0%
5832	Facility Permits & Fees	5,123	2,960	3,220	4,053	3,220	0.0%	-20.6%
5836	Postage & Shipping	4,167	4,295	4,405	4,295	4,346	-1.3%	1.2%
5838	Registry & Lien Costs	2,593	4,421	4,400	4,000	4,400	0.0%	10.0%
5844	Training, Workshops, Etc.	1,160	633	2,300	2,200	3,000	30.4%	36.4%
5846	Travel: Rooms, Miles & Meals	770	1,289	2,000	4,443	3,000	50.0%	-32.5%
<b>Total Other Expenses, Travel, Etc.</b>		39,137	41,400	43,637	48,045	45,278	3.8%	-5.8%
					(4,408)		1,641	-2,767

**88 OPERATING TRANSFERS OUT**

5980	Wastewater C.I.P. Fund	0	0	0	0	0	n/a	
<b>Total Operating Transfers Out</b>		0	0	0	0	0		
					0		0	0

Under Budget

**Total Operating**

**Fund Expenditures**

	1,256,436	1,207,669	1,335,225	1,289,253	1,330,551	-0.4%	3.2%
Increase (Decrease)		-4%	10.6%	3.4%	3.2%	-4,674	41,298
		-48,767	127,556	45,972	41,298		

Under Budget

## Capital Fund Status

Capital Improvement Program

### Status This Year

68 Acct. No.	Wastewater Division Account Description	Yr.End Bal. Last Year FY14	Approp. This Yr. FY15	Fund Bal Mid-Year FY15	Approp.YTD This Year FY15	Est. Expense This Year FY15	Yr.End Bal. This Year FY15
	<b>Bond Issue Payments (See Chart I)</b>						
n/a	Bond Issue E: Main Plant 1996	0	469,606		469,606	469,606	0
n/a	Bond Issue N: Hulls Cove 2005	0	53,223		53,223	53,223	0
n/a	Bond Issue Q: Sewer Rehab 2011	0	89,228		89,228	89,228	0
n/a	BAN for CSO Elimination Project	0	0		0	0	0
	<b>Projects &amp; Facilities (See Chart A)</b>						
6801	Woodbury Park Reconstruction	0	0	0	0	0	0
6802	Pump Stations Equipmt & Replacement	128,147	10,000	2,539	140,686	124,450	16,236
6804	CSO Elimination Project	19,376	0		19,376	7,000	12,376
6809	DeGregoire Plant - Equipment	45,300	6,017		51,317	0	51,317
6815	Hulls Cove Plant - Equipment	14,548	15,051		29,599	0	29,599
6819	Main Treatment Plant - Equipment	12,628	99,972		112,600	75,000	37,600
6828	Sewer Mains & Services	742,280	50,000		792,280	154,522	637,758
	<b>Equipment &amp; Vehicles (See Chart A)</b>						
6806	Air Compressor, mobile	9,372	858		10,230	0	10,230
6808	Bucket Machine	56,965	15,867		72,832	0	72,832
6812	Generators, Backup - (10)	22,724	28,970		51,694	45,241	6,453
6814	GIS System, incl. Laptop Computers	31,251	8,139		39,390	5,500	33,890
	Microscope, Olympus	2,539	0	(2,539)	0	0	0
6818	Sewer Cameras	0	10,503		10,503	0	10,503
6820	Communication Systems	29,090	0	57,799	86,889	12,000	74,889
6821	Utility Billing & Mgt. Software systems	0	0		0	0	0
6823	Rain Gauge & USB Logger	3,575	500		4,075	0	4,075
6824	Rodding Machine	41,285	(41,285)		0	0	0
6825	SCADA System Replacement	51,816	10,000	(57,799)	4,017	4,017	0
6826	Sewer Jet	62,606	8,953		71,559	0	71,559
6827	ISSCO Samplers	0	0		0	0	0
6830	Inspector's Truck -#43	19,007	4,000		23,007	0	23,007
6832	Line Crew Truck -#44	9,357	6,629		15,986	0	15,986
6834	Plant Crew Truck -#45	23,051	4,707		27,758	0	27,758
6836	Sludge Truck	57,798	10,102		67,900	0	67,900
6837	Sludge Truck Liquid Tank	9,251	3,221		12,472	0	12,472
6838	Line P/up #2 Truck -#47	22,377	4,029		26,406	0	26,406
6899	Undesignated	0	0		0	0	20,000
<b>Total</b>		1,414,343	868,290	0	2,282,633	1,039,787	1,262,846

# Capital Fund Expenditures Plan

Capital Improvement Program

## Year By Year Overview

Yr.End Bal. This Year FY15	Account Description	Year One FY16			Year Two FY17			Year Three FY18			Year Four FY19			Year Five FY20		
		Appropriation	Spending	Balance	Funding	Spending	Balance	Funding	Spending	Balance	Funding	Spending	Balance	Funding	Spending	Balance
	<b>Bond Issue Payments (See Chart I)</b>															
0	Bond Issue E: Main Plant 1996	469,606	469,606	0	469,293	469,293	0	468,965	468,965	0	0	0	0	0	0	0
0	Bond Issue N: Hulls Cove 2005	56,923	56,923	0	55,523	55,523	0	54,123	54,123	0	52,723	52,723	0	56,223	56,223	0
0	Bond Issue Q: Sewer Rehab 2011	88,099	88,099	0	89,250	89,250	0	88,075	88,075	0	86,900	86,900	0	92,955	92,955	0
0	BAN for CSO Elimination Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Projects &amp; Facilities (See Chart A)</b>															
0	Woodbury Park Reconstruction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16,236	Pump Stations Equipmt & Replacement	35,000	0	51,236	27,339	0	78,575	27,339	0	105,914	310,000	0	415,914	305,000	0	720,914
12,376	CSO Elimination Project	0	7,000	5,376	0	5,376	0	0	0	0	50,000	50,000	0	50,000	50,000	0
51,317	DeGregoire Plant - Equipment	21,000	0	72,317	21,000	0	93,317	21,000	0	114,317	21,000	0	135,317	21,000	0	156,317
29,599	Hulls Cove Plant - Equipment	3,000	0	32,599	3,000	0	35,599	3,000	0	38,599	3,000	0	41,599	3,000	0	44,599
37,600	Main Treatment Plant - Equipment	21,000	14,000	44,600	30,000	0	74,600	50,000	0	124,600	30,000	0	154,600	50,000	0	204,600
637,758	Sewer Mains & Services	30,000	193,200	474,558	77,000	66,064	485,494	70,000	161,535	393,959	193,000	300,143	286,816	200,000	123,338	363,478
	<b>Equipment &amp; Vehicles (See Chart A)</b>															
10,230	Air Compressor, mobile	800	0	11,030	800	0	11,830	800	0	12,630	800	0	13,430	800	0	14,230
72,832	Bucket Machine	10,000	0	82,832	10,000	92,565	267	7,500	0	7,767	7,500	0	15,267	7,500	0	22,767
6,453	Generators, Backup - (10)	40,000	0	46,453	15,629	48,000	14,082	15,629	0	29,711	15,629	0	45,340	15,629	0	60,969
33,890	GIS System, incl. Laptop Computers	4,000	0	37,890	4,000	20,169	21,721	4,000	0	25,721	4,000	20,000	9,721	4,000	10,000	3,721
0	Old account															
10,503	Sewer Cameras	11,270	0	21,773	11,270	0	33,043	11,270	12,837	31,475	11,270	0	42,745	11,270	0	54,015
74,889	Communication Systems	31,258	15,000	91,147	31,258	0	122,406	31,258	122,000	31,664	31,258	0	62,922	31,258	0	94,181
0	Utility Billing & Mgt. Software systems	1,300	0	1,300	1,300	0	2,600	1,300	0	3,900	1,300	0	5,200	1,300	0	6,500
4,075	Rain Gauge & USB Logger	600	0	4,675	600	0	5,275	600	0	5,875	600	0	6,475	600	0	7,075
0	Rodding Machine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Old account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
71,559	Sewer Jet	9,030	0	80,589	9,030	0	89,619	9,030	98,417	232	9,030	0	9,262	9,030	0	18,292
0	ISSCO Samplers	725	0	725	725	0	1,450	725	0	2,175	725	0	2,900	725	0	3,625
23,007	Inspector's Truck -#43	2,845	25,568	284	2,845	0	3,129	2,845	0	5,975	2,845	0	8,820	2,845	0	11,665
15,986	Line Crew Truck -#44	7,143	0	23,129	7,143	0	30,272	7,143	0	37,415	7,143	0	44,557	7,143	0	51,700
27,758	Plant Crew Truck -#45	5,111	0	32,869	5,111	0	37,980	5,111	0	43,091	5,111	46,000	2,202	5,111	0	7,314
67,900	Sludge Truck	9,600	0	77,500	9,600	0	87,100	9,600	0	96,700	9,600	0	106,300	9,600	0	115,900
12,472	Sludge Truck Liquid Tank	3,333	0	15,805	3,333	0	19,139	3,333	0	22,472	3,333	0	25,805	3,333	0	29,139
26,406	Line P/up #2 Truck -#47	3,857	0	30,263	3,857	0	34,120	3,857	34,712	3,265	3,857	0	7,122	3,857	0	10,978
20,000	Undesignated	0	0	20,000	0	0	20,000	0	0	20,000	0	0	20,000	0	0	20,000
1,262,846	<b>Total</b>	865,500	869,396	1,258,950	888,906	846,240	1,301,617	896,503	1,040,664	1,157,456	860,624	555,766	1,462,315	892,179	332,516	2,021,978
	<i>Total without bonds</i>	865,500	869,396	1,258,950	888,906	846,240	1,301,617	896,503	1,040,664	1,157,456	860,624	555,766	1,462,315	892,179	332,516	2,021,978

## Equipment Replacement Schedule

### Capital Improvement Program

Unit No.	Description of Present Equipment	FY in Service	2016 Proposed		Actual Cost Equipped	Proposed Years Until Replaced	Current Replacement Cost	Straight Line Funding Year One
			Replacement Fiscal Year	Replacement Age				
<b>Wastewater Division</b>								
<b>Vehicles</b>								
43-6830	Pickup Truck, 2006, Ford F150XL, 4x4, Insp.	2007	2016	9	17,594	1	25,607	2,845
46-6836	Sludge Truck, Volvo D-13, swap loader body	2008	2023	15	138,124	8	144,000	9,600
44-6832	Pickup Truck, Ram3500 w/AI Body, 4x4, Line#1	2014	2021	7	46,400	6	50,000	7,143
47-6838	Pickup Truck, 2009 Ford, F250XL, 4x4, line#2	2009	2018	9	27,479	3	34,712	3,857
45-6834	Pickup Truck, F350, Mech. Maint/Plant	2010	2019	9	45,933	4	46,000	5,111
<i>Total Vehicles</i>					275,530			28,556
<b>Equipment</b>								
6,806	Compressor, Air, Ingersoll/Rand XP185-KL222	2001	2021	20	12,027	6	16,000	800
6,821	Utility Billing & Mgt. Software Systems	2015	2025	10	13,000	10	13,000	1,300
6,808	Bucket Machine, Flexible Sewer Tool Corp.	1957	2017	60	88,000	2	92,565	1,543
6,814	GIS/ESRI Software, Laptops, GPS Unit, ESRI	2010	2017	7	26,000	2	28,000	4,000
6,827	Issco Sampler - 5500 - (5 units)	varies	varies	8	25,000	8	5,800	725
	Rodding Machine, Serco, 18 Hp.	1991	do not replace	0	43,500		0	0
6,826	Sewer Jet, SECOA, Series II, model 747-FR2000	2004	2018	14	62,384	3	98,417	7,030
6,837	Liquid Tank for Sludge Truck, 2500 Gallons	2011	2023	12	38,809	8	40,000	3,333
6,823	Rain Gauge & Logger, Sigma "Rain Logger"	2011	2021	10	5,000	6	6,000	600
<i>Total Equipment</i>					313,720			19,331
<b>Sewer Cameras</b>								
6,818	Camera, Sewer: Aries, Saturn III w/ pan & tilt	2014	2024	10	97,580	9	102,000	10,200
6,818	Camera, Sewer: Aries- retired; to be sold	2004	do not replace		23,854		0	0
6,818	Camera, Service: RaTech, Inspector PC	2006	2018	12	11,198	3	12,837	1,070
<i>Total Sewer Cameras</i>					132,632			11,270
<b>Communication Systems</b>								
6,825	Phone System - Main Plant	2013	2023	10	8,500	8	10,000	1,000
6,825	WAN Network Equipment	2013	2025	12	9,850	10	11,000	917
6,825	SCADA System Server (softw & hardw)	2012	2018	6	15,000	6	10,000	1,667
6,825	Pump Stations (10) PLC Radio System	2012	2028	16	270,000	13	270,000	16,875
6,825	Main St. Pmp Sta PLC Radio System	various		15			40,000	2,667
6,825	Plants (3) PLC Radio Systems	various		15			122,000	8,133
<i>Total Communication Systems</i>					303,350			31,258

2016								
Unit No.	Description of Present Equipment	FY in Service	Proposed		Actual Cost Equipped	Proposed Years Until Replaced	Current Replacement Cost	Straight Line Funding Year One
			Replacement Fiscal Year	Replacement Age				
<b>Mains</b>								
6,828	Sewer Mains, Manholes & Services	Varies	n/a	75	7,239,332	n/a	7500000	100,000
<b>Plants</b>								
6,819	Main Treatment Plant & Eq	1998	2028	30	8,348,671	13	n/a	21,000
6,815	Hulls Cove Treatment Plant & Eq	2001	2031	30	1,386,014	16	n/a	3,000
6,809	DeGregoire Park Treatment Plant & Eq	1974	2020	46	162,779	5	n/a	10,000
<i>Total Plants</i>					9,897,464			34,000
<b>Pump Stations (11)</b>								
6,802	Main St. Pump Station & WWell	1974/1998	2022	50	368,937	7	3,000,000	20,000
6,802	Hulls Cove Pump Station & WWell	1974/2001	2022	50	216,557	6	400,000	5,000
6,802	Albert Meadow Pump Station & WWell	1974	<b>2015</b>	41	58,900	0	87,000	2,122
6,802	Ferry Terminal Pump Station & WWell	2006	2041	35	58,900	26	60,000	1,714
6,802	Hancock Street Pump Station	1974	2021	47	56,500	6	70,000	1,489
6,802	Rodick Street Pump Station & WWell	1974	<b>2021</b>	47	56,500	6	58,437	1,243
6,802	Wilcomb Lane Pump Station - no Gen.	2000	2035	35	31,000	20	33,000	943
6,802	West Street Pump Station & WWell	1974	2021	47	70,000	6	72,000	1,532
6,802	Town Pier Pump Station-no Gen.	2013	2048	35	27,508	33	35,000	1,000
6,802	Degregoire Pump Station	1974	2024	50	22,000	9	50,000	1,000
6,802	Ocean Avenue Pump Station & WWell	2013	2048	35	126,378	33	150,000	4,286
<i>Total Pump Stations</i>					1,093,180			40,329
<b>Generators (10)</b>								
6,812	Generator, Hulls Cove P/S, Onan, 85 KW	1974	<b>2017</b>	43	44,500	2	48,000	1,116
6,812	Generator, Hulls Cove Plant, Onan, 85 KW	2015	<b>2045</b>	30	60,000	30	70,000	2,333
6,812	Generator, Main Plant, Onan, 300 KW	1997	2027	30	41,000	12	66,000	2,200
6,812	Generator, Main Street P/S, Onan, 230 KW	1997	2027	30	33,500	12	60,000	2,000
6,812	Generator, West St. P/S, Onan 35 KW, Quiet Site	2003	2033	30	26,990	18	39,000	1,300
6,812	Generator, Rodick St. P/S, Onan 40 KW, Quiet Site	2007	2037	30	34,525	22	44,000	1,467
6,812	Generator, Albert Meadow, Onan 35KW, Quiet Site	2005	2035	30	25,000	20	38,000	1,267
6,812	Generator, Ferry Term., Onan, 50 KW, Quiet Site	2005	2035	30	28,050	20	48,000	1,600
6,812	Generator, DeGregoire Pk., Onan, 35 KW, Quiet Sit	2008	2038	30	31,048	23	38,000	1,267
6,812	Generator, Hancock St.; No generator							
6,812	Generator, Ocean Ave. Onan, 35 KW, Quiet Site	2013	2043	30	31,150	28	33,000	1,100
<i>Total Generators</i>					355,763			15,650
Total Wastewater Division					12,371,639			280,394

# ***Table of Contents - Charts***

## **Detail Charts**

<i>Chart</i>	<i>Page</i>	<i>Title</i>
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## ***C.I.P. Details***

*Chart A*

### **Capital Improvement Program Narrative**

#### **Purpose of the C.I.P.**

In order to better understand our Capital Improvement Program, it may be helpful to explain its purpose and function. As required by Section C-30.A of the Town Charter, the CIP is "a program consisting of projects any one of which costs more than \$5,000 and meets one or more of the following requirements:

- construction time extends to two or more fiscal years;
- includes planning for, construction of or major renovation of a Town building, wharf, public way, sewer, drain or appurtenant equipment; or
- replacement or acquisition of equipment with life expectancy of five years or longer."

While not fully articulated in the Charter, contemporary thinking further suggests that the CIP should help the Town to avoid surprises by forcing us to look ahead for the next five years or even longer. Typically, this helps stabilize the CIP capital rate, so that it does not exhibit wild swings from year to year despite changes in expenditures.

#### **Bond Issue Payments**

See Chart F for detailed information on bond payments.

The big change over the next five years may be the bond issue for the construction of the CSO Elimination Project.

#### **Projects**

##### **Woodbury Park Reconstruction**

A prior Town Council approved the complete replacement of the services, sewer mains and manholes in the neighborhood bounded by Cleftstone, Bloomfield, Champlain and Highbrook Roads because they are leaking very badly. Residents will pay a portion of this cost, capped at a maximum of \$6,648, with the Sewer Fund paying the balance. In addition, the General Fund financed the installation of storm drains. The project has now been completed but the final assessments to the 12 sewer users have not been sent out. The system was originally privately constructed and owned.

##### **CSO (Combined Sewer Overflow) Elimination Project**

We are required by the DEP to "eliminate overflows" at our pump stations. The reason why we overflow is due to storm water entering our system from two sources: Inflow and Infiltration. Water entering from cracks in sewer pipes, basins and service entrances is called "Infiltration", while water entering from a storm drain or roof gutter is called "Inflow". Collectively these are called Infiltration/Inflow or I&I. For many years, we have been addressing our Combined Sewer Overflows (CSO's) by aggressively reducing the amount of I&I entering our collection system.

To determine the areas for our I&I work, we gathered flow information and studied flow rates of completed projects. Even though we have determined that our I&I work removed all but 0.9% of our total flow (sewage plus I&I), our estimates indicate that we still will not eliminate all overflows. Consequently, the Maine Department of Environmental Protection (DEP) has required us to create a CSO Master Plan to map the way for complete CSO elimination.

The focus of the plan originally approved by the DEP in FY10 was the construction of a new \$7.7 million combined sewer overflow abatement system, including expansion of the West Street Pump Station so that it can accommodate the excess flows and construction of a forcemain from the expanded station to the Main Treatment Plant on Ledgelawn Avenue, where we will build a new swirl concentrator, complete with chlorination and dechlorination equipment. However, this plan seems to be falling out of favor according to industry thinking of late.

Staff's current budget plan is to continue CSO engineering as well as focus opportunities on CSO elimination projects. The Town is re-evaluating its CSO operating plan with the goal to also provide data and analysis to help avoid State DEP mandated CSO upgrades, but remain true to the joint goal of 100% CSO elimination. No new bonded borrowing would be needed under this current plan.

**C.I.P. Details****CHART A****Capital Improvement Program**

<b>Sewer Mains &amp; Services</b>		<b>#3597 - 6828</b>			
Funds from this account will be used to repair services, mains and manholes during road reconstruction projects as well as upgrading/replacing mains due to identified CSO reasons.					
<b>FY15 This Year</b>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	<i>Cost</i>	
Oliver Street - relining	564	14	2	55,946	
Center Street - relining	529	3	2	35,981	
Mt. Desert Street	0	0	0	62,595	
Sewer Mains & Services			<b>Current Year Total</b>	<b>\$154,522</b>	
<b>FY16 Year One</b>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	<i>Cost</i>	
Ash Place	527	3	2	68,200	
Crooked Road - Reline	1,400			105,000	
MDOT Rte#3 project - manholes	0	0	0	20,000	
Sewer Mains & Services			<b>Year One Total</b>	<b>\$193,200</b>	
<b>FY17 Year Two</b>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	<i>Cost</i>	
Wayman Ln.	0	16	0	14,520	
Livingston Road	0	6	0	11,880	
Rodick Street	0	0	0	19,448	
Cottage Street - Secondary Main	385	8	2	20,216	
	0	0	0	0	
Sewer Mains & Services			<b>Year Two Total</b>	<b>\$66,064</b>	
<b>FY18 Year Three</b>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	<i>Cost</i>	
Stephens Lane	469	2	4	30,910	
Derby Lane	440	5	0	30,536	
Atlantic Ave.	720	13	4	65,329	
Des Ilse Avenue	0	0	0	34,760	
Sewer Mains & Services			<b>Year Three Total</b>	<b>\$161,535</b>	
<b>FY19 Year Four</b>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	<i>Cost</i>	
Hancock Street; MH 25-5C, 5D	683	17	2	64,543	
Pleasant Street	0	21	0	17,600	
Lower Main Street Streetscape Project (MtD to Park	1,692	31	8	218,000	
Sewer Mains & Services			<b>Year Four Total</b>	<b>\$300,143</b>	

<b>C.I.P. Details</b>					<b>CHART A</b>
Capital Improvement Program					
<b>FY20</b>	<b>Year Five</b>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	<i>Cost</i>
Gravity Sewers Required for the CSO Project:					
	Shannon Road (entire length)	473	12	7	32,945
	Holland Avenue (entire length)	986	21	4	61,380
	Glen Mary Road (entire length)	0	18	0	29,013
Sewer Mains & Services				<b>Year Five Total</b>	<b>\$123,338</b>
<b>Total Sewer Mains &amp; Services Work - All Five Years</b>					<b><u>\$844,280</u></b>

### Projects & Facilities

#### **Main Treatment Plant - Equipment**

We've setup a plant equipment CIP account for things like the dewatering machine, sludge pumps and other major pieces of plant equipment, so that we'll have money to fix or replace them as they fail.

FY15	Contact Tank gate valves - to be started in FY15 and completed in FY16	\$75,000
FY16	Purchase & install Sludge Blanket Depth Indicator - new equipment connected to SCADA	\$8,500
FY16	Purchase & Install outside lighting @ Main Treatment Plant	\$5,500
FY18	Replace/upgrade 20 year old electrical controllers/PLC communication equipment	\$122,000

#### **Hulls Cove Plant - Equipment**

We've setup a plant equipment CIP account for things like sludge pumps and other major pieces of plant equipment, so that we'll have money to fix or replace them as they fail.

#### **DeGregoire Plant - Equipment**

We've setup a plant equipment CIP account for things like sludge pumps and other major pieces of plant equipment, so that we'll have money to fix or replace them as they fail.

#### **Pump Station Replacement**

The Town has three pumping stations which are integral to our three treatment plants, plus an additional eight standalone pump stations. Of those eight, five were built in 1974, making them 40 years old. Since the replacement cycle should be somewhere around 35 years, we have started a replacement program. Our present plan is to upgrade the West Street station as part of the CSO Elimination Project, whenever, or if, that occurs. Staff will re-evaluate its pump station replacement program and structure its future CIP budgets based on that need, or how critical the replacement or upgrade may be and how it will positively impact the CSO program goals.

FY15	Main St. Wetwell (Air Mixer)	37,600
FY15	Albert Meadow	86,850
FY21	Rodick Street	58,437
FY21	West Street (Could be Part of CSO Elimination Project)	85,000
FY21	Hancock Street	70,000

**C.I.P. Details** **CHART A**

**Capital Improvement Program**

**Equipment & Vehicles**

**Air Compressor, Mobile**

A reserve account has been funded to allow us to pay cash when we are scheduled to replace this twenty year old machine in FY21.

**Bucket Machine**

This 1957 model sewer cleaning machine uses buckets to remove sand and gravel from the lines. A reserve account has been funded so we can pay cash when we replace this 60 year old machine in FY17.

**Generators**

The DEP is encouraging us to install standby power for all of our facilities. The expected construction schedule follows.

FY15 Hulls Cove Plant	\$44,000	Completion of Replacement generator
FY17 Hulls Cove Pump Station	\$48,000	Replacement of existing generator

**GIS System, including Laptop Computers**

Our Line Maintenance crew has heavy-duty laptop computers which they use in the field to edit and store records such as maps, service cards, basin diagrams, etc. When combined with the rest of the Town's computerized maps and digital records, this system is known as a GIS, or Geographic Information System. The portability of the laptops allows us to review sewer information in the field. We have funded a replacement reserve using a three year cycle for all laptops, which will be replaced in FY17 and FY19. In FY17 we propose to replace our six year old, heavy-duty handheld GPS Trimble unit as well as the ESRI software which allow us to locate points in the field, so that they can be mapped and entered into the GIS system layer.

**Sewer Cameras**

We have two sewer cameras: a small one for inspection of the building service lines and a large one for the sewer mains. The smaller camera is scheduled for replacement on a 12 year cycle, next due in FY18. The larger camera was replaced in FY14 and a reserve account funded.

**Communication Systems**

This account is used for our telephone system, the Wide Area Network (WAN), the SCADA system server and the electrical controller PLC radio systems at all locations. A single reserve account has been funded so we can pay cash when each piece of equipment reaches the end of its life expectancy. Our WAN is the backbone computer system/switches which allows us to communicate electronically with our widespread equipment and facilities. SCADA stands for "*supervisory control and data acquisition*", the computer based system which communicates with our PLC's (*programmable logic controllers*) at the 11 pump stations and 3 treatment plants. These electrical controller PLC systems are the basis of all remote and on site communication to the pump stations and plants relating to their ongoing status of operations. 10 of the pump stations received this major upgrade in 2011-12 at a cost of over \$260,000. Main St. pump station and the 3 plants have not had a PLC upgrade for a number of years. Main St. pump station is schedule for certain PLC improvements in FY16. The Main plant will receive major PLC communication improvements in FY18. It has only had minor fixes since the major rebuild in 1998. These PLC systems provide communication of the operations of all the plants and pump stations on a real time basis, also with remote accessibility, so that staff analysis and response capability to handle abnormal events are efficient---all essential components to further reducing our reportable CSO events to its goal of zero.

FY16 Selected upgrade to the Main St pump station PLC controller	\$	15,000
FY18 Selected upgrade to the Main Plant PLC controller	\$	122,000

**C.I.P. Details****CHART A****Capital Improvement Program****Utility Billing & Mgt. Software Systems**

We utilize Tyler Technology's MUNIS billing software and are investigating appropriate software to allow easier access to service, billing, usage & other data for public and internal availability.

**Rain Gauge & USB Logger**

Equipment necessary to track rain events for CSO documentation

**Sewer Jet**

We purchased a new sewer jet in FY04 for cleaning sewer mains. A reserve account has been funded to allow us to pay cash when we are scheduled to replace this 14 year old machine in FY18.

**ISSCO Samplers**

Equipment necessary for sampling treated water in the wastewater treatment process. These are current ISSCO Samplers that are located at each plant location.

**Inspector's Truck #43**

A reserve account has been funded so we can pay cash when we replace this ten year old pickup truck (#43) in FY16.

**Line Crew Truck #1 - #44**

A reserve account has been funded so we can pay cash when we replace this 7 year old stake-body truck (#44) in FY21. A shorter replacement cycle has been used, since this truck is used for plowing snow.

**Plant Crew Truck - #45**

A reserve account has been funded so we can pay cash when we replace this 9 year old truck (#45) in FY19. A shorter replacement cycle has been used, since this truck is used for plowing snow.

**Sludge Truck**

This truck is used to haul sludge to the compost site. The replacement reserve includes the cost of the sludge containers, but not of the liquid waste tank, since it is a physically separate and expensive piece of equipment, and it wears out at a different rate. A reserve account has been funded so we can pay cash when we replace this 15 year old truck in FY23.

**Sludge Truck Liquid Tank**

This tank is used to haul liquid (un-dewatered) sludge from our DeGregoire and Hulls Cove plants to the main plant for dewatering. Although it is mounted in the Sludge Truck when used, we expect it to wear out more quickly than the truck, so a separate replacement account has been established. This reserve account has been funded so we can pay cash when we replace this 12 year old tank in FY23.

**Line Truck #2 -#47**

A reserve account has been funded so we can pay cash when we replace this 9 year old pickup truck (#47) in FY18. A shorter replacement cycle has been used, since this truck is used for plowing snow.

~ ~ End of C.I.P. ~ ~

# Personnel Services & Benefits

Chart B

## 51 PERSONNEL SERVICES

**HOURLY RATE CALCULATIONS** Fiscal Year Starting: **July 1, 2015**

Classification	FY15	Union	One Time	FY16	COLA 1.7%, +1% CPI_U 1%, +1%	Non Union
	Base Rate This Yr.	Wage Incr 2.0%	Adjust- ment	Base Rate This July		
Superintendent-Salary	38.46	39.50	0.00	39.50		
Operations Manager	24.28	0.49	0.00	24.77		
Process Control Mgr	22.29	0.45	0.00	22.74		
Regulatory Compliance	21.48	0.43	0.00	21.91		
Maintenance Tech II	20.26	0.41	0.00	20.67		
Maintenance Tech I	19.72	0.39	0.00	20.11		
Maintenance Worker II	18.84	0.38	0.00	19.22		
Maintenance Worker I	18.45	0.37	0.00	18.82		
		0.00	0.00	0.00		

Classification	Hourly Rate Next Yr.	Authorized Base Rate Next Yr.	Seniority Date	LONGEVITY PAY			Total Hourly Rate Next Yr.	Name
				Years of Service				
				10	15	20		
Superintendent-Salary	\$39.50	6/27/06	\$0.00	\$0.00	\$0.00	\$39.50	J VanTrump	
Operations Manager	\$24.77	3/7/77	\$0.25	\$0.15	\$0.10	\$25.27	B Kane	
Process Control Mgr	\$22.74	8/19/85	\$0.25	\$0.15	\$0.10	\$23.24	E McFarland	
Regulatory Compliance	\$21.91	9/7/04	\$0.25	\$0.00	\$0.00	\$22.16	T Jones	
Maintenance Tech II	\$20.67	2/25/08	\$0.00	\$0.00	\$0.00	\$20.67	T Griffin	
Maintenance Tech I	\$20.11	7/27/09	\$0.00	\$0.00	\$0.00	\$20.11	D Ranzoni	
Maintenance Tech I	\$20.11	6/21/99	\$0.25	\$0.15	\$0.00	\$20.51	S Young	
Maintenance Worker II	\$19.22	3/19/07	\$0.00	\$0.00	\$0.00	\$19.22	P Lessard	
Maintenance Worker I	\$18.82	4/27/15	\$0.00	\$0.00	\$0.00	\$18.82	M Nickerson	

Total Annual Pay	Positions Next Yr.	Regular Hours	Scheduled O.T.Hours	Emerg/unsch O.T.Hours	Ave. OT Rate	Base Pay Next Year
Superintendent-Salary	1	1,040				41,078
Operations Manager	1	2,080	0	0	0	52,552
Process Control Mgr	1	2,080	0	0	0	48,330
Regulatory Compliance	1	2,080	0	0	0	46,092
Maintenance Tech II	1	2,080	0	0	0	42,984
Maintenance Tech I	1	2,080	0	0	0	41,838
Maintenance Tech I	1	2,080	0	0	0	42,670
Maintenance Worker II	1	2,080	0	0	0	39,971
Maintenance Worker I	1	2,080	0	0	0	39,144
Regular hourly wages	8.5	16,640				353,581
Overtime - (5)			996	200	\$ 33.43	39,985
<b>Next Year's Total</b>	<b>8.5</b>	<b>16,640</b>	<b>996</b>	<b>200</b>		<b>\$434,644</b>

~ ~ Personnel Services Continued on Next Page ~ ~

**PERSONNEL SERVICES & BENEFITS** **CHART B**

BREAKOUT OF WAGES	Account Number		Gross Pay
Wages - Salaries	5100	Supt. - 50% shared w/Water Div.	41,078
Wages-Hourly Full Time	5105		353,581
Wages=Overtime	5110		39,985
			0
Hourly Wage Totals			<u>\$ 434,644</u>

**Historical Overtime:**

FY2016 Bud	1,196
FY2015 Bud	1,214
CY 2014	1,131
CY 2013	1,155
CY 2012	1,164
	<u>3,450</u>
3 Year Avg.	1,150

**52 EMPLOYEE BENEFITS**

	Gross Wages Next Year	ICMA Retirement	FICA & Medicare	MSRS Retirement	Workers Comp.	Unem- ployment	Health Insurance
FY2016 Bud	\$434,644	\$2,670	\$33,250	\$35,027	\$8,429	\$2,550	\$88,788
	Rates ->	Up To	7.65%	8.90%	2.00%	2.50%	Net eff. 7/1/15
		6.50%	of Gross	of Gross	of Gross	Of Regular	Family
		of Gross	Wages			Wages	Adult&Child
							\$1,521.66
						(8.5 FTE up to \$12,000)	Single
							\$1,106.86
							\$698.93
							Next CY Est
Employee health insurance contribution increase from 15% to 17.5%, effective 7/1/15							7.50%

**5230 Health Insurance Opt Out**

This is a reimbursement program to reimburse employees for the costs of out of pocket costs for health insurance premiums paid for by the spouse's employer as well as costs for deductibles, etc., up to a maximum annual amount that is voted on annually in December by the Town Council.

**5245 Retirement Health Savings Acct.**

For employees who have accumulated their maximum amount of sick leave, the Town calculates the amount of sick leave the employee would have earned beyond his/her maximum following each calendar year, and the Town contributes 25% of that amount to the employee's Retirement Health Savings account.

<b>Contractual Services</b>	<b>Chart C</b>
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**5300 ALARMS & PAGING**

	<i>Number</i> <i>This Year</i>	<i>Number</i> <i>Next Year</i>	<i>Cost Each</i> <i>This Year</i>	<i>Cost Each</i> <i>Next Year</i>	<i>Estimated</i> <i>This Year</i>	<i>Requested</i> <i>Next Year</i>
Paging - Contract for paging call people	3	3	102	104	306	312
Fire Alarm Monitoring	4	4			515	525
Includes monthly maintenance and service contract.						
<b>Total Alarms &amp; Paging</b>					<b>\$821</b>	<b>\$837</b>

**5306 TOWN MANAGEMENT FEES**

Administrative Services is the cost to the General Fund of providing accounting and management services to the Sewer Fund, Water Fund and Cruise Ship Fund. We charge a flat amount each quarter, to cover all administrative services to each of those funds. The calculations for those amounts are shown in the General Fund Town Budget on page 11 of the charts.

	<i>Estimated</i> <i>This Year</i>	<i>Requested</i> <i>Next Year</i>
<b>5311 SPECIAL WASTE CLEANING</b>		
We have to clean the grit out of the septic receiving and pump stations every year and from the digester as needed. The contract includes trucking. Disposal is charged to the sludge Disposal account.		
Septage Receiving Station cleaning (bi-annual)	0	2,000
Pump Station Cleaning	4,500	4,000
<b>Total Septic Receiving Station Cleaning</b>	<b>\$4,500</b>	<b>\$6,000</b>

**5312 PUMP STATION PUMPING**

Occasionally, we have to hire a septic hauler to pump out one of our pump stations due to a power outage or for service.

**5326 ENGINEERING**

	<i>Estimated</i> <i>This Year</i>	<i>Requested</i> <i>Next Year</i>
<b>Items Funded Every Year</b>		
Routine Maintenance	3,000	3,000
<b>Special projects Funded</b>		
	0	0
	0	0
<b>Total Engineering</b>	<b>\$3,000</b>	<b>\$3,000</b>

**5330 OXIGEST UNIT & WET WELL PAINTING**

The FY15 project is to prepare and resurface the exterior surface of the Oxigest unit at the Degregoire Park Treatment Plant. The Oxigest tank had exterior corrosion of varying levels from the concrete floor up which required cleaning and recoating. Painting the other Wet Wells have been deferred as priorities have shifted to reviewing the operations and conditions as a primary focus

\$ 15,000    \$    -

~ ~ Contractual Services Continued On Next Page ~ ~

**Contractual Services****CHART C****5332 GENERATOR SERVICE**

	<i>Number</i>	<i>Number</i>	<i>Cost Each</i>	<i>Cost Each</i>	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>	<i>This Year</i>	<i>Next Year</i>	<i>This Year</i>	<i>Next Year</i>
Generator Maintenance Agreements <i>Electric Power</i>	9	10	635	640	5,715	6,400
<b>Total Generator Service</b>					<b>\$5,715</b>	<b>\$6,400</b>

**5336 GENERAL EQUIPMENT MAINTENANCE**

	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>
<i>Process Servicing Corp - Annual Chlorine Equipment Maintenance</i>	1,250	1,269
<i>QC Services - Annual Lab Equipment Maintenance &amp; Calibration</i>	1,332	1,335
<i>Overhead Door Maintenance Contract</i>	497	504
<i>Building HVAC System - Mechanical Services</i>	1,240	1,140
<i>Variable Frequency Drive (VFD) Maint. -Horizon Solutions.</i>	6,036	6,036
<i>Maine Oxy Specialties - 4 cylinders</i>	200	200
<b>Total General Equipment Maintenance</b>	<b>\$10,555</b>	<b>\$10,484</b>

**5366 SLUDGE DISPOSAL**

	<i>Est. Tons</i>	<i>Tons</i>	<i>Cost/Ton</i>	<i>Cost/Ton</i>		
<b>Estimated Use</b>	<i>This Yr.</i>	<i>Next Yr.</i>	<i>This Yr.</i>	<i>Next Yr.</i>		
Treatment and Disposal <i>Soil Preparation, Inc.</i>	943	950	\$54.29	\$55.10	51,195	52,345
<b>Total Sludge Disposal</b>					<b>\$51,195</b>	<b>\$52,345</b>

**5368 TECHNOLOGY LICENSES & SUPPORT**

These are the annual licensing fees which must be paid in order to continue using the software or hardware and to receive maintenance and support services. These fees also include upgrades, enhancements, modem support, etc.

<i>Product</i>	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>
<i>ArcView - GIS mapping software license - Single Use, Secondary, Maintenance</i>	300	300
<i>ArcPad - Application Builder - Primary, Maintenance</i>	250	250
<i>General Code - Laserfiche</i>	147	147
<i>Automatech - SCADA (System Control And Data Acquisition) license and support</i>	1,885	1,950
This is the software that runs the plant and keeps track of equipment maintenance.		
<i>IT pipes software license (for new camera system) -Infrastructure Tech.</i>	1,500	1,500
<b>Total Technology Licenses and Support</b>	<b>\$4,082</b>	<b>\$4,147</b>

**5384 LABORATORY TESTING**

The US EPA and Maine DEP require us to do some very expensive testing, which is beyond our capabilities, so we must hire it out. Testing requirements change from year to year, depending on our license renewal cycle. Licenses must be renewed every five years. Our next renewal is scheduled for FY16. Typically, the DEP requires a lot of additional testing in the year prior to renewal.

<b>Materials &amp; Supplies</b>	<b>Chart D</b>
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**5410 CLOTHING PURCHASES**

Safety Boots, Hip Boots, Foul Weather Gear, Coveralls, Jackets, etc.

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**5424 SODIUM HYPOCHLORITE**

We disinfect our effluent with sodium hypochlorite, the equivalent of super strong bleach.

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**5441 MAGNESIUM HYDROXIDE & OTHER SUPPLIES**

We use magnesium hydroxide to adjust the pH of our effluent.  
Miscellaneous - Other treatment chemicals are also charged to this account.

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**5442 POLYMER SUPPLIES**

We use polymer chemicals in the sludge dewatering process.

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**5452 SODIUM BISULFITE**

We use this chemical to remove sodium hypochlorite from our effluent prior to discharge to the ocean.

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**5458 VEHICLE SUPPLIES -**

This account is used for the purchase of parts and supplies needed to maintain and repair Wastewater Division vehicles and equipment. Typical examples of items charged to this account include motor oil, filters, tires, wipers mufflers, batteries, starters, etc.

Account 5658 "Vehicle Repairs" is used for repair and maintenance jobs sent to an outside repair shop.

~ ~ End of Materials & Supplies Details ~ ~

# Utilities & CommoditiesChart E

## 5504 ELECTRICITY - PLANTS

The largest variable in our electric bills is not the rate, but the consumption. In very wet years, we use a lot more electricity and our bills are much higher. Therefore, we budget using either a 3 year average or a flat budget. Supply rates were locked in on the 2 plants from 12/1/12 to 12/15 @ .0669 which avoided the temporary supply cost hikes during the last 2 winters; thus stabilizing the overall costs. Overall kwh costs range from .12 to .15.

## 5506 ELECTRICITY - PUMPING

The largest variable in our electric bills is not the rate, but the consumption. In very wet years, we use a lot more electricity, and our bills are much higher. Therefore, we budget using a 3 year average or a flat budget. Supply rate was locked in on the Main St. pump station from 12/1/12 to 12/1/15 @ .0669 which avoided the temporary supply cost hikes during the last 2 winters; thus stabilizing the overall costs.

## 5508 HEATING OIL & KEROSENE

In very cold years, we use a lot more fuel oil, and our bills are correspondingly higher. Therefore, we budget using a three year average of consumption. All plants, pump stations and other facilities are heated with oil, except for the DeGregoire Plant, which is partially heated with kerosene.

<b>Historical Use</b>	<i>Fiscal Year</i>	<i>Gals. Bought</i>	<i>Price /Gal.</i>	<i>Price Increase</i>		
	FY12	6,416	\$2.9400	-43.6%		
	FY13	7,135	\$2.7700	13.6%		
	FY14	6,663	\$2.7500	25.6%		
	<i>Averages</i>	6,738	\$2.8200			
<b>Estimated Use</b>					<i>Estimated This Year</i>	<i>Requested Next Year</i>
This Year	FY15	7,699	\$3.0700	11.6%	23,636	
Next Year	FY16	6,738	\$2.6600	-13.4% (contract)		17,923
<b>Total Utilities - Heating Oil &amp; Kerosene</b>					<b>\$23,636</b>	<b>\$17,923</b>

## 5530 WATER

Usage was down in FY15, so a flat budget should cover the proposed water rate increase.

# Repairs & MaintenanceChart E

## 5616 LINE EQUIPMENT / FLOT TOTES

This budget includes enough monies to buy 3 new Flo-Totes @ \$7000 each and include monies for normal repairs of other line equipment such as the sewer camera. Flo Totes are necessary for compliance with the Town's CSO mandated monitoring program. Staff usually has 5 fully operational flo-totes with backups on hand. \$ 19,800 \$ 25,000

~ ~ End of Utilities & Commodities and Repairs & Maintenance ~ ~

<b>Equipment Purchases</b>	<b>Chart F</b>
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<b>5700 TECHNOLOGY EQUIPMENT - PURCHASE</b>	<i>Requested</i>
	<i>Next Year</i>

This account is used only for non-capital equipment. Anything which costs more than \$5,000 and has a life expectancy of five years or longer is budgeted in the Capital Improvement Program.

IT pipes GIS Receiving Software, Office License version	3,000
Operating Manager PC replacement	975
Maintenance Tech. PC replacement	975
Hulls Cove Tr. Plant PC replacement	1,100
	0
	0
	0

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<b>Total Technology Equipment Purchases</b>	<b>\$6,050</b>
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<b>5702 OFFICE EQUIPMENT - PURCHASE</b>	<i>Requested</i>
	<i>Next Year</i>

Various Office Furniture replacements	1,500
Copier replacement (Xerox 7 yrs old)	4,900
	0

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<b>Total Office Equipment Purchases</b>	<b>\$0    \$6,400</b>
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<b>5704 OPERATING EQUIPMENT - PURCHASE</b>	<i>Requested</i>
	<i>Next Year</i>

Misc. Hand Tools	3,000
Trailer for snow blower	2,000
Portable Gas Monitors	4,900
	0

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<b>Total Operating Equipment Purchases</b>	<b>\$0    \$9,900</b>
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~ ~ End of Equipment Purchases Details ~ ~

**DEBT SERVICE**

**CHART G**

New Debt is that incurred for the 1996 upgrades of the Bar Harbor and Hulls Cove Plants and subsequent debt issues. For rate setting purposes, "New" debt is included in the Capital Rate.

<i>Project Name</i>	<i>Actual Yr.Before Last: FY13</i>	<i>Actual Last Year FY14</i>	<i>Budgeted This Year FY15</i>	<i>Estimated This Year FY15</i>	<i>Requested Next Year FY16</i>	<i>Change: R.N.Y vs. B.T.Y.</i>	<i>Change: R.N.Y vs. E.T.Y.</i>
<b>Bond Issue E</b>							
<b>Main Wastewater Treatment Plant Upgrade - 1996</b>							
Last Payment in FY18							
Interest & Svc.Fee	71,611	61,131	50,107	50,107	38,514	-23.1%	-23.1%
Paying Agent Fees	500	500	500	500	500	0.0%	0.0%
Principal	398,341	408,554	419,295	419,295	430,592	2.7%	2.7%
<b>Bond Issue Total</b>	<b>470,452</b>	<b>470,185</b>	<b>469,902</b>	<b>469,902</b>	<b>469,606</b>	<b>-0.1%</b>	<b>-0.1%</b>

<b>Bond Issue N</b>							
<b>Hulls Cove Wastewater Treatment Plant Foremain &amp; Sewer Rehab - 2000</b>							
A.G. Edwards & Sons, Inc.		Average Rate = 4.12%			Original Principal = \$800,000		
Last Payment in FY28 Can be refinanced after February 2016							
Interest	25,604	24,423	23,225	23,225	21,923	-5.6%	-5.6%
Fees	0	0	0	0	0		
Principal	30,000	30,000	30,000	30,000	35,000	16.7%	16.7%
<b>Bond Issue Total</b>	<b>55,604</b>	<b>54,423</b>	<b>53,225</b>	<b>53,225</b>	<b>56,923</b>	<b>6.9%</b>	<b>6.9%</b>

<b>Bond Issue Q</b>							
<b>Sewer Rehabilitation - 2011</b>							
Morgan Stanley & Co., LLC		Average Rate = 2.7%			Original Principal = \$1,316,000		
Last Payment in FY32 Can be refinanced after February 2016							
Interest	34,973	33,884	32,778	32,778	31,650	-3.4%	-3.4%
Fees	0	0	0	0	0		
Principal	54,686	54,147	56,450	56,450	56,450	0.0%	0.0%
<b>Bond Issue Total</b>	<b>89,659</b>	<b>88,031</b>	<b>89,228</b>	<b>89,228</b>	<b>88,100</b>	<b>-1.3%</b>	<b>-1.3%</b>

	<i>Actual Yr.Before Last: FY13</i>	<i>Actual Last Year FY14</i>	<i>Budgeted This Year FY15</i>	<i>Estimated This Year FY15</i>	<i>Requested Next Year FY16</i>	<i>Change: R.N.Y vs. B.T.Y.</i>	<i>Change: R.N.Y vs. E.T.Y.</i>
<b>Total "New Debt"</b>							
Interest	132,188	119,438	106,110	106,110	92,087	-13.2%	-13.2%
Fees	500	500	500	500	500	0.0%	0.0%
Principal	483,027	492,701	505,745	505,745	522,042	3.2%	3.2%
<b>New Debt Total</b>	<b>615,715</b>	<b>612,639</b>	<b>612,355</b>	<b>612,355</b>	<b>614,629</b>	<b>0.4%</b>	<b>0.4%</b>

# Sewer Rate Schedule

**Chart H**

<i>Type of Rate</i>	<i>Measure</i>	<i>Old Rate FY15</i>	<i>New Rate FY16</i>	<i>Percent Change</i>
Operations Rate (See Chart M)	Per 100 Cubic Feet of Water Used	\$4.57	<i>discontinued</i>	
Capital Rate (See Chart M)	Per 100 C.F. of Seasonal Water Used	\$5.54	<i>discontinued</i>	
New Blended Rate	Per 100 Cubic Feet of Water Used		\$7.80	No increase
Minimum Operations Bills: (per quarter)				
- Residential Customers	Based on 600 Cu. Ft. of Water Used	\$45.70	\$46.80	2.4%
- Non-Residential Cust.	Based on 1700 Cu. Ft. of Water Used	\$127.96	\$132.60	3.6%
- Unmetered Customers	Based on 1300 Cu. Ft. of Water Used	\$98.26	\$101.40	3.2%
Septic Tank Pumpage (Note B)	Per 100 Gallons	\$11.22	\$11.22	0.0%
Sludge Disposal (Notes A & B)	Per 100 Gallons	\$6.72	\$6.72	0.0%
Connection Fee Rate	Per Gallon of Sewage Per Day (cap rate)	\$10.60	\$10.60	0.0%
	Per Inch of Sewer Service Diameter (cap rate)	\$100	\$100	0.0%
Late Payment Penalty(Note C)	Per Annum	7.0%	7.0%	0.0%

**Notes:**

- A. We dewater and dispose of sewage plant sludge for the towns of Mount Desert and Southwest Harbor.
- B. This rate was set based on market.
- C. The maximum amount of this rate is set by State Law as determined by the State Treasurer.

# Sewer Rate Calculations

Chart I

This spreadsheet calculates the minimum rates required in order to "break even" on a cash basis.

## VOLUME ESTIMATE

Quarter	Ending	Actual Yr. Before Last: FY13	Actual Last Year FY14	Budget This Year FY15	Actual This Year FY15	Requested Next Year FY16	Change: R.N.Y vs. B.T.Y.	Change: R.N.Y vs. E.T.Y.
Summer	September 30	9,568,000	9,740,000	9,700,000	9,375,000	9,650,000	-0.5%	2.9%
Fall	December 31	5,712,000	5,645,000	5,645,000	5,220,000	5,500,000	-2.6%	5.4%
Winter	March 31	3,590,000	3,225,000	3,225,000	3,270,000	3,300,000	2.3%	0.9%
Spring	June 30 (See Note A)	5,280,000	5,820,000	5,800,000	5,820,000	5,800,000	0.0%	-0.3%
Unmetered Accounts		250,000	250,000	250,000	250,000	250,000	0.0%	0.0%
Minimum Bills (See Note F)		2,100,000	2,000,000	2,000,000	2,100,000	2,150,000	7.5%	2.4%
<b>Annual Volume in Cubic Feet (See Note B)</b>		<u>26,500,000</u>	<u>26,680,000</u>	<u>26,620,000</u>	<u>26,035,000</u>	<u>26,650,000</u>	<u>0.1%</u>	<u>2.4%</u>
Change			180,000	(60,000)	(645,000)	615,000 << Increase		
			0.7%		-2.4%	<div style="border: 1px solid black; padding: 2px; display: inline-block;">                     2.3% Volume Assumption                 </div>		RNY vs. ETY
						2.3		

## CALCULATED SEWER RATE

	Requested Next Year FY16
Operating Fund Expenditures	1,330,551
Capital Appropriations	865,500
Less Non Rate Revenues:	
Other Customer Charges	(97,100)
Other Income	(20,900)
Net Needed from Operations Charges	\$2,078,052
<b>Estimated Minimum Operations Rate / 100 cu.ft.</b>	<b>\$7.80</b>

- A. The volume estimate in the ETY column is actual for the first three quarters, and estimated for the spring quarter.
- B. Annual volume of water consumed, stated in cubic feet. One cubic foot is equal to 7.48 gallons.
- F. In order to calculate the needed rate, we must use the estimated volume. This volume must include an allowance for the cubic feet that are not used by the customer, but which we bill as part of the minimum bill.

~ ~ End of Sewer Rate Calculations ~ ~

# Net Income Statement

**Chart J**

	Actual Yr.Before Last: FY13	Actual Last Year FY14	Budgeted This Year FY15	Actual This Year FY15	Requested Next Year FY16	Change: E.T.Y.vs. R.N.Y.
<b>OPERATING REVENUES:</b>						
Charges for Services	1,969,947	2,035,414	2,032,150	1,992,000	2,015,000	23,000
Other Customer charges	157,597	88,179	106,760	89,400	97,100	7,700
Late payments, liens, other	17,469	20,541	16,470	13,700	14,900	1,200
<b>Total Operating Revenues</b>	<b>2,145,013</b>	<b>2,144,134</b>	<b>2,155,380</b>	<b>2,095,100</b>	<b>2,127,000</b>	<b>31,900</b>
Change in Charges >>		3.3%	-0.2%	-2.1%	1.2%	
<b>OPERATING EXPENDITURES:</b>						
Wages & Benefits	571,897	569,350	600,678	563,505	638,023	74,518
Contractual Services	238,676	220,477	253,358	234,789	206,688	(28,101)
Utilities & Commodities	206,463	204,963	213,236	215,019	209,813	(5,206)
Repairs & Maintenance	101,754	66,084	103,600	106,822	106,400	(422)
Equipment Purchases	11,638	5,530	22,450	20,398	22,350	1,952
Other Expenses, Travel, Etc.	39,137	41,400	43,637	48,045	45,278	(2,767)
Depreciation & Amortization	521,629	521,779	521,779	529,000	529,000	0
Materials & Supplies	86,871	99,865	98,266	100,675	102,000	1,325
<b>Total Operating Expenditures</b>	<b>1,778,065</b>	<b>1,729,448</b>	<b>1,857,004</b>	<b>1,818,253</b>	<b>1,859,551</b>	<b>41,298</b>
		-2.7%	7.4%	5.1%	2.3%	
<b>Net Operating Income</b>	<b><u>366,948</u></b>	<b><u>414,686</u></b>	<b><u>298,376</u></b>	<b><u>276,847</u></b>	<b><u>267,449</u></b>	<b><u>(9,398)</u></b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest Revenue (Investment)	6,346	5,761	6,971	6,000	6,000	0
Gain/(Loss) on Disposal of Assets	0	4,500	0	0	0	0
Federal & State Grants	0	0	0	0	0	0
Other Revenues-Assessments	15,974	0	79,775	79,775	0	0
Less Interest Expense	(132,188)	(119,438)	(106,110)	(106,110)	(92,087)	14,023
<b>Total Non-Operating Revenue (Expense)</b>	<b>(109,868)</b>	<b>(109,177)</b>	<b>(19,364)</b>	<b>(20,335)</b>	<b>(86,087)</b>	<b>(65,752)</b>
		-0.6%	-82.3%	-81.4%	323.3%	
<b>NET INCOME (LOSS) YTD</b>	<b>257,080</b>	<b>305,509</b>	<b>279,012</b>	<b>256,512</b>	<b>181,362</b>	<b>(75,150)</b>
Change from Previous Year		48,429	(26,497)	(48,997)	(75,150)	

**TOWN OF BAR HARBOR  
SEWER DIVISION  
ANNUAL SUMMER DISCOUNT APPLICATION**

**ELIGIBLE TO "RESIDENTIAL" SERVICE CLASS CUSTOMERS ONLY**

Date \_\_\_\_\_

**Return by 9/15/2015!**

A/C# \_\_\_\_\_

If you use water outside your home for lawns and gardens, you may be eligible for an adjustment in your sewer user fees for the Third Quarter (July 1 – September 30). This application (or renewal) must be filled out each season by the customer.

Please fill out the attached form and return the lower section to the Sewer Department office at the Municipal Building if you do expect to use water outside during the Third Quarter. The Finance Department will then use an average of your first and second quarter usage to calculate your Third Quarter bill. This adjustment should provide a savings to families who wish to water their lawns, gardens, or wash their cars, etc.

**NOTE: YOU WILL NOT BE ELIGIBLE FOR THIS ADJUSTMENT IF:**

- 1) You run a business on your property;
- 2) The Residence is used for any commercial rental;
- 3) Your service accepts waste from more than one residential unit;
- 4) You are classified as a seasonal water customer

Per Chapter 165, Sewer Ordinance; Article III, Sewer Rates, Sec #165-7.B.(2)©[2]

Top – Customer Copy



**Return this section**

**Town Copy**

Date \_\_\_\_\_

Account# \_\_\_\_\_

I wish to apply for an adjustment in my sewer residential charges for the Third quarter (summer usage) because I use water for outside purposes (lawn, garden, car washes, etc.) that does not flow into the sewer system.

\_\_\_\_\_  
Customer signature

\_\_\_\_\_  
Print name of Property Owner  
as it appears on the tax bill

\_\_\_\_\_  
Location of Property

If not returned to the Bar Harbor Finance Department at the Municipal Building by September 15<sup>th</sup>, you may be disqualified for an adjustment.

# Sewer Ordinance Rate Amendment

Town of Bar Harbor

#2015-03

## **An Amendment to merge the operation and capital sewer rates and to adopt fiscal year 2016 Sewer Budget.**

*The Town of Bar Harbor hereby ordains that Chapter 165 of the Town Code is amended as follows:*

[Please Note: Old language is ~~stricken~~. New language is underlined.]

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### **Chapter 165. SEWERS**

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**[HISTORY: Adopted by the Town Council of the Town of Bar Harbor 10-2-1990 as Ch. 11 of the 1990 Code. Amendments noted where applicable.]**

\*\*\*\*

### **Article III. Sewer Budget and Rates**

*Editor's Note: The title of this article was amended 9-21-2010 by Ord. No. 2010-05.*

**[Added 1-2-1996; amended 6-3-1997; 11-18-1997; 7-6-1999]**

#### **§ 165-5. Statutory authority.**

The authority for this article is 30-A M.R.S.A. § 5405(1) which authorizes the Town Council to "fix the schedule of rates, fees and other charges for the use of, and for the services furnished...by any revenue-producing facility," including any sewage disposal system.

#### **§ 165-6. Definitions.**

As used in this article, the following terms shall have the meanings indicated:

#### **ANNUAL CAPITAL BUDGET**

The amount contained in the capital improvement budget for the municipal sewer system for a given fiscal year.

#### **CAPITAL RATE**

~~A rate per cubic foot of usage that is based on total municipal usage during the summer and fall quarters and which is sufficient to cover both the annual capital budget and debt~~

~~repayment.~~ *Editor's Note: The former definition of "debt repayment," which immediately followed this definition, was repealed 6-18-2013 by Ord. No. 2013-01.*

**DINING AREA**

That area commonly known as the "dining room," being the gross area used for the consumption of food within a restaurant, including aisles and walkways used by the diners and wait staff for circulation to, from and around dining tables and chairs but excluding food preparation areas, kitchens, dishwashing areas, wait staff stations, storage rooms, staff break rooms, retail space, cloakrooms, rest rooms, offices and checkout counters.

**FISCAL YEAR**

The financial year of the Town of Bar Harbor as determined by its Charter.

**MOUSE PRODUCTION AREA**

That area commonly known as the "mouse room" at the Jackson Laboratory, being the gross area used for the production of laboratory mice, excluding changing rooms, washrooms, ventilation rooms, entry areas and the like.

**MUNICIPAL SEWER SYSTEM**

All facilities owned by the Town of Bar Harbor for collecting, pumping, treating, composting and disposing of sewage, including but not limited to pump stations, collection systems, treatment plants and related clerical and administrative services.

**NONRESIDENTIAL**

Property not meeting the definition of "residential" as provided below.

**[Amended 10-21-2008 by Ord. No. 2008-04]**

**OPERATING BUDGET**

The budget adopted by the Town Council for the operation of the municipal sewer system during a given fiscal year, but not including the servicing of debt, depreciation or the capital improvement budget.

**[Amended 6-18-2013 by Ord. No. 2013-01]**

~~**OPERATIONS RATE**~~

~~A rate per cubic foot of usage that is based on total municipal usage and which is sufficient to cover the operating budget.~~

**QUARTER**

~~The first, second, third or fourth three-month period of a fiscal year as shown below:~~

<b>Season</b>	<b>Quarter</b>	<b>Dates</b>
Summer	First	July 1 to September 30
Fall	Second	October 1 to December 30
Winter	Third	January 1 to March 30
Spring	Fourth	April 1 to June 30

## RESIDENTIAL

Property that is used primarily as a single-family home or dwelling and is so classified in the Town of Bar Harbor assessing records

[Amended 10-21-2008 by Ord. No. 2008-04; 12-18-2012 by Ord. No. 2012-08]

## SEWER RATES

The rates to be charged to users of the municipal sewer system. ~~These rates consist of the operations rate and the capital rate.~~ The calculated rate shall be the total revenues to be raised by sewer rates divided by the estimated annual budgeted consumption.

## SUPERINTENDENT

The Wastewater Treatment Superintendent, his/her designee or, in their absence, the Director of Public Works.

## USAGE

The amount of input into the municipal sewer system as measured or estimated by the cubic foot.

## USER

The owner of a property that is connected to the municipal sewer system.

### § 165-7. Procedure for establishing rates.

A. Town Council action. The Town Council shall establish sewer rates by ordinance as required by Charter § C-30-A.

[Amended 9-21-2010 by Ord. No. 2010-05]

~~B. Operations rate. The minimum operations rate shall be established by subtracting from a fiscal year's operating budget all operating revenues expected to be received from all sources other than the application of the sewer rates to actual or minimum usage (i.e., sludge dewatering, interest earned, etc.) and then dividing the resulting number by a reasonable estimate of the annual total municipal usage for that fiscal year. For example:~~

~~[Amended 6-18-2013 by Ord. No. 2013-01]~~

Operating budget	\$1,000
Other revenues	<del>-\$250</del>
Net to be raised from operations rate	\$750

~~Total municipal usage = 100 cubic feet~~

~~Operations rate = \$750 / 100 cubic feet = \$7.50 per cubic foot~~

~~C. Capital rate. The capital rate shall be established by adding a fiscal year's annual capital budget and debt repayment, subtracting from that sum all capital revenues expected to be received from all sources other than the application of the sewer rates to actual or minimum usage (i.e., connection fees, sale of fixed assets, etc.) and all expenses otherwise financed, and~~

then dividing the resulting number by a reasonable estimate of the total municipal usage for the summer and fall quarters for that year. For example:

**[Amended 6-18-2013 by Ord. No. 2013-01]**

Annual capital budget	\$1,000
Debt repayment	+\$200
Capital revenues	+\$200 -
Expenses otherwise financed	-\$200
Net to be raised from capital rate	\$1,200

Estimate of total municipal summer and fall usage: 200 cubic feet

Capital rate = \$1,200 / 200 cubic feet = \$6 per cubic foot

**DB. Billing.**

- (1) Classification. All users shall be classified as either residential or nonresidential for purposes of minimum billing and application of summer residential discount.
- (2) Determination of usage.

**[Amended 4-4-2000; 10-21-2008 by Ord. No. 2008-04]**

- (a) Metered properties. The amount of usage in a given quarter by a user whose property is serviced by the Bar Harbor Water Division shall be the cubic feet of water used at that property for that quarter as determined by water meter readings performed by the Bar Harbor Water Division or the Town of Bar Harbor.
- (b) Unmetered properties. The amount of usage in a given quarter by a user whose property is not serviced by the Bar Harbor Water Division shall be deemed to be ~~2,150~~1,300 cubic feet per quarter.
- (c) Reduction of usage.

[1] Unmetered residential users. Any residential user whose property is not serviced by the Bar Harbor Water Division who, in advance of any quarter, certifies in writing to the Town Treasurer, on a form prepared and made available by the Town Treasurer, that there will be no usage by that user's property for 52 or more days in that quarter shall be deemed to have a usage of ~~1,000~~600 cubic feet for that quarter.

[2] Summer residential discount. Certain residential users, as described below, whose property is serviced by the Bar Harbor Water Division shall be eligible for a summer discount in recognition of the fact that during the summer much water passes through a water meter that does not then enter the municipal sewer system. To receive this discount, such user must apply in writing, before September 30 immediately following the quarter for which the discount is sought, to the Finance Department on a form prepared and made available by the Finance Department. The summer residential discount will be applied by billing the user for the summer quarter based on his or her average usage for the immediately preceding winter and spring quarters

or two quarters that can, at the discretion of the Finance Department, more reasonably estimate the basic usage of the residence rather than based on usage as indicated by a meter reading for the summer quarter. The discount shall not be available to:

[a] Properties with a sewer service accepting waste from more than one residential unit;

[b] Residences used in whole or in part for a home occupation, commercial rental, vacation rental, or other commercial use; or

[c] Properties classified as a seasonal water customer.

[3] Other reductions. Upon the receipt of sufficient evidence indicating that a user's total water consumption as indicated by a meter reading has not all entered into the municipal sewer system, the Town Treasurer may adjust a user's usage to reflect more accurately actual usage.

(3) Calculation and payment of bill.

(a) Generally. Each user shall be billed quarterly. ~~for an operations charge and a capital charge. The operations charge shall be in an amount equal to the operations rate then in effect multiplied by the usage by that user's property during the immediately preceding quarter. The capital charge shall be in an amount equal to 1/4 of the capital rate then in effect multiplied by the usage by that user's property during the total of the immediately preceding summer and winter quarters.~~ Bills shall be due and payable within 30 days after the date of the bill. Interest in the maximum amount allowed by state law will be charged on the unpaid balances of any bills not paid in full within 30 days after the date of the bill.

(b) Minimum bill. Notwithstanding actual usage or any discounts or reductions in usage, residential users shall be billed ~~for capital and operations charges~~ based on a minimum usage of ~~1,000~~ 600 cubic feet per quarter and nonresidential users shall be billed ~~for capital and operations charges~~ based on a minimum usage of ~~2,800~~ 1,700 cubic feet per quarter.

**§ 165-7.1. Sewer budget, fees and charges.**

[Added 9-21-2010 by Ord. No. 2010-05; amended 11-1-2011 by Ord. No. 2011-05; 12-18-2012 by Ord. No. 2012-08; 6-18-2013 by Ord. No. 2013-01; 10-20-2014 by Ord. No. 2014-06]

A. Budget adopted. The fiscal year 2015~~6~~ Sewer Budget, dated ~~October 7, 2014~~ August 4, 2015, is hereby adopted as published and summarized below.

(1) Fund balance. ~~Unreserved and undesignated~~ Designated fund balances are estimated as follows:

(a) Estimated starting ~~unreserved and undesignated~~ designated fund balances:

[1] Working Capital~~Operating Fund~~: ~~\$256,669~~ 440,624 ~~129,857~~.

[2] CIP Projects~~Capital Fund~~: ~~\$13,359~~ 1,262,846 ~~.23,245~~.

(b) Ending ~~unreserved and undesignated~~ designated fund balance:

[1] Working Capital~~Operating Fund~~: ~~\$209,885~~ 440,624 ~~30,607~~.

[2] ~~CIP Projects~~ ~~Capital Fund~~: \$78,458 1,258,950 ~~14,154~~.

(2) Revenues.

(a) Total revenues and other sources are estimated to be: \$2,133,000

~~[1] Operating Fund: \$1,288,441~~ 1,280,000.

~~[2] Capital Fund: \$953,685~~ 853,000.

(b) Revenue ~~from~~ for the sewer rates shall be calculated as follows from the total operating and capital appropriations minus any non-rate revenues:

~~[1] Operations rate charges: \$1,216,784.~~ Total revenue derived from sewer rate - \$2,078,052 ~~2,126,750~~

~~[2] Capital rate charges: \$856,826.~~

(3) Expenses. Total appropriations shall be:

(a) ~~Operating Fund~~ Operating Fund: \$1,335,224 1,379,250 ~~1,330,551~~

(b) Capital Fund ~~Capital Fund~~: \$1,094,122 854,500 ~~865,500~~.

(4) Rates.

(a) ~~Operations rate: \$4.57~~ 7.98 7.80 per 100 cubic feet of water used.

(b) ~~Capital rate: \$5.54 per 100 cubic feet of seasonal water used.~~

(e**b**) ~~Minimum operations bills.~~

[1] Residential customers: ~~\$45.70~~ 47.88 46.80 for up to ~~1,000~~ 600 cubic feet of water used per quarter.

[2] Nonresidential customers: ~~\$127.96~~ 135.66 132.60 for up to ~~2,800~~ 1,700 cubic feet of water used per quarter.

[3] Unmetered customers: ~~\$98.26~~ 103.74 101.40 per quarter (based on ~~2,150~~ 1,300 cubic feet of water used).

(e**c**) ~~Septic tank pumpage: \$11.22 per 100 gallons.~~

(e**d**) ~~Sludge disposal: \$6.72 per 100 gallons.~~

(e**f**) ~~Connection fee rate (per inch): \$100 per inch diameter of the service connection.~~

(e**g**) ~~Connection fee rate (per gallon): \$10.60~~ 11.05 10.60 per gallon of sewage per day.

(e**h**) ~~Late payment penalty: 7.0% per annum.~~

\*\*\*\*

[End of Ordinance]

Legislative History:

Introduced:	07-07-15
Re-Introduced	07-21-05
Public Hearing:	08-04-15
Council Adopted:	
Sent for Codification:	