



Portland Water District

FROM SEBAGO LAKE TO CASCO BAY

March 18, 2015

Alicia Gardiner
Finance Department, Comptroller
City of Westbrook
2 York Street
Westbrook, ME 04092

Subject: Computation of Westbrook Sewer Assessment and Capital Escrow Credit in accordance with section 8 of the Sewer Service Agreement dated 9/5/12.

Dear Ms. Gardiner,

In accordance with the Sewer Service Agreement dated 9/5/12, the Portland Water District has created a worksheet to compute the amount of sewer revenue that the City of Portland owes to the City of Westbrook for the calendar year-ended December 31, 2014. Per the agreement, "All fees collected from the (Portland) users in the service area shall be credited to Westbrook ...". However, Portland shall retain the right to charge a ready-to-serve charge for properties in their service area that are not connected to the sewer and shall retain all revenue associated with that charge. During 2014, Portland did not assess any ready to serve charges to any properties within the service area. The actual Portland charges billed from January through December 2014 for the effected properties were \$32,558.18.

Per section 8 of the agreement, Portland and Westbrook shall calculate an amount annually, which shall be considered a credit to Portland to be used in the event the Treatment Plant is expanded. The attached worksheet provides the actual charges incurred by the Portland users of \$32,558.18 and the computed Westbrook charge for the same users of \$25,313.04. Per the agreement, the difference between these two amounts of \$7,245.14 is multiplied by 50% to result in a Portland credit of \$3,622.57.

If you disagree with the calculations of the Total Westbrook Reimbursement or the Capital Escrow Credit, please respond back to me in writing with the reason(s) prior to Friday, April 17, 2015. If PWD does not hear from either the City of Portland or Westbrook prior to this date, then on April 24, 2015, Westbrook will be reimbursed \$28,935.61 and the Escrow account will be credited in the amount of \$3,622.57. These two amounts tie back to the Total Westbrook Reimbursement of \$32,558.18.

As of December 31, 2014, the Capital Escrow Account balance was \$44,210.52.



If you should have any questions or comments, please contact me at 523-5216 or by e-mail at tquirk@pwd.org.

Sincerely,



Thomas Quirk
Director of Financial Services

Cc: Brendan O'Connell, Director of Finance, City of Portland
David Kane, Executive Director of Administration, PWD

Enc. Computation of Portland Treatment Expense Payable to Westbrook – 2014
Sewer Service Agreement dated 9/5/12
Riverside Area Escrow Schedule thru 12/31/14

2014 Activity of Portland/Riverside Agreement Accounts

<u>Account Number/Name</u>	<u>Address</u>	<u>Portland Charges</u>	<u>Westbrook Charges</u>	<u>Diff \$</u>
117172-02 - PHOENIX WELDING	557 RIVERSIDE	\$222.64	\$219.38	\$3.26
117174-02 - PORTER DRYWALL	655 RIVERSIDE	\$1,918.33	\$1,447.64	\$470.69
117174-03 - RNJ ENTERPRISES LLC	655 RIVERSIDE	\$78.41	\$65.17	\$13.24
117175-04 - INGRAHAM BRIAN	607 RIVERSIDE	\$366.07	\$323.59	\$42.48
118177-02 - MAINELY INVESTMENTS	589 RIVERSIDE	\$1,364.94	\$1,034.67	\$330.27
118438-02 - BERZINIS REALTY LLC	597 RIVERSIDE	\$958.03	\$752.69	\$205.34
119193-07 - JIPSON WILLIAM	1920 FOREST	\$1,491.83	\$1,132.75	\$359.08
121034-02 - CHRISTYS # 32541	1917 FOREST	\$899.71	\$703.65	\$196.06
121430-01 - THERIO EUGENE	457 RIVERSIDE	\$292.02	\$268.42	\$23.60
121614-03 - FENTON CLARENCE	705 RIVERSIDE	\$606.87	\$495.23	\$111.64
121632-02 - DIXON FRANK	1948 FOREST	\$1,524.42	\$1,138.88	\$385.54
121678-05 - CLOSSON TODD	745 RIVERSIDE	\$404.01	\$335.85	\$68.16
121775-09 - ALI FOOS	1958 FOREST	\$140.56	\$119.21	\$21.35
121775-10 - DIXON FRANK	1958 FOREST	\$26.44	\$39.52	-\$13.08
121775-11 - PHAM COUNG	1958 FOREST	\$398.75	\$305.85	\$92.90
121775-12 - DIXON FRANK	1958 FOREST	\$9.40	\$11.13	-\$1.73
123566-02 - LIBBY MARK	639 RIVERSIDE	\$951.19	\$740.43	\$210.76
123568-06 - 625 RIVERSIDE ST TRUST	625 RIVERSIDE	\$325.02	\$292.94	\$32.08
123571-03 - SKINNER DANIEL H	619 RIVERSIDE	\$247.41	\$237.77	\$9.64
126124-07 - ANDERSON ERIC	707 RIVERSIDE	\$367.27	\$323.59	\$43.68
126996-01 - WASTE MGMT OF MAINE INC	2000 FOREST	\$641.75	\$519.75	\$122.00
127845-06 - RIVERSIDE SPIRITS LLC	447 RIVERSIDE	\$128.83	\$151.95	-\$23.12
127938-01 - DIPIETRO ANTHONY	508 RIVERSIDE	\$842.68	\$660.74	\$181.94
127953-03 - A H HARRIS & SONS	585 RIVERSIDE	\$282.29	\$262.29	\$20.00
128161-10 - FAMILY DOLLAR	752 RIVERSIDE	\$102.60	\$133.56	-\$30.96
128900-02 - COMNAV ENGINEERING INC	430 RIVERSIDE	\$1,119.60	\$863.03	\$256.57
129204-02 - INTENTIONALLY LEFT BLANK LLC	736 RIVERSIDE	\$2,626.06	\$1,960.30	\$665.76
129397-01 - A D AUTO SALES	1901 FOREST	\$983.33	\$764.95	\$218.38
129401-01 - ASSEMBLIES OF GOD	501 RIVERSIDE	\$376.08	\$329.72	\$46.36
129616-01 - CROCKETT GEORGE	460 RIVERSIDE	\$1,522.81	\$1,145.01	\$377.80
130929-01 - GOUGH ELEANOR	660 RIVERSIDE	\$154.08	\$170.34	-\$16.26
169789-06 - NEW ENGLAND COMMUNICATION	480 RIVERSIDE	\$512.16	\$427.80	\$84.36
181078-01 - CAPITAL ENDEAVORS LLC	557 RIVERSIDE	\$864.31	\$679.13	\$185.18
181260-01 - HANNAFORD BROTHERS	779 RIVERSIDE	\$6,361.30	\$4,620.72	\$1,740.58
200023-02 - RAINMAKER BUSINESS PARK	585 RIVERSIDE	\$2,108.50	\$1,567.98	\$540.52
203277-01 - SCHNITZER STEEL	568 RIVERSIDE	\$781.87	\$623.96	\$157.91
204267-01 - BLAKE EQUIPMENT CO-83	410 RIVERSIDE	\$556.61	\$443.45	\$113.16

\$32,558.18 \$25,313.04 \$7,245.14

Portland Credit (50% of Difference): \$3,622.57

Other Revenue to Westbrook: \$28,935.61

\$32,558.18

2014 Sewer Rates

Portland - Zero usage had a minimum charge of \$8.35, otherwise the charge was \$8.35 per HCF from January through June. Both the minimum and the per unit increased to \$8.81 for the rest of 2014.

Westbrook - The minimum charge for 0 or 1 HCF was \$11.13, each additional HCF was \$6.13. This rate was in effect the entire year.

SEWER SERVICE AGREEMENT

THIS AGREEMENT is made this 5 day of September 2012, by and among the CITY OF PORTLAND, a municipal corporation existing under the laws of the State of Maine with a business address of 389 Congress Street, Portland, Maine ("PORTLAND"); the CITY OF WESTBROOK, a municipal corporation existing under the laws of the State of Maine, with a business address of 2 York Street, Westbrook, Maine ("WESTBROOK"); and the PORTLAND WATER DISTRICT, a quasi-municipal corporation existing pursuant to Chapter 84 of the Private and Special Laws of Maine of 1975, as amended, with a business address of 225 Douglas Street, Portland, Maine ("DISTRICT").

WHEREAS, there is a significant need for public sewage collection and treatment in the Riverside Street/Warren Avenue/Forest Avenue vicinity of Portland, which area is specifically described on the plan attached as Exhibit A hereto (the "SERVICE AREA"); and

WHEREAS, the development of the sewer facilities will be enhanced and made more timely if DISTRICT provides the interception and treatment of the sewage using the existing Westbrook Gorham regional treatment plant; and

WHEREAS, the parties have previously entered into an agreement for the provision of sewerage services dated May 19, 2002 and October 17, 1994, which agreement by its terms has expired, although the parties are continuing to operate the sewerage services in accordance with its terms; and

WHEREAS, the parties deem it appropriate and in the interests of the public health, safety and welfare to provide the sewerage services to the SERVICE AREA pursuant to the terms hereof.

NOW, THEREFORE, in consideration of the mutual conditions and covenants contained herein, the parties agree as follows:

1. The domestic and sanitary sewage and waste water from the SERVICE AREA, as defined on the plan attached as Exhibit A, will be intercepted by the DISTRICT and delivered to the existing Westbrook Gorham Regional Treatment Plant for treatment. WESTBROOK agrees that Portland sewage treated at the Westbrook Gorham Plant will

be allocated to the design capacity of the Plant as originally provided to Westbrook. The parties agree that the flow pursuant to this Agreement shall not exceed 0.15 million gallons per day computed as a monthly average flow. DISTRICT shall install a flow measuring device that will be used solely to measure the flow of PORTLAND sewage into the WESTBROOK system and to calculate the percentage of use of the Westbrook Gorham Treatment Plant (hereinafter "Treatment Plant") by PORTLAND. DISTRICT shall maintain the device and bill PORTLAND annually for the maintenance of such device through its annual assessment to PORTLAND.

2. Sewer users in the SERVICE AREA will comply with use standards in the Westbrook Sewer User Ordinance as found in Chapters 26 and 27 of the City of Westbrook Ordinance.

3. PORTLAND shall approve all new sewer connections in the SERVICE AREA. All parties to this Agreement shall be notified in writing of all new sewer connections in the SERVICE AREA. PORTLAND will collect all sewer connection fees for the SERVICE AREA.

4. PORTLAND shall administer the Industrial Pretreatment Program in the SERVICE AREA. PORTLAND agrees to amend its Ordinance and/or rules and regulations as required, to make the Westbrook Industrial Pretreatment Program applicable to the SERVICE AREA. The DISTRICT reserves the right to audit PORTLAND's records related to the Program and to conduct on-site inspections on customers who require pretreatment. PORTLAND will collect all industrial pretreatment program fees for the SERVICE AREA.

5. Sewer users in the SERVICE AREA shall be billed the Portland sewer user rate, providing that said rate is higher than WESTBROOK's rate. In the event that the WESTBROOK sewer user unit rate (excluding minimum unit rate) becomes higher than PORTLAND's sewer user rate at any time in the future, this Agreement shall be renegotiated. Sewer user fees shall be billed and collected by the DISTRICT in accordance with the billing agreement between ~~PORTLAND and DISTRICT. All fees collected from users in the~~ SERVICE AREA shall be credited to WESTBROOK's annual sewer assessment.

PORTLAND shall retain the right to charge a ready to serve charge for properties in the area that are not

connected to the sewer and shall retain all revenue associated with that charge.

6. In the event that sewer users in the SERVICE AREA do not pay their sewer assessments and the outstanding delinquent balance is included in the credit made by the DISTRICT to PORTLAND's assessment, the DISTRICT will credit to WESTBROOK's sewer assessment such delinquent balance and add such amount to PORTLAND's annual assessment.

7. WESTBROOK represents that it has the allocated capacity in the DISTRICT's treatment plant to accommodate the sewage generated in the SERVICE AREA, and that it has 571,000 gallons per day in remaining capacity.

WESTBROOK shall provide PORTLAND a two (2) year written notice in the event that the treatment plant is reaching its capacity. PORTLAND shall have the option of:

a. Disconnecting its sewerage service from the treatment plant within the two (2) year period, without penalty; or

b. May request DISTRICT and WESTBROOK to expand the DISTRICT's treatment plant capacity at PORTLAND's cost, in an amount equal to PORTLAND's annual flow volumes into the plant, in the minimum amount of 150,000 gallons per day up to a mutually agreed-upon maximum amount ; or

c. Negotiate an alternative agreement agreeable to all parties to this Agreement.

8. PORTLAND and WESTBROOK shall calculate, on an annual basis, an amount which shall be considered a credit to PORTLAND to be used in the event the Treatment Plant is expanded as provided in Paragraph 7(b). DISTRICT shall provide billing records reflecting billings in the Service Area to PORTLAND and WESTBROOK for the purposes of calculating such credit. The credit shall be calculated as follows:

PORTLAND shall receive as a credit 50% of:

Annual billable flow (hundreds of cubic feet) into Treatment Plant from SERVICE AREA X
PORTLAND rate.

Less

Annual billable flow (hundreds of cubic feet) into Treatment Plant from SERVICE AREA X WESTBROOK rate.

WESTBROOK and PORTLAND shall notify DISTRICT of the credit amount. DISTRICT shall create a fund and deposit into such fund said credit amount, which shall be utilized by PORTLAND solely for the costs of the expansion of the Treatment Plant, as provided in paragraph 7(b), should one occur. Any interest generated on funds in such escrow account shall be paid to WESTBROOK.

In the event that this Agreement is terminated or expires and is not renewed, and the Treatment Plant expansion, as provided in paragraph 7(b), has not occurred, any amount remaining in such escrow account shall be paid to WESTBROOK.

9. The DISTRICT shall construct all interception and treatment facilities necessary for providing the sewage services to the SERVICE AREA and shall apportion all such costs to PORTLAND, including the financing and operating and maintenance costs in accordance with the terms of its Charter.

10. PORTLAND shall construct all collector facilities constructed or to be constructed within the SERVICE AREA, which collector facilities shall remain the property and the responsibility of PORTLAND. PORTLAND shall deliver such sewage to the DISTRICT at the following locations: (1) the manhole located on Forest Avenue, Route 302, Portland, Maine, at MDOT Station 207+06.56-4.41 feet left, as shown on Plan Number 945/1A, City of Portland, Engineering Archives; and (2) the manhole located on Riverside Street, Portland, Maine at PPW Station 40+00, as shown on Plan Number 978/1, City of Portland, Engineering Archives.

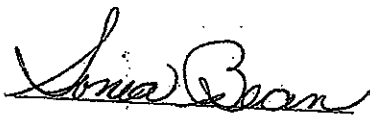
11. This Agreement shall continue for a ten (10) year period unless terminated by two (2) years written notice of any party. Upon termination, the interception and treatment of the sewage from the SERVICE AREA shall be performed by the DISTRICT in accordance with the terms of its Charter. ~~In the event of termination, PORTLAND will~~ notify its customers of any changes in the sewer service resulting from such termination. This Agreement may be renewed for an additional ten (10) year period upon agreement of all the parties.

12. The entire agreement among the parties relating to the subject matter hereof is contained herein, and no other terms or provisions and no representations or warranties of any of the parties not expressly set forth shall be of any force or effect. Each of the parties agrees to take whatever action and execute whatever document may be necessary to effectuate all the provisions of this Agreement. This Agreement may not be modified, altered or amended, except in writing, duly executed by all the parties.


13. In the event any inconsistency should arise between this Agreement and the DISTRICT's Charter, the Charter shall prevail.

IN WITNESS WHEREOF, the CITY OF PORTLAND, the CITY OF WESTBROOK and the PORTLAND WATER DISTRICT have caused this instrument to be signed and sealed in their respective names by their respective duly authorized officers the day and year first written above.

WITNESS

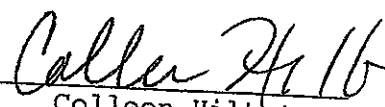


CITY OF PORTLAND

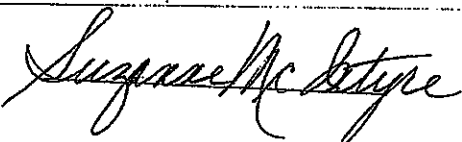
By 
Mark Rees
Its City Manager

WITNESS

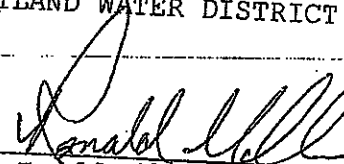
CITY OF WESTBROOK

By 
Colleen Hilton
Its Mayor

WITNESS



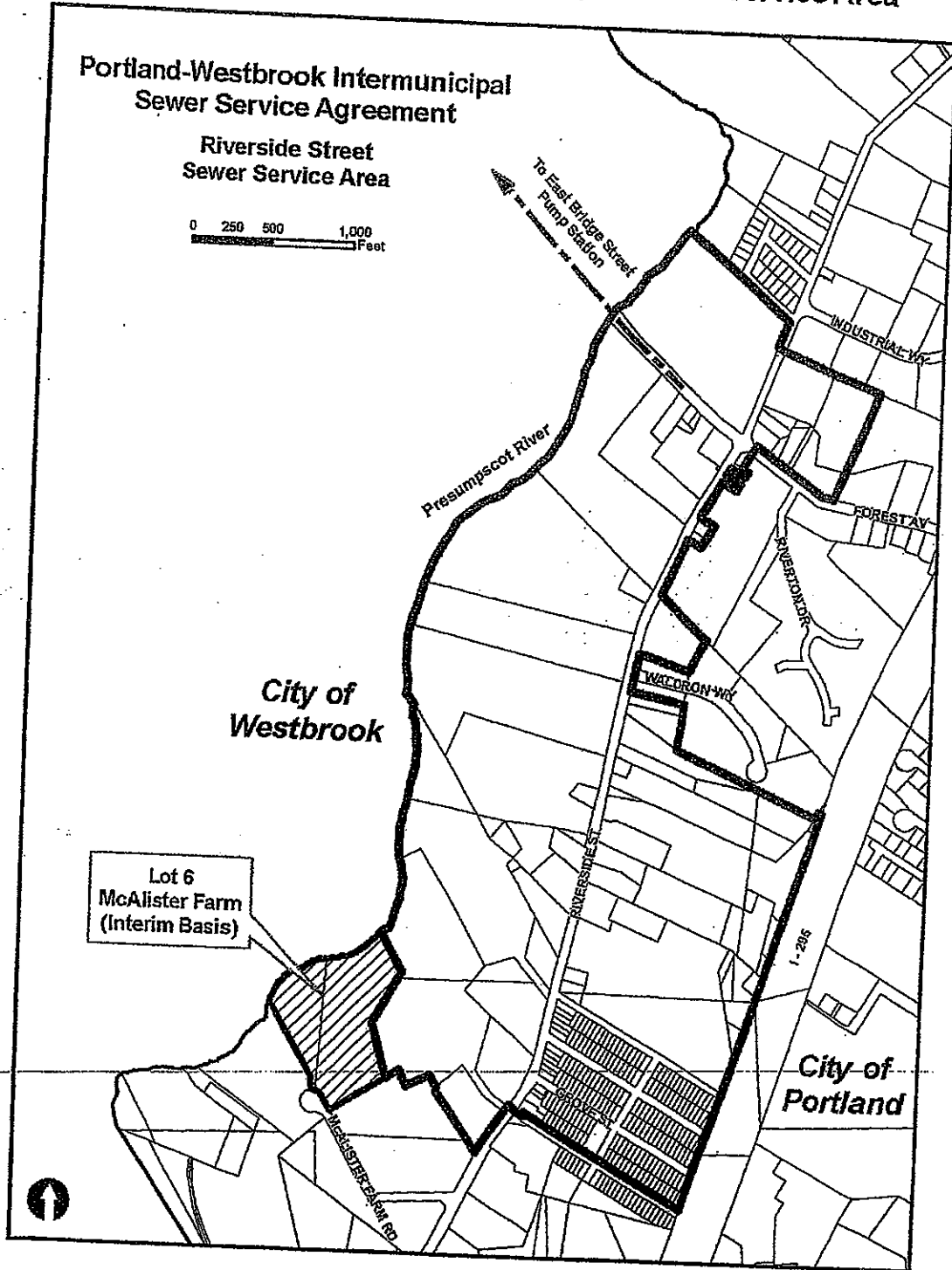
PORTLAND WATER DISTRICT

By 
Ronald Miller
Its General Manager

2012 06 05 Westbrook Sewer Service Agreement for Council

Exhibit "A"

Portland-Westbrook Intermunicipal Sewer Service Area



Portland Riverside Area Reserve Calculation

<u>Year</u>	<u>Beg Bal</u>	<u>Contribution</u>	<u>Adjustment</u>	<u>Interest</u>	<u>End Bal</u>
2002	-	416.76	-	-	416.76
2003	416.76	833.53	-	-	1,250.29
2004	1,250.29	878.28	-	-	2,128.57
2005	2,128.57	2,411.38	-	-	4,539.95
2006	4,539.95	4,980.11	-	-	9,520.06
2007	9,520.06	5,063.75	-	144.23	14,728.04
2008	14,728.04	6,053.24	-	129.15	20,910.43
2009	20,910.43	5,650.09	-	52.73	26,613.25
2010	26,613.25	5,047.50	-	49.71	31,710.46
2011	31,710.46	3,098.80	(64.28)	54.77	34,799.75
2012	34,799.75	3,145.86	(2.63)	48.62	37,991.60
2013	37,991.60	2,545.34	-	41.67	40,578.61
2014	40,578.61	3,622.57	-	9.34	44,210.52
		43,747.21	(66.91)	530.22	