

RE: PB Responses from 9/30 meeting- Revised

Ed Cotter <ec@nordicaquafarms.com>

Thu 10/1/2020 3:31 PM

To: Wayne Marshall <wmarshall@cityofbelfast.org>; Jon Boynton <jboynton@cityofbelfast.org>

Cc: John Hessler <john.hessler@nordicaquafarms.com>; David Noyes <dsn@nordicaquafarms.com>; Joanna B. Tourangeau <JTourangeau@dwmlaw.com>

Wayne,

NAF provides the following, as well as attachments, in response to comments made last night by the planning board. Feel free to let me know if you have any questions, we will also include these in our draft FOF's under the assumption that you will add them to the record.

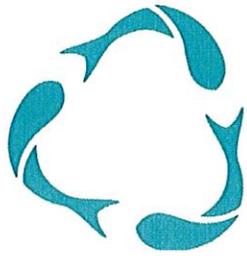
- Construction noise after allowable hours:
 - NAF proposes that the conditions on the permits allow for nighttime activities that are considered "quiet". To be more precise, we look for an allowance to allow interior activities proceed once building envelopes are substantially complete, thus mitigating light and noise pollution concerns.
 - Use of vehicles shall be limited to passenger vehicles for workers, as well as limited delivery vehicles given that a loop is provided to prevent the need for delivery trucks to back out thus preventing the need for back up alarms.
 - NAF further requests that on rare occasions where long duration activities require operations to extend into restricted hours, that this be allowed with the requirement that NAF coordinates with neighbors and Belfast CEO in advance.
 - Road work will be at the discretion of DOT requirements in some cases and NAF may need to perform some RT 1 work at night. Should this be the case, work will be coordinated with Belfast PD, DPW, and CEO.
- Water usage memo:
 - See clarification of surface water withdrawal on page 2 of the attached WS-Memo, Rev 1.
- Water rights under dam removal conditions:
 - Please refer to the attached BWD&City agreement excerpts provided for Board use. All pages are from the original agreement (part of TRI in original application) except the last page which is provided for clarity.
 - As can be seen in the document, NAF is purchasing some waterfront land as part of the "Realty" lot (Approx 250' as seen in my sketch). This waterfront parcel includes all submerged land rights of that the parcel allows. Both the "Realty" parcel and the Waterfront parcel are described ultimately as bounded by the Little River to the south. For this reason, the land rights continue to wherever the Little River is, even if the width of the river reduces due to a change in the dam.
- ACOE sampling locations
 - See attached locations of ACOE sampling that was completed.

Thanks,

Ed

Edward Cotter

*Senior Vice President**Nordic Aquafarms Inc.**159 High St.**Belfast, ME 04915**Mobile: 860.625.1908**Email: ec@nordicaquafarms.com*



NORDIC
AQUAFARMS
SUSTAINABLE AQUACULTURE

Water Supply Memo

8/20/2020

Note: Includes updated information
requested by Planning Board at meeting
of 9/30/20. Wayne Marshall

Based on the changing environmental needs of salmon through their life cycle, process water will include freshwater and a larger component of saltwater sources. Freshwater sources are proposed to include an on-site groundwater extraction well network, additional off-site supply from the BWD, and on-site surface water withdrawal from Belfast Reservoir Number One as back-up. Collectively, the project is anticipated to use a combined maximum of 1,205 gallons per minute (gpm) for freshwater and 3,925 gpm for saltwater on a continuous basis at full operational capacity. It is important to note that proposed groundwater withdrawal and municipal water values are maximums, not an average. The surface water withdrawal is an average, see below for a detailed description. This is to evaluate worst-case impacts on each resource, and the typical operations will not reach peak demand in these resources at the same time.

Planned Use	Composition	Source	Usage Rate
Domestic	Freshwater	Belfast Water District Municipal Supply	500 gpm 720,000 gpd
Process	Freshwater	On-Site Groundwater Well Network	455 gpm 655,200 gpd
Process	Freshwater, back-up	Belfast Reservoir Number One Surface Water Withdrawal	250 gpm 360,000 gpd
Process	Saltwater	Belfast Bay Ocean Pipeline	3,925 gpm 5,652,000 gpd

Table 1: Anticipated project water usage at full operational capacity.

GPM = gallons per minute, GPD = gallons per day

The water usage rates presented above in **Table 1** are anticipated to be reliable and sustainable water supply sources at the proposed usage rates. However, should water supply sources, particularly groundwater and surface water sources, require changes to the proposed withdrawal rates during operation (e.g. inflow to Belfast Reservoir Number One falls well below estimated baseflow), the project has been designed with the flexibility to account for decreased fresh process water by increasing saltwater intake rates and increasing the salinity of the process water. Similarly, as discharge from the Little River into Belfast Reservoir Number One increases above baseflow, groundwater withdrawals can be slowed and more of the total process water can be supplied by surface water if needed. This flexibility provides considerable operation leeway to allow for system maintenance (e.g. well maintenance or repairs) and hydrologic variability (e.g. decreased surface water inflows) without undue risk to overall facility production or natural resources.

Domestic Water

The project will require potable domestic water mainly for sanitization, fish processing, and domestic utilities. Domestic water will be supplied by the Belfast Water District (BWD) at an agreed maximum of 500gpm. This maximum value was provided by BWD and is well in excess of anticipated needs for the development. The BWD has the ability to provide this amount as stipulated in the signed January 29, 2018 Water Supply and Purchase Agreement between Nordic Aquafarms and BWD, the March 7, 2019 Capacity to Serve letter from BWD, and as approved by the Maine Public Utilities Commission.

Groundwater

Maximum usage rates for groundwater sources were selected based on hydrogeologic investigations, research, and modeling detailed in the 2019 Hydrogeologic Investigation Report by Ransom Consulting, Inc. This investigation included a test well drilling program based on interpretation of a Sitewide electrical resistivity survey, four separate aquifer pumping tests, and development of a numerical groundwater flow model for the Site. Based on the work performed, the project proposes to extract 455 gallons per minute (gpm) of groundwater from the bedrock aquifer underlying the Site from a production well network comprised of three production wells located on the eastern and southeastern portions of the Site. This well configuration and withdrawal rates were found to be a conservative maximum at which groundwater could be used for the facility in a sustainable manner. Further confirmation of sustainability is proposed through a robust water resource monitoring plan that will be further developed as part of the DEP NRPA/SLODA permit conditions.

Surface Water

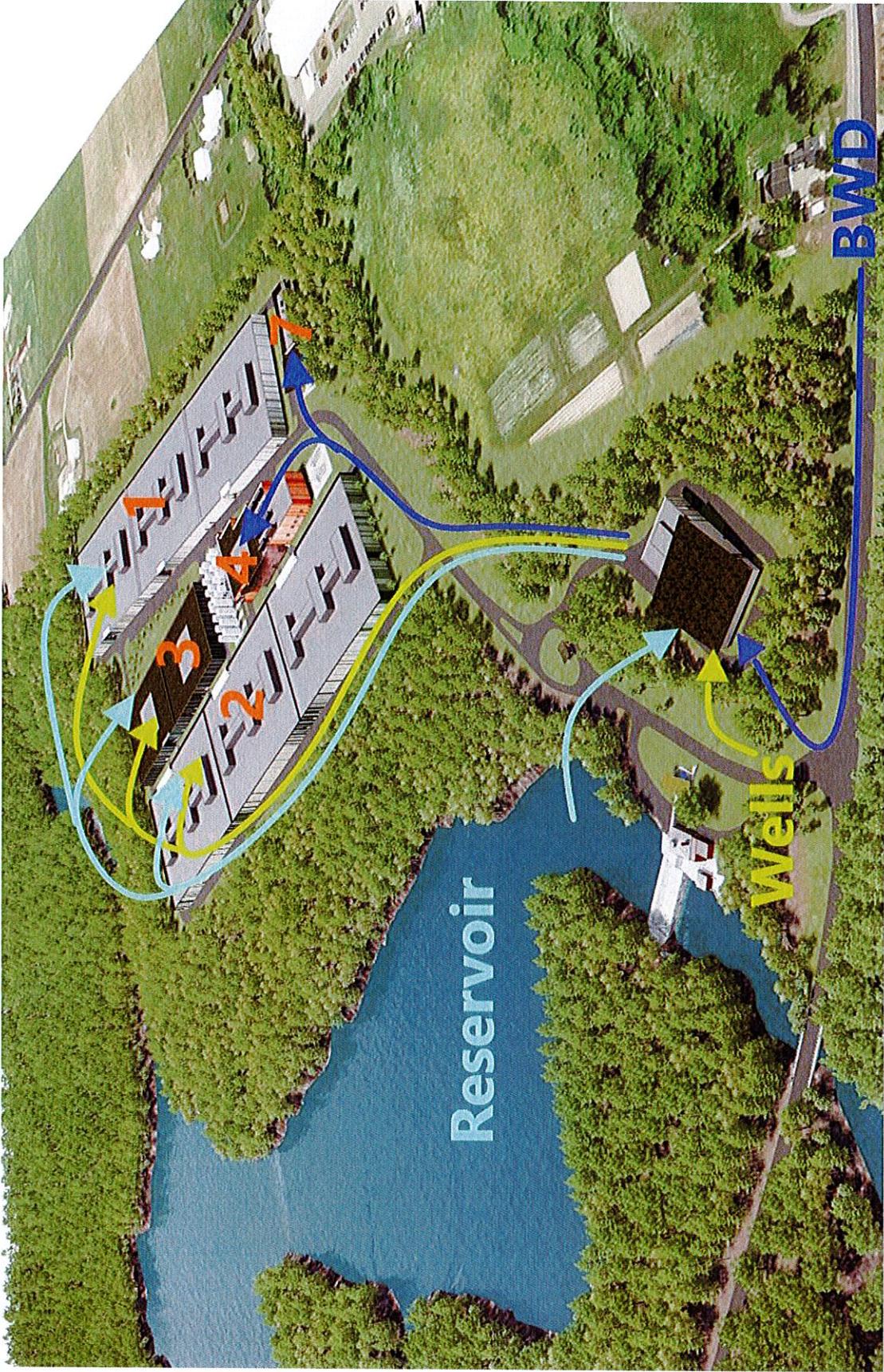
The proposed 250 gpm surface water withdrawal rate is an estimated use to replace another source temporarily, if needed, and represents 50% less than 500 gpm used historically when this reservoir was the primary drinking water supply for Belfast. The anticipated surface water withdrawal is based on rules set forth in Maine Department of Environmental Protection (MEDEP) Chapter 587 allowing for a withdrawal of 70 gpm plus inflows to Belfast Reservoir Number One (also known as the Lower Reservoir). In order to account for inflows into Belfast Reservoir Number One in the planning process, a rate of 250 gpm is presented in **Table 1** as a conservative estimate of the baseflow of the Little River. This rate is derived from the estimated 5% duration flow of the Little River.

Seawater

The saltwater needs for the facility will be drawn from Penobscot Bay using two parallel 30-inch diameter pipelines which extend approximately 6,400-feet from the shore access point to the intake point. The saltwater intake structures will be located about 10-feet above the seafloor and will feature 1-inch screen mesh to prevent entrainment of larger particulates or sea life. The pipelines will transport saltwater to a pump station located beneath the water treatment plant.

Attachment 1

Freshwater Supply Figure



OPTIONS AND PURCHASE AGREEMENT

This Options and Purchase Agreement, dated as of this 30 day of September, 2018, is by and between the **BELFAST WATER DISTRICT**, a quasi-municipal, consumer-owned water utility district having an address of 285 Northport Avenue, Belfast, Maine 04915 (the "Seller"), **NORDIC AQUAFARMS, INC.**, a Delaware corporation having an address of c/o Nordic Aquafarms AS, Øraveien 2, 1630 Gml Fredrikstad, Norway (the "NAF"), and the **CITY OF BELFAST**, a municipal corporation having an address of 131 Church Street, Belfast, Maine 04915 (the "City").

TERMS AND CONDITIONS:

1. Property Descriptions.

a. Premises. Seller owns the land depicted on Exhibit A hereto as the "Realty" together with any improvements thereon and appurtenances thereto, located in Belfast, Maine, containing approximately 18 acres, such land being a portion of the land identified on the City of Belfast Tax Map 29 as Lot 39 and specifically excluding the Lower Dam (hereinafter defined) (the "Realty"). Seller also owns the land located in Belfast, together with any improvements thereon and appurtenances thereto, northerly of the Cassida Property (as such term is defined in the Evaluation Agreement by and between the parties dated substantially herewith (the "Evaluation Agreement")) and easterly of the Waterfront Parcel (hereinafter defined), such land being depicted on Exhibit A in yellow dots above the lot marked "Cassida Property" and is marked "Additional Parcel", such land being a portion of the land identified on the City of Belfast Tax Map 29 as Lot 39 and containing approximately 12 acres (the "Additional Parcel"). The Realty and Additional Parcel, together with all right, title and interest of Seller in and to any land lying in the bed of any street, road, avenue, lane or other way (opened or proposed) adjacent to or abutting or adjoining such premises, together with all rights, privileges, rights of way and easements appurtenant to such premises, and all other appurtenances and rights associated with the property, including subterranean rights, air rights, water rights, riparian and littoral rights, rights in submerged lands, all sewer and utility rights allocated to the Realty and all rights and entitlements to the development of the Property is hereinafter referred to as the "Real Property". All buildings, fixtures and other improvements located thereon is hereinafter referred to as the "Improvements", and, together with the Real Property, the "Premises".

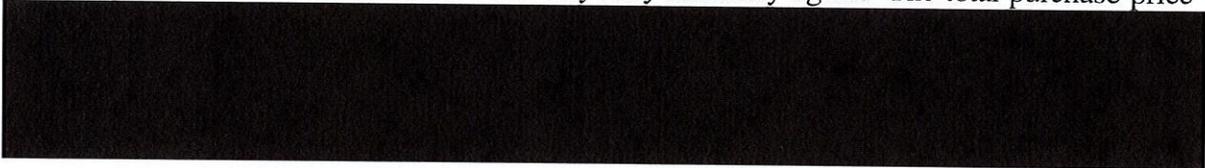
b. Lower Dam. Seller owns the dam structure located on the southeasterly portion of the Realty, which dam separates Belfast Reservoir Number One on Little River from Belfast Bay, and all appurtenances, rights, privileges and easements pertaining thereto including any flowage rights and access over the remaining land of Seller (the "Lower Dam").

c. Waterfront Parcel. Seller owns (i) the portion of City of Belfast Tax Map 29, Lot 39 which runs along the northerly shore of Little River, such land being depicted on Exhibit A as inside the red lines which are outside of the yellow lines and marked

“Waterfront Parcel”, (ii) the entirety of the Town of Northport Tax Map U1, Lot 6, which lot runs along the southerly shore of Little River between the Northport/Belfast town line and Route 1, (iii) the entirety of the City of Belfast Tax Map 4, Lot 23-C, which lot runs along the southwesterly shore of Little River northerly of the Northport/Belfast town line being approximately 3 acres, and Seller may have (iv) right, title and interest over the land (Tax Map 4, Lot 10) owned by a third-party for access to “Perkins Road” running from the northerly bound of the BWD premises on Lot 29, Map 39 to said Perkins Road (collectively (i) to (iv), with all appurtenances, rights, privileges and easements pertaining thereto, the “Waterfront Parcel”).

2. Options; Terms; Purchase Prices. Seller hereby grants to NAF the following options to purchase (collectively, the “Options”, and individually, an “Option”):

a. Premises Option. NAF shall have an option to purchase the Premises for twelve (12) months from the date hereof, provided, however, NAF shall have the right to extend this Option for an additional six (6) months by giving written notice of and payment for the extension to Seller on or before three hundred thirty (330) days from the date hereof (the “Premises Option”). At NAF’s election, on the Closing Date (as hereinafter defined) for the Premises Option, assuming Seller has the legal right to do so, Seller shall also grant to NAF an easement(s) appurtenant to the Premises over both the land owned by a third-party and the Waterfront Parcel for access to “Perkins Road,” a public right-of-way existing generally to the north of the Premises, which easement(s) shall be in a location and upon dimensions as NAF and the City may mutually agree. The total purchase price



b. Lower Dam Option. NAF shall have an option to purchase the Lower Dam for a term ending on the earlier to occur of the following: two (2) years from the date of Closing on the Premises or, if NAF does not exercise its Premises Option, upon the expiration of the Premises Option (the “Lower Dam Option”). The total purchase price for the Lower Dam shall be ONE and 00/100 Dollars (\$1.00) (the “Lower Dam Purchase Price”).

3. Waterfront Parcel Agreement. Seller agrees to sell and the City agrees to buy, upon the terms and conditions hereinafter set forth and upon NAF closing on the purchase of the Premises, the Waterfront Parcel subject to easements necessary for the infrastructure related to NAF’s land-based aquaculture facility on the Premises and related improvements project (the “Project”) so long as such easements do not unreasonably interfere with the nature path located on the Waterfront Parcel. At the City’s election, assuming Seller has the legal right to do so, Seller shall also grant to the City an easement(s) appurtenant to the Waterfront Parcel over the land owned by a third-party for access to “Perkins Road,” a public right-of-way existing generally to the north of the Premises, which easement(s) shall be in a location and upon dimensions as NAF and the City may mutually agree. The total purchase price for the Waterfront Parcel shall be up to  in the sole

understandings between the parties, including those contained in any letter of intent and any extensions or modifications thereof, and represents the full and complete understanding of the parties hereto in conjunction with the Water Supply Agreement or in the Evaluation Agreement. It being the intent of the parties that all obligations of the parties are contained only in this Agreement, and the entire agreement of the parties is fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Options and Purchase Agreement as an instrument under seal as of the day and year first written above.

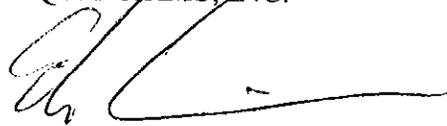
SELLER:

BELFAST WATER DISTRICT

By: 
Name: Keith Pooler
Title: Superintendent
Hereunto Duly Authorized

BUYERS:

NORDIC AQUAFARMS, INC.

By: 
Name: Erik Heim
Title: President
Hereunto Duly Authorized

CITY OF BELFAST

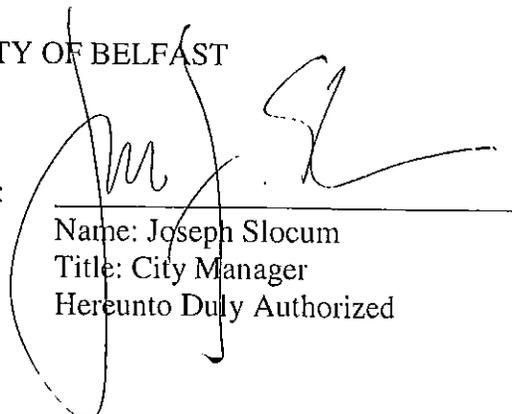
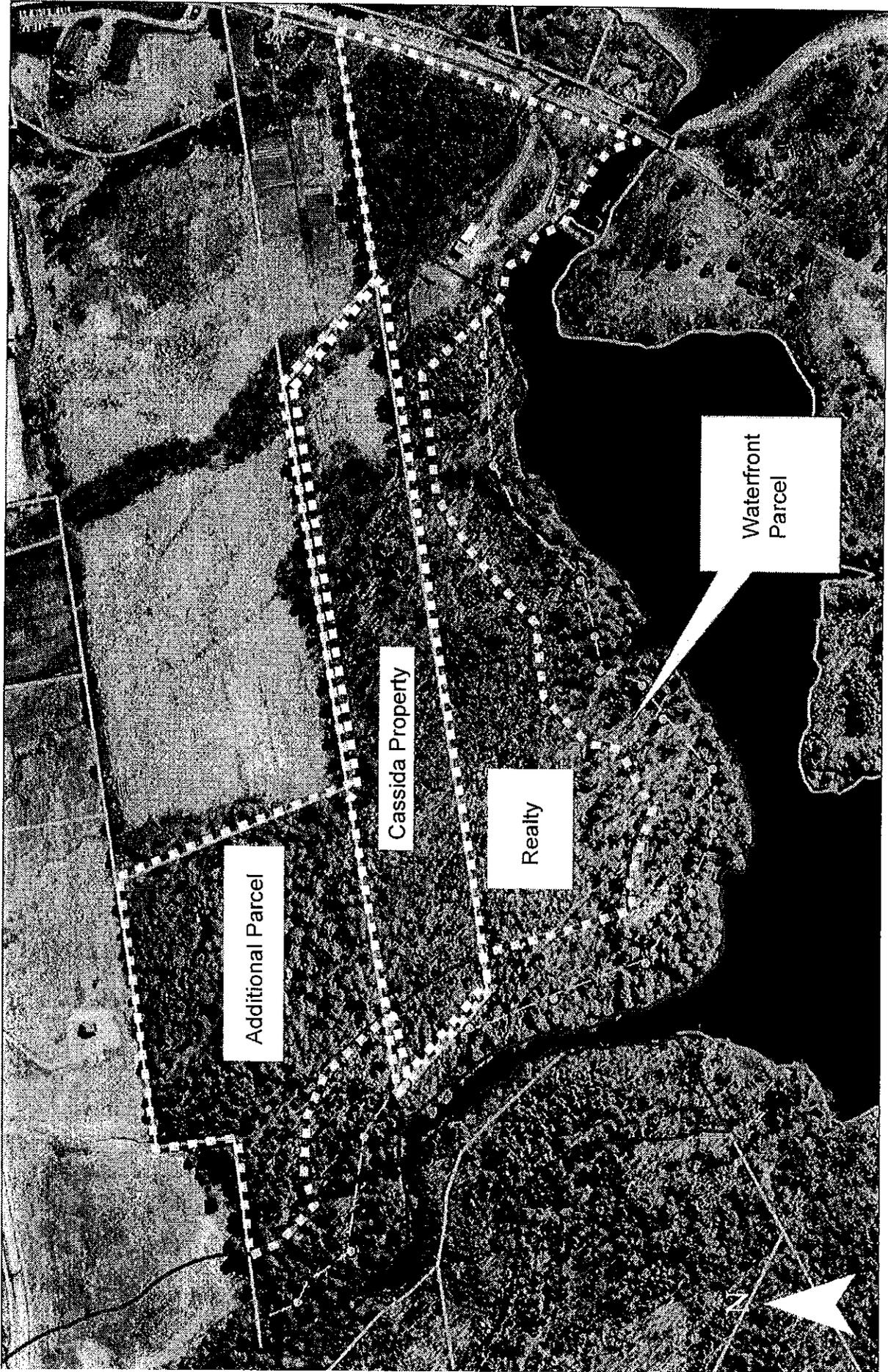
By: 
Name: Joseph Slocum
Title: City Manager
Hereunto Duly Authorized

EXHIBIT A
DEPICTION OF REAL PROPERTY

EXHIBIT A



District Land - @ 30 Acres
Cassida Land - @ 14 Acres (white dash)
Total Land - @ 44 Acres (yellow dash)

Red Line - Shoreland Zone - 250' from HAT
Green Line - 100' Structure Setback in Resource Protection Shoreland Zone

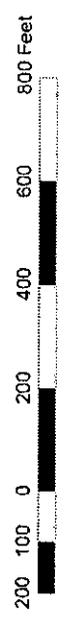
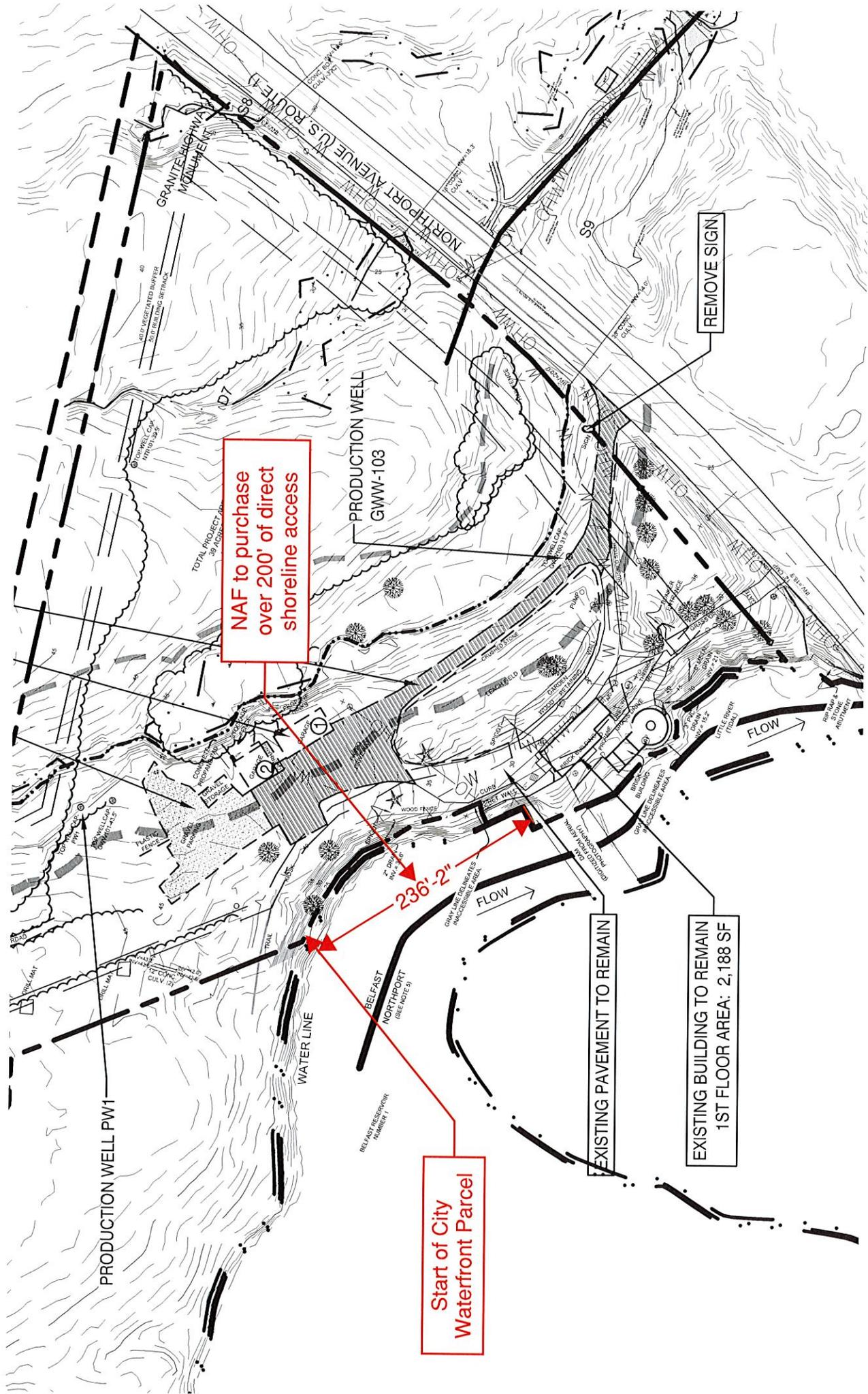


EXHIBIT B

PERMITTED ENCUMBRANCES

1. meter vault
2. water supply line for Northport Village Corporation
3. access and utility easements benefiting Seller's remaining land including the Additional Parcel and Lower Dam



NAF to purchase over 200' of direct shoreline access

Start of City Waterfront Parcel

PRODUCTION WELL GWW-103

REMOVE SIGN

EXISTING PAVEMENT TO REMAIN

EXISTING BUILDING TO REMAIN 1ST FLOOR AREA: 2,188 SF

PRODUCTION WELL PW1

WATER LINE

BELFAST NORTHPORT (SEE NOTE 5)

FLOW

FLOW

TOTAL PROJECT 39 ACRES

GRANITE HIGHWAY MONUMENT

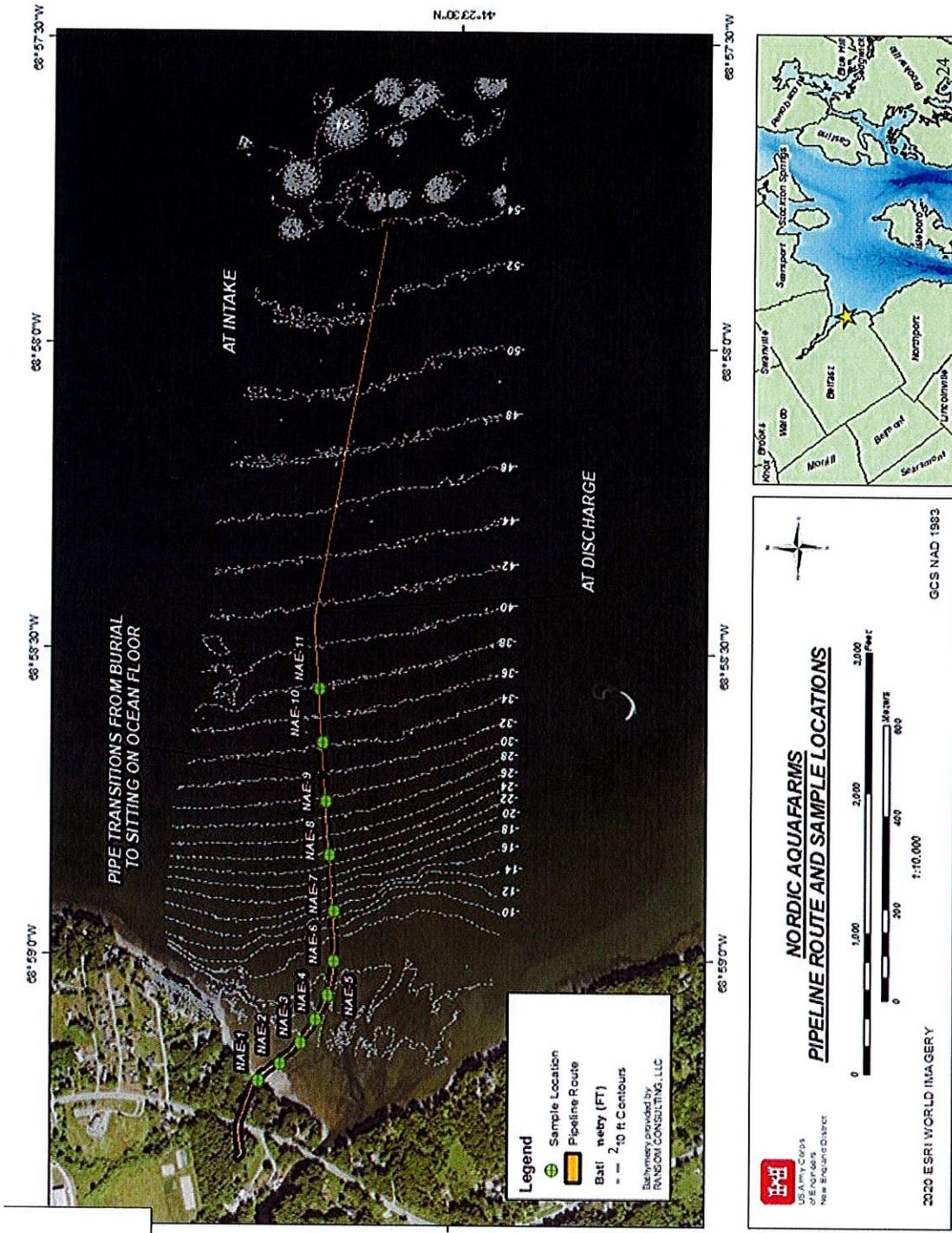
NORTHPORT AVENUE (U.S. ROUTE 8)

69

40' BUFFERED BUFFER

20' BUFFERED SETBACK

Figure 6 – Sediment sampling locations along the pipeline corridor (NAE specified locations using pipeline route provided by Ransom Consulting, LLC)



Sampling and Analysis Plan for the Proposed Nordic Aquafarms NAE-2019-01481 Draft 01JUN2020