

May 30, 2024



## **Request for Proposals**

### **For the purchase and re-purposing of buildings and property at 230 Penley Corner Road in Auburn, Maine**

#### **Overview**

The Lewiston Auburn Water Pollution Control Authority (LAWPCA) is seeking Proposals (RFP) from parties interested in purchasing and re-purposing the former composting facility and surrounding land located at 230 Penley Corner Road in Auburn, Maine.

The objective of the RFP is to solicit interested parties who may have interest in purchasing the property “as-is”, whom LAWPCA will then negotiate a purchase and sale agreement with.

#### **Background**

LAWPCA was created by an act of the Maine Legislature in 1967 to provide wastewater treatment services to the Cities of Lewiston and Auburn. LAWPCA is not governed by the City of Auburn or City of Lewiston.

In 1991 LAWPCA borrowed from the State Revolving Loan Fund \$7,147,673 to build the Compost Facility in Auburn. As a result of the project, the Authority paid \$225,000 for upgrades of an electrical substation and for 3-phase power to be run down Riverside Drive and up Penley Corner Road, as well as, \$211,000 for improvements to Riverside Drive and Penley Corner Road. The Authority also acquired 116 acres with this purchase.

The 47,000 ft<sup>2</sup> building was set on 10 acres within the original 116- acre parcel. The composting facility is located at 230 Penley Corner Road and is located in the City of Auburn Agriculture and Resource Protection zone with an approved Special Exception Permit. The original siting approvals were issued by the Auburn City Council, as well as the Auburn Planning Board. In 2020, the approvals were consolidated in to one single Auburn Planning Board agreement for continued operation.

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The facility operated with LAWPCA biosolids only from 1992 until early 2013, which is when the LAWPCA treatment plant anaerobic digestion system went online. From 2013-2018, the facility was operated primarily with biosolids from other Maine facilities, contracted through Casella Organics, while the majority of the treatment plant biosolids were utilized in land application. During the summer of 2018 the Authority was issued a DEP consent agreement for the site due to the ground water contamination, and elected to halt the operation. The facility remained offline until the summer of 2019, at which time the Authority undertook a 6-month pilot project to prove it could operate with LAWPCA anaerobically digested sludge and no odor control system. The pilot was successful, and in June of 2020 the DEP issued the Authority a license amendment to operate under those conditions. The City of Auburn also approved an amended agreement to allow the facility to operate under the same conditions outline by the DEP. Due to a number of factors, the Authority elected to not operate under those conditions, and instead has mothballed the facility, while keeping it maintained and operationally ready.

LAWPCA worked with the DEP to address groundwater issues, primarily nitrate, presumably leaking from the biofilter odor control system, soon after the facility became operational. LAWPCA has worked with its environmental consultant Seevee & Maher to monitor site groundwater, and to perform permanent closure of the biofilter 2020, which presumably was the source of the groundwater contamination. LAWPCA stopped operation and any further groundwater contamination contribution in 2019, and has continued required post closure inspections and monitoring. LAWPCA currently has on-going requirements to monitor groundwater wells and report to the DEP bi-annually as part of its environmental monitoring plan.

In 2021, the 116-acre compost parcel life tenancy was removed, and 17.43 acres granted to Roger Gauthier and Virginia Beauchesne. In 2023, LAWPCA expanded the 17.43-acre parcel in to (2) 10-acre parcels in exchange for ownership of the entire access road. Roger Gauthier and Virginia Beauchene have a first right of offer on the sale of the property, and have been provided the notice of intent for LAWPCA to sell and repurpose the site. They have 30 days to enter in to a sales agreement with LAWPCA before their right to offer expires. They also have a 5-year farming agreement on the active agricultural portions of the parcel through 2026, although that agreement expires upon any sale of the property. City records currently show 99.86 acres on 230 Penley Corner Road, with the land assessed at \$129,400 and the building assessed at \$1,481,900 (total = \$1,611,300). However, in 2023 we granted 2.54 acres to Roger Gauthier and Virginia Beauchesne in exchange for approximately 1 acre of road ownership, meaning the total 230 Penley Corner parcel is now closer to +/- 98.25 acres. This is reflected in deeds, however, has not been updated within City of Auburn records.

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## **Site Details**

Land: 95 +/- acres

Zoning: Agricultural and Resource protection zone

Compost facility license- LAWPCA currently has an active license to operate the facility. Upon agreement for purchase and sale of the property, LAWPCA will surrender its operating license, and will also submit to the DEP the required closure plan as specified in Maine DEP chapter 410 rules. It is anticipated that a closure document will be provided by the DEP specifying on-going requirements for site groundwater monitoring and remediation. Any such requirements will be passed along to future property owner(s).

City of Auburn agreement: LAWPCA currently has an agreement with the City of Auburn to operate the facility with conditions similar to those applied by the DEP. Upon agreement for purchase and sale of the property, LAWPCA will submit to the City of Auburn the required closure plan as specified in our current agreement. All requirements by the City of Auburn will be met with such a closure plan, therefore no future obligations are anticipated to be passed on to future property owner(s).

Property tax: Current use not subject to property tax, however all future uses will be. City assessed value currently \$1,611,300.

Structural Analysis: a structural analysis of the compost facility building was performed in January 2023. A copy of the report is available upon request.

Electrical Power: 3-phase feed via 4/0 Aluminum wire running underground to the pad. Currently 500 KVA power is available, however the wire size would allow for installation of up to a max 2000 KVA transformer, capable of 2400 amps at 480 volts.

Access: Paved road access from Penley corner road is provided via a 75' wide (37.5' from each side of road centerline) piece of land. The access road is gated and marked with private property signage.

Environmental monitoring: The facility has been monitoring ground water since the 1990's. The potable well onsite is fully functional, however due to elevated arsenic, is not drinkable. It is anticipated that any new site owner would be required to either install a new upstream well, or install a point-of-entry-treatment (POET) system. All facility ground water monitoring results are available upon request. Additionally, annual water quality reports submitted to the Maine DEP for the years 2020-2023 are available upon request, and best represent current conditions as well as post biofilter closure groundwater improvements.

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### **Purchase and Sale Negotiations**

It is expected that any purchase and sale agreement would be contingent upon municipal approval, LAWPCA development and approval of a facility closure plan from City of Auburn, LAWPCA developing a closure plan for DEP approval, relinquishing the composting license, and acceptance of any and all DEP facility closure requirements including site remediation and environmental monitoring.

Other items anticipated to be negotiated are: financing terms, use of licensed fields for LAWPCA land application of biosolids, future liability, and extension of the existing farming agreement.

### **Site visit**

A mandatory site visit and inspection is required. All site visits must be coordinated with the LAWPCA General Manager by phone (207) 782-0917 x22 or [tpeaslee@lawpca.org](mailto:tpeaslee@lawpca.org).

### **Proposal Contents and Format**

Letter Proposals are to contain the following:

- An estimated financial offer, including any terms.
- Information on the bidder's plan for the entire site, including all buildings, equipment, and ancillary structures.
- Information on the bidders proposed timeline for re-purposing of the site.
- Information of bidder's capabilities to re-purpose the site.
- Identify the project team proposed to re-purpose the site (if applicable).
- A statement of understanding that the property, inclusive of all infrastructure, is being sold "as-is".
- A statement of understanding that any required site remediation and/or environmental monitoring will be the responsibility of the new site owner.
- A statement that the proposer has visited the site and has been provided any requested pertinent documents and has had an opportunity to have any questions answered.
- Any other relevant information you feel is important to properly assess the proposal.

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### **Selection**

The process for selection of an awardee will consist of a review committee, which will be comprised of personnel of LAWPCA and/or Board Members, who will review proposals, and may elect to interview proposers. The review committee will recommend an award to the LAWPCA Board of Directors. If awarded, the successful proposer will then enter in to negotiations towards a purchase and sale agreement.

The Authority specifically reserves the right to accept or reject any or all proposals on any rational basis when it is determined to be in the best interest of its rate payers.

### **Proposal Deadline**

Three copies of proposals must be received by the Authority no later than July 10, 2024 at 2:00 pm. Proposals may be mailed to P.O. Box 1928 Lewiston, ME 04241 or hand delivered to Authority's office located at 535 Lincoln Street, Lewiston, ME 04240 attention Travis Peaslee, P.E., General Manager.

### **Questions and Information**

Any questions concerning this request may be addressed to Travis Peaslee at (207) 782-0917 x22, or [tpeaslee@lawpca.org](mailto:tpeaslee@lawpca.org)