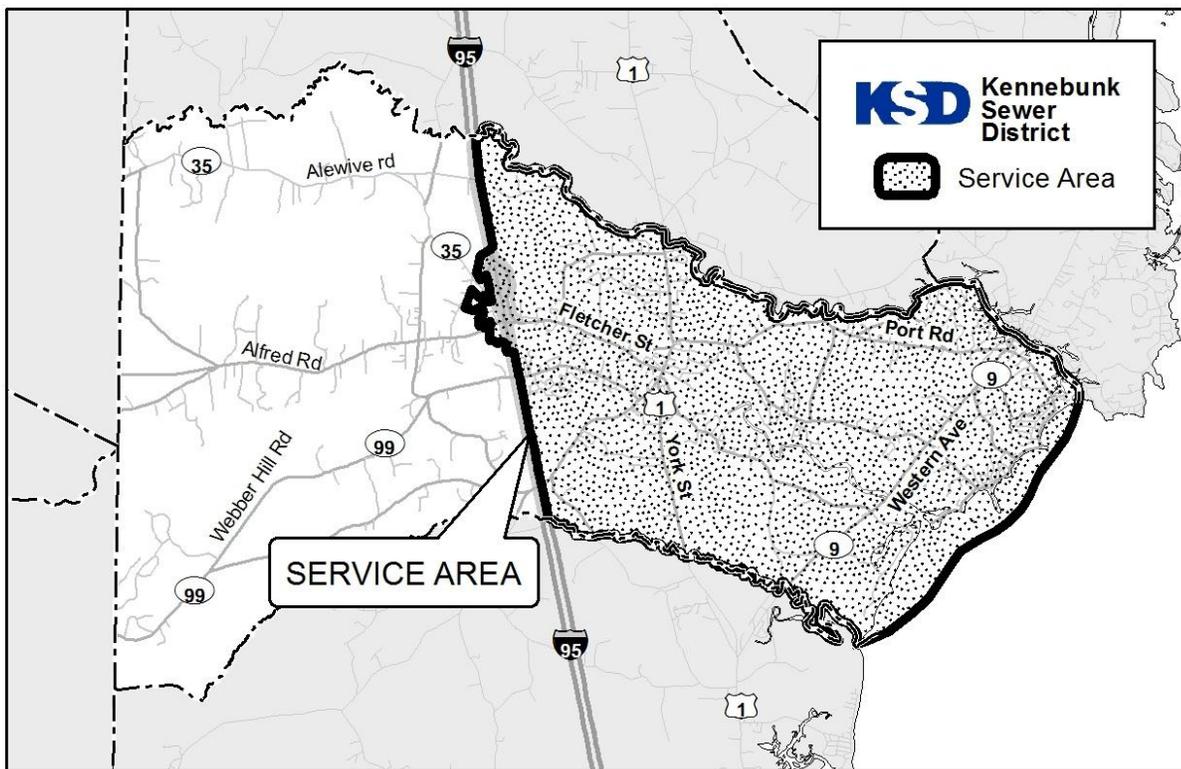


# REPORT OF THE KENNEBUNK SEWER DISTRICT

The Kennebunk Sewer District is a quasi-municipal entity that was incorporated by an act of the Maine State Legislature in 1955. Our mission is to provide reliable and cost effective sewer related services to our ratepayers while protecting public health and promoting environmental stewardship for the benefit of the community.

## Customers

The District's jurisdiction covers all of the area in Kennebunk east of the Maine Turnpike (I-95) and a small portion of the town west of the Turnpike serving the industrial park and governmental institutions such as the Fire Department, the Elementary and Middle Schools, and the Dorothy Stevens Facility. The map presented below shows the District boundaries



The District currently serves 3,135 of the 6,794 properties or 46% of the total properties in Kennebunk.

In 2013, the District had a significant loss with the closing of the William Arthur printing facility and the Truck Wash facility in the Industrial zone. There were 23 single family home equivalents added to the district in 2013.

The graph below shows the growth in customers since 2005.

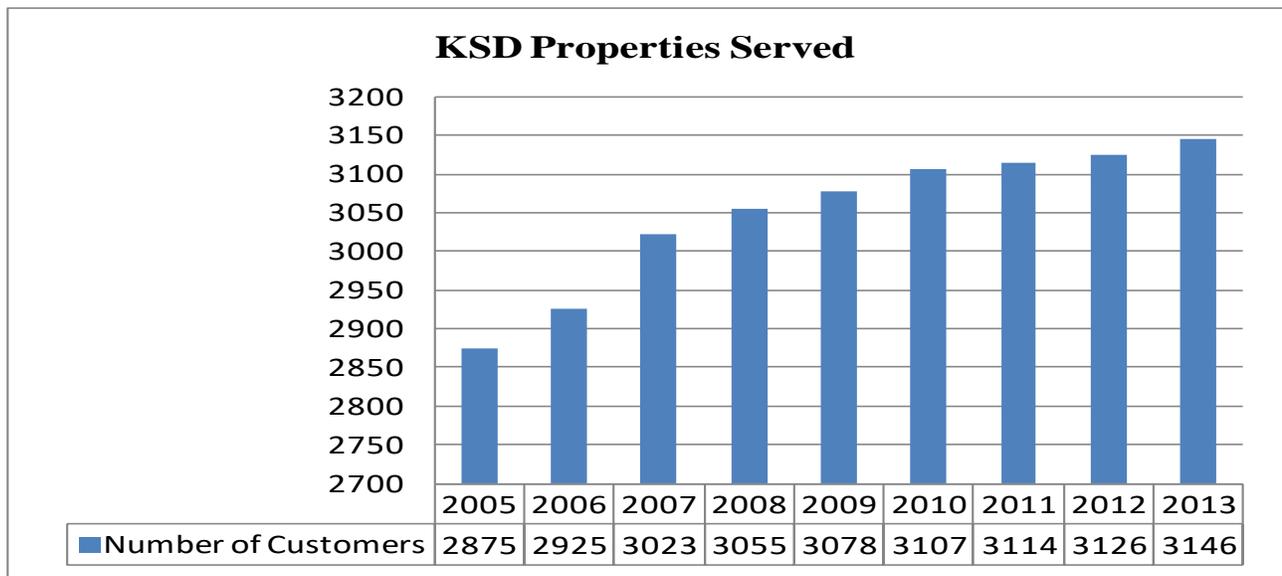


Figure 1

Based on requests from our customers, new payment options were introduced at the end of 2013. The District accepts electronic bill payments that deposit customer payments within a day and not the 10 days needed for the processing of a paper check. In early 2014, the district will also be accepting requests for automatic withdrawals from customer's checking accounts for those customers that wish to automate the payment of their fees. We will be looking at introducing credit card payments in 2014.

### Personnel

The District has 11 full time and 1 part time employees that work for the district. Personnel are responsible for the operation of the 1.31 Million Gallon per day plant, 28 pumping stations, and 40 miles of sewer. All of our operational personnel are licensed operators in wastewater operations and portions of the staff are certified in laboratory and collection systems.

Staff completed all of the required safety training in 2013. Additionally, the district requested an inspection by the Department of Labor in June and corrected all of the identified issues by December. There were no loss time accidents by staff this year.

In 2013, Ian Carter was hired as an operator. Ian has a bachelor's degree in Finance from the University of Southern Maine and has passed his Grade 1 Operator's License this year.

### Plant Expansion

In 2006, the District completed retrofits to the treatment systems to allow the plant to meet reduced nutrient discharge limits on the effluent to the Mousam River. Specifically, the Department of Environmental Protection required that the District meet an ammonia limit of 7 mg/l from June through October (reduced from the previous seasonal

discharge limit of 12 mg/l). Because of these seasonal discharge limitations, the capacity of the plant must be determined based on seasonal flows and loads. The modifications needed to meet the ammonia limit requirement have effectively decreased the available capacity of the biological system based on organic loadings.

Item	Original Design	Modified Design	Current	Remaining Capacity
<b>Average Daily Flow</b>	1.31 MGD	1.31 MGD	.734 MGD	0.559 MGD
<b>Organic Loadings (BOD)</b>	2576 lbs/da	1093 lbs/da	943 lbs/da	150 lbs/da

Table 1

While the plant still has adequate hydraulic capacity, the ability of the plant to treat the incoming waste biologically has been reduced due to the required process related modifications needed to treat ammonia. Currently, the plant has the ability to add an additional 150 lbs / day of organic loadings to the plant. This limitation means that we have capacity for about an additional 200 homes or their equivalent. Based on our current growth in Kennebunk, that means we have about 5-6 years of growth before the plant will need to be expanded. This time frame could be less if there were a significant industrial addition to system that used up our remaining capacity. Typically planning for expansion begins when the plant reaches 80 % of their capacity. The District has started this process and will be evaluating alternatives for plant expansion to meet future growth.

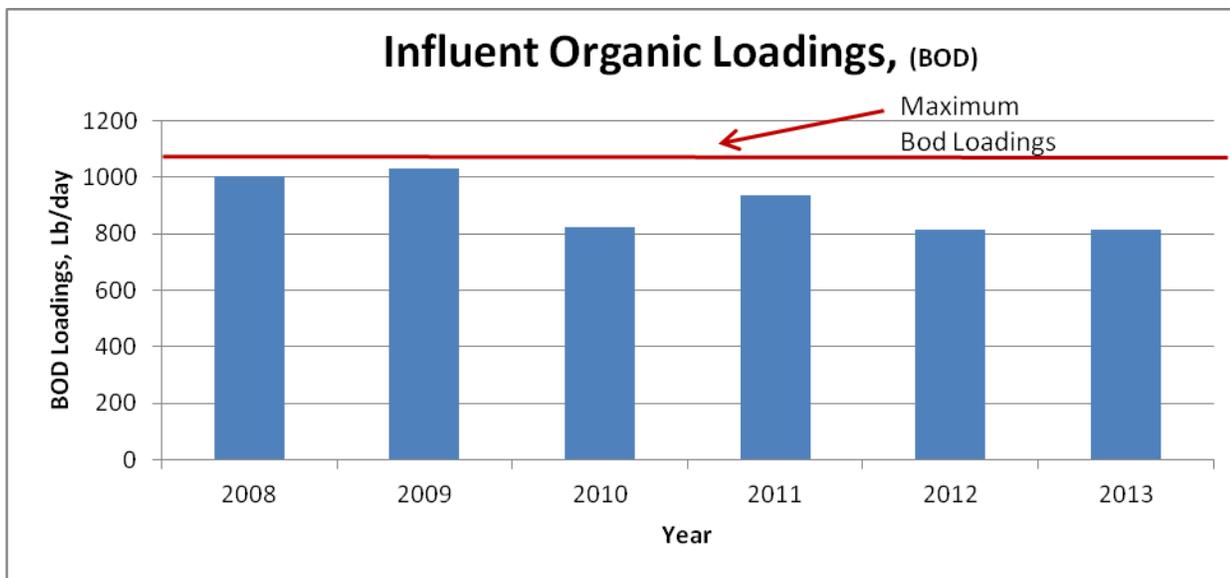


Figure 2

To plan for this eventual expansion, the district has hired Underwood Engineering to conduct a Facility Plan that would look at a 20 year growth projections and plan for any more restrictive discharge limitations that may be on the horizon. The plan would evaluate the capacity of the expansion as well as the costs to construct, operate, and maintain the plant.

## Current Operations

### Wastewater Treatment

The plant operated well in 2013, and there were no violations of the Department of Environmental Protection's Discharge (DEP) License. The addition of chemicals to the treatment process prior to the biological treatment phase has lessened the loadings to the Rotating Biological Disk / Activated Sludge (RBC/AS) process, and has allowed the plant to buy some capacity needed for the removal of ammonia. The graph in Figure 2 shows the effect of adding the chemicals to the incoming flow for the purpose of removing a portion of the biological waste in the primary system. The lower loadings allow the plant to treat to a higher degree and remove that ammonia during the summer months.

The Waste Water Treatment Facility (WWTF) treated 268 million gallons of wastewater in 2013 at an average daily flow of 0.734 million gallons per day. The graph in Figure 3 shows the annual average daily flow rates divided into inflow and infiltration and customer contribution components versus the annual precipitation in inches. The graph shows the effect of ground water infiltration into the sewer system. The district is working to remove this extraneous water through a program to eliminate illegal sump pumps, disconnecting drains, and replacing older leaking sewer lines.

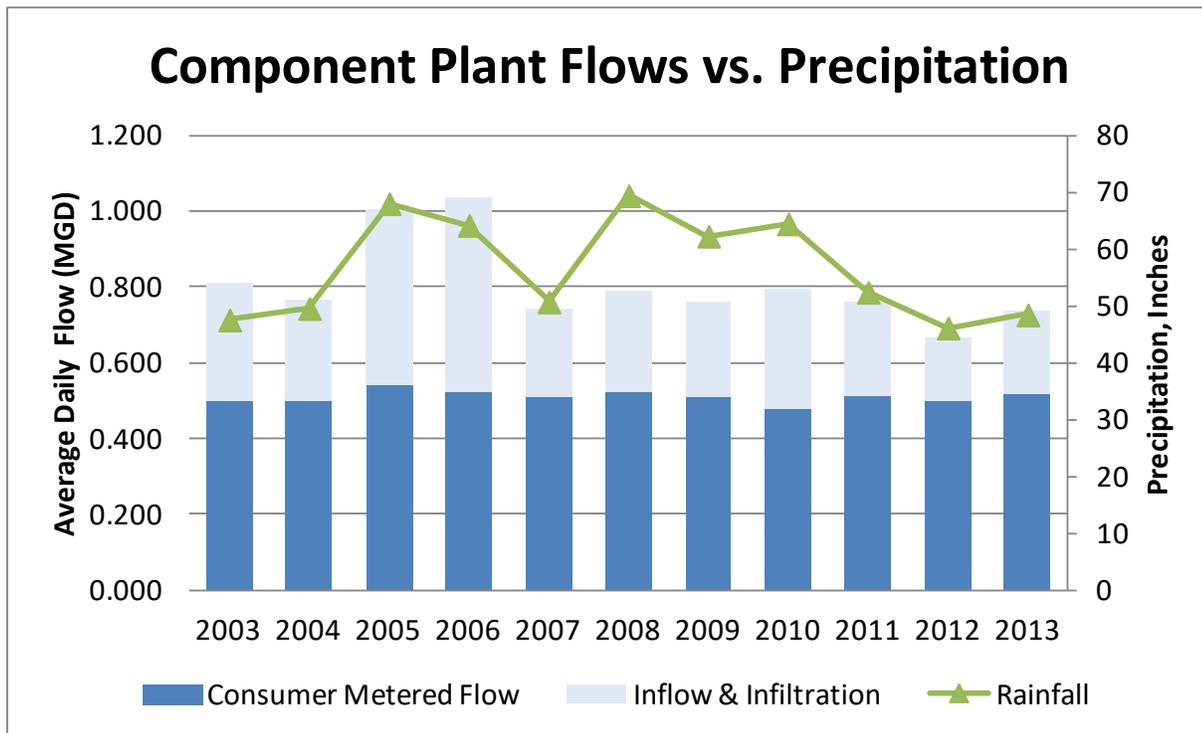


Figure 3

In 2013, the plant produced approximately 1004 tons of biosolids. This has increased over last year, but is within the normal operating range for annual biosolids production.

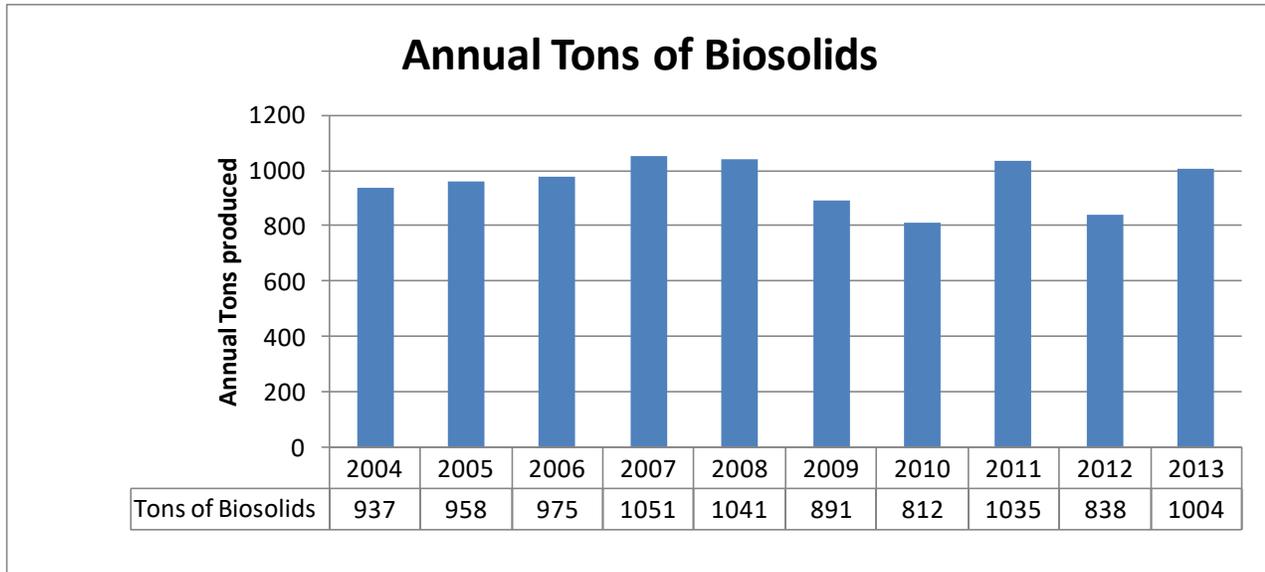


Figure 4

## Financial

### Revenues and Expenses

The District operations budget for 2013 was \$2,339,033. The actual amount spent was \$2,248,533 which is 96% of the budgeted amount. Projected revenue for 2013 was \$2,357,572 and the actual billed revenues were \$2,374,426. The Capital Reserve account was increased in 2013 from an annual allocation of \$200,000 per year to \$350,000. A breakdown of the budget to actual is presented below:

Item	Budgeted	Actual	Percentage
Revenues from Sewer User Fees	\$ 2,357,572	\$ 2,374,426	101%
EBIF and Impact Fees	\$ 85,000	\$ 103,503	122%
Operating Expenses	\$ 2,339,033	\$ 2,248,533	96%
Capital Improvement Plan	\$ 1,063,458	\$ 941,366	89%

Table 2

### Liens

The District placed liens on 69 properties with total outstanding sewer user fees of \$29,772. There are 11 properties in a state of foreclosure with outstanding accounts amounting to \$6,079.

## Equity Buy In Fees and Impact Fees

In 2013, 23 equivalent dwelling units (EDU's) were connected to the district system. An EDU equates all connections to the district system to what a single family home would contribute in terms of flow and strength of the waste. The Equity Buy In Fees pay for the portion of capacity that the new connection uses in the system.

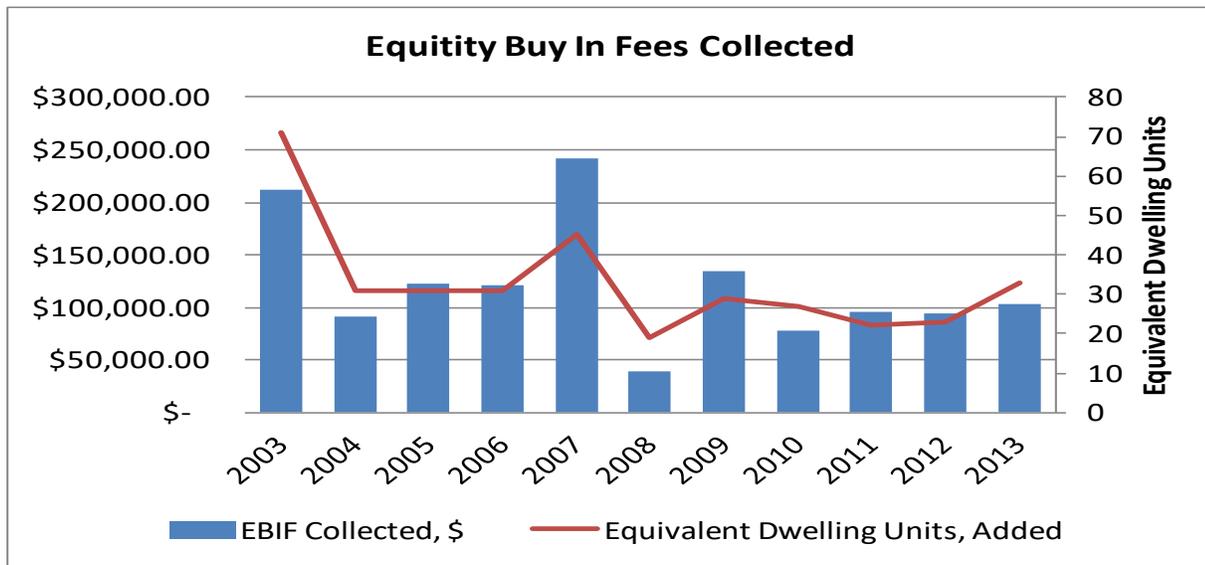


Figure 5

## Capital Improvement Projects

The approved Capital Improvement Plan for 2013 totaled \$1,063,458 and the actual expended was \$941,366. The major project for the year was the High and Brown Street Sewer Replacement project that replaced 3,000 feet of clay gravity line and 850 feet of asbestos cement force main. Other projects for 2013 are listed below in Table 3 by type of project.

Category	Budgeted	Actual
Engineering Studies	\$ 50,000.00	\$ 22,971.00
Pump Stations	\$ 253,200.00	\$ 171,637.00
Vehicles	\$ 40,000.00	\$ 40,850.00
Sewers	\$ 614,938.00	\$ 613,018.00
Wastewater Facility	\$ 105,320.00	\$ 92,890.00
	<b>\$ 1,063,458.00</b>	<b>\$ 941,366.00</b>

Table 3

## Asset Management

The district started its asset management program in 2013 with a new computerized maintenance program. Staff has inventoried the plant and pumping station equipment, spare parts inventory, and preventative maintenance tasks. The program will track all maintenance activities and generate work orders for maintenance. Next year, staff will begin planning for condition and risk assessments for equipment and infrastructure to plan for their eventual replacement

For more information on the District, please visit our website at [www.ksdistrict.org](http://www.ksdistrict.org). The Board normally meets at 7:00 p.m. on the first Tuesday of each month at the District offices located at 71 Water Street in Kennebunk. The District Office hours are between 7:00 a.m. and 4:00 p.m. Monday through Thursday and 7:00 a.m. to 2:00 p.m. on Friday.

Respectfully submitted,

**Board of Trustees of the Kennebunk Sewer District**

John Price, Chair

Mark Allenwood, Vice Chair

Wayne Brockway, Treasurer

Nick Branchina, Clerk

James Oppert