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DEPARTMENT OF ENVIRONMENTAL PROTECTION



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TESTIMONY OF

**BRIAN KAVANAH, DIRECTOR
BUREAU OF WATER QUALITY
MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION**

SPEAKING NEITHER FOR NOR AGAINST L.D. 832

**AN ACT TO PROVIDE FUNDS TO REDUCE THE DEBT OF THE VASSALBORO SANITARY
DISTRICT**

SPONSORED BY SENATOR BRADSTREET

**BEFORE THE JOINT STANDING COMMITTEE ON
ENERGY, UTILITIES AND TECHNOLOGY**

DATE OF HEARING:

March 18, 2025

Senator Lawrence, Representative Sachs, and members of the Committee, I am Brian Kavanah, Director of the Bureau of Water Quality at the Department of Environmental Protection. I am speaking neither for nor against L.D. 832.

The Department is aware of the unusually high sewer user rates for customers of the Vassalboro Sanitary District (District). Last year I had several conversations and correspondence with Senator Bradstreet, Vassalboro Town Manager Aaron Miller, and contractors for the District regarding these hardship rates and we explored various options for rate relief. Unfortunately, the Department has no funding mechanisms for rate relief in this instance.

The short history here is that from approximately 1982 to 2020 the District had been licensed by the Department to discharge treated wastewater from three small sand filter systems to Outlet Stream

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(which is a relatively small stream for a wastewater discharge). In 2015 the Department established a water quality-based discharge limit for total phosphorus for these discharges due to impacts to Outlet Stream. The 2015 license contained a five-year compliance schedule to attain compliance with the new limit by 2020.

A consulting engineer hired by the District evaluated several options to achieve compliance and concluded that connection to the Kennebec Sanitary Treatment District (KSTD) in Waterville, via the Town of Winslow sewer lines, was the most cost-effective option based on estimated initial capital costs and ongoing O&M costs identified in the feasibility report. During this evaluation, beyond the phosphorous limit issue, the consulting engineer noted that the existing sand filter system had reached the end of its useful life and had several other significant problems. The project to connect to the KSTD, via the Town of Winslow sewer lines, was completed in 2020.

The District and the Town of Vassalboro were proactive in moving the project forward and seeking financial assistance from several entities for the eventual ~\$7.6 million project. Although it took a few years, a funding package was put together involving six federal and state funding sources. The package resulted in grants of ~ \$4.6 million and loans to the District of ~ \$3.1 million (approximately 61% grants and 39% loans).

The DEP portion of this package was ~ \$2.7 million, consisting of a \$1.04 million Clean Water State Revolving Fund (CWSRF) low interest loan, \$1.049 million CWSRF principal forgiveness funding (no repayment needed), and \$600,000 State Grant.

The Department understands that District user rates are very high compared to typical Maine sewer user rates, and the recent increases are greater than what was originally projected during project development due to a variety of factors. While I certainly defer to the District on the most accurate characterization of the average user rate for their system, I understand from a contractor for the District that the average Vassalboro Sanitary District rate is approximately \$2,600 annually. In comparison, average sewer user rates in Maine are approximately \$900 annually.

I'd be happy to answer any questions now or at the work session.

Thank you.