

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES  
MONTHLY MEETING, APRIL 5, 2016

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, April 5, 2016 in the conference room of the District Offices located at 71 Water Street in Kennebunk.

Trustees present were:     John E. **Price III**, Chairman  
                                  Mark K. **Allenwood**, Vice Chairman  
                                  James A. **Oppert**, Clerk  
                                  Wayne A. **Brockway**, Treasurer

Trustees absent were:     Nicholas N. **Branchina**

KSD Staff present was:    Michael **Bolduc**, KSD District Manager  
                                  Patrick **Wiley**, PhD, KSD Assistant Manager  
                                  Cathy **Reim**, Office Manager

Others present were:     Valerie **Giguere**, P.E., Senior Project Manager, Underwood Engineers, Inc.  
                                  Benjamin T. **Dreyer**, P.E., Project Manager, Underwood Engineers, Inc.  
                                  Jonathan **Halle**, AIA, ASLA, LEED AP / Architect & Landscape Architect, Manager,  
                                  Warrenstreet Architects, Inc  
                                  John **Costin**, Veneer Services Unlimited

AGENDA:

1. Reading of the Minutes for the March 1, 2016 Monthly Meeting
2. Review and Adoption of Accounting Systems Operation Manual and Fixed Asset Policy
3. Consideration of Abatement Request
4. Status Report on the K&E Building
5. Discussion of Potential Lease Renewal Option at K&E
6. Other business...
7. Adjournment

The meeting was called to order by Chairman **Price** at 7:02 p.m.

Agenda Item #1: Reading of the Minutes for the March 1, 2016 Monthly Meeting

**Price** dispensed with the reading of the minutes and asked the Board for comments regarding the minutes for the regular monthly meeting held on March 1, 2016.

**Oppert** submitted the following correction:

- Page 5, Item #4, last paragraph, line 4: “data collected the” should read “data collected **in** the.”

There being no further corrections, revisions, or additions to come before the Board regarding the Minutes of March 1, 2016, **Price** asked for a motion.

**A motion was made to accept the minutes of March 1, 2016 as amended.**

**MOVED: Brockway**

**SECONDED: Oppert**

**DISCUSSION: None.**

**MODS: As amended.**

**VOTE: 4 for, 0 opposed; the motion carried.**

**Price** moved to the next agenda item.

Agenda Item #2: Review and Adoption of Accounting Systems Operation Manual and Fixed Asset Policy

Referring to Attachment #6 (Accounting Systems Operation Manual) of the April, 2016 Trustee's Meeting Packet, **Bolduc** provided the following summary:

- Staff has worked with Maine Rural Water Association (MRWA) to develop the Operation Manual; and
- A Fixed Asset Policy provided by Berry, Roy, and Talbot has been modified and included in the report.

**Bolduc** recognized Office Manager Cathy **Reim** and invited her comments.

**Reim** asked the Board members if they had any questions.

**Brockway** submitted the following series of comments:

Page 8, Section 5.7.3, 1<sup>st</sup> Paragraph, Line 1

Comment: The phrase "All **furniture and equipment** purchases" should read "All **capital asset** purchases".

Response: Agree (**Reim**).

Page 8, Section 5.9, 6<sup>th</sup> Paragraph, Line 1

Comment: The phrase "*Outstanding checks more than 120 days old are investigated and stop payments issued as required.*" should have the following statement added "*All checks are void after 180 days.*"

Response: Agree (**Reim**).

Page 9, Section 6.1, 1<sup>st</sup> Paragraph

Comment: Add the following statement "*Due to HIPAA laws, health related records are maintained separately from personnel records.*"

Response: Agree (**Reim**).

Page 10, Section 6.3.1, 4<sup>th</sup> Paragraph, Line 4

Comment: The phrase "sick leave when **the** permanently" should read "sick leave when **they** permanently."

Response: Agree (**Reim**).

Page 12, Section 6.5.1, 2<sup>nd</sup> Paragraph, Line 2

Comment: Clarify the term "**federal character.**"

Response: Agree (**Reim**).

Page 14, Section 7, 1<sup>st</sup> Paragraph, Line 2

Comment: The phrase "all federal and state agencies, as well as" should read "all federal and state agencies (**including Maine State Archives Guidelines**), as well as."

Response: Agree (**Reim**).

Page 14, Section 7, 3<sup>rd</sup> Paragraph

Comment: Some payroll related records may require indefinite retention.

Response: Agreed to recheck the guidelines (**Reim**).

Page 5, Section 5.4.5, 2<sup>nd</sup> Paragraph, Line 1

Comment: The phrase "written in **access** of" should read "written in **excess** of."

Response: Agree (**Reim**).

**Price** submitted the following comments:

Page 2, Section 4.1

Comment: Recommended adding a statement to check the backup periodically to insure a correct backup was in fact accomplished.

Response: Agree (**Bolduc**).

Page 5, Section 5.4.5, 2<sup>nd</sup> Paragraph, Line 1

Comment: The phrase “both the District Manager and Office Manager” should read “both the District Manager **(or the Board of Trustees Chairman in the District Manager’s absence)** and Office Manager.”

Response: Agree (**Reim**).

**Bolduc** submitted the following comments:

Kennebunk Sewer District Fixed Assets Policy

Comment: Recommended attaching the standalone Fixed Assets Policy to the Accounting Systems Operation Manual as Appendix “C.”

Response: Agree (**Price**).

**Bolduc** recommended incorporating the suggested document changes, circulating the revised edition to the Trustees, and voting on the final version at the next meeting.

**Price** agreed and moved to the next agenda item.

Agenda Item #3: Consideration of Abatement Request

Referring to Attachment #7 (Abatement request) of the April, 2016 Trustee's Meeting Packet, **Bolduc** provided the following summary:

- The customer has accumulated interest and lien fees for non-payment of delinquent user fees of over 10 years;
- The customer has requested KSD abate the interest and fees if she pays \$200.00 per month plus keeping current on future billing;
- KSD’s historical policy has been to abate any future fee and interest charges if a delinquent customer enters a payment plan and abides by the agreement;
- Two options (detailed in Attachment #7) were presented to the Board:
  - Option 1 - Interest Abatement on past and future interest and fees; and
  - Option 2 - Interest Abatement on future interest and fees.

**Price** noted that since Option – 2 is the current policy, and no evidence has been presented to warrant any deviation from that policy, he is inclined to offer Option – 2.

**Brockway** agreed, suggesting that Public Assistance may be available.

**Oppert** recommended the following revision to the last sentence of Option – 2:

*“Failure to pay in full by October 1, 2017 will result in reinstatement of all interest accrued prior to the date of the agreement and interest accrued between the signing of the agreement and October 1, 2017.”*

Should be modified to read:

*“Failure to pay in full by October 1, 2017 will result in reinstatement of all interest accrued between the signing of the agreement and October 1, 2017.”*

**A motion was made to address the abatement request by offering the customer Option – 2 as revised.**

**MOVED: Oppert**

**SECONDED: Brockway**

**DISCUSSION: None.**

**MODS: None.**

**VOTE: 4 for, 0 opposed; the motion carried.**

There being no further comments or remarks to come before the Board regarding this issue, **Price** moved to the next agenda item.

Agenda Item #4: Status Report on the K&E building

**Bolduc** recognized Benjamin T. **Dreyer**, Underwood Engineers, Inc. and invited his comments. **Dreyer** began a presentation which included the following highlights:

- Traffic circulation;
- Public and employee parking designations;
- Building entrance and sidewalk locations; and
- KLP utility pole and sewer line locations.

**Price** asked how many parking spaces were needed.

**Bolduc** replied that 20 spaces are needed to handle daily traffic.

A discussion developed regarding the following issues:

- Fire Lane access;
- Curbing blockage to snow removal;
- Egress to Factory Pasture Lane;
- UPS delivery methods;
- Driveway paving;
- Hiking trail access and parking;

Jonathan **Halle**, Warrenstreet Architects, Inc. began a presentation which included the following highlights:

- Building layout;
- Cost estimate ranges between \$150 and \$175 per sq. ft.;
- The building cost of \$1.7 to \$2.0 million does not include any site work or abatement issues;
- Site work could amount to approximately \$500,000; and
- Interior room and building entrance locations.

A discussion developed regarding the following issues:

- A galley kitchen in the conference room;
- Sprinkler room relocation;
- Various heat source options;
- Building and interior ceiling height;
- Siding and roof materials;
- Minimum inside garage concrete foundation height of 4 ft;
- Public access customer service area;
- “Construction Management” or “Design Build” method of delivery;
- Timeline estimates included:
  - Site plan submitted to the Town – End of August 2016;
  - K&E Lease expiration – September 2016;
  - Demolition and remediation – October thru November 2016;
  - Foundation start – March 2017; and
  - Building completion (fast track) – 4 months + 3 months prep;
  - Building move-in – Fall 2017

**Wiley** opened a discussion regarding PCB issues which included the following notes:

- The caulking line seams will be ground down; and
- Asbestos and lead paint removal methods are still being considered.

**Halle** suggested that the site work contractor should also be responsible for the demolition work.

**Bolduc** agreed.

The discussion regarding which method of delivery to use continued with the following topic:

- Estimates for duration to complete an RFP and bid/approve the job.

**Price** asked the trustees if they had a preferred method of delivery.

The general consensus was that since the board voted to use Construction Management during previous considerations, they should continue with that method.

There being no further comments or remarks to come before the Board regarding this issue, **Price** moved to the next agenda item.

Agenda Item #5: Discussion of Potential Lease Renewal Option at K&E

**Bolduc** introduced the topic and stated that the tenants desire a lease extension beyond the first extension which ends on June 30, 2016. **Bolduc** recommended extending the lease a second time from June 30, 2016 through September 30, 2016.

**Price** asked if KSD has a copy of the first lease extension.

**Bolduc** replied in the negative, adding that he would procure a copy for the record.

**A motion was made to authorize the KSD Manager to execute an agreement with 48 Water Tenants, LLC, to September 30, 2016.**

**MOVED: Oppert**

**SECONDED: Brockway**

**DISCUSSION: None.**

**MODS: None.**

**VOTE: 4 for, 0 opposed; the motion carried.**

There being no further comments or remarks to come before the Board regarding this issue, **Price** moved to the next agenda item.

Agenda Item #6: Other business...

**Manager's Report for March 2016**

**Bolduc** provided a summary of selected items from the Manager's Report as detailed in Attachment #3 (Manager's Report for March 2016), of the April, 2016 Trustee's Packet. His comments included the following topics and highlights:

- 2016 Capital Improvement Projects:
  - Doanes, Beach, and Grove:
    - ✓ The Grove Street project is completed except for the trench cap; and
    - ✓ Beach Avenue permanent force main installation is in progress.
- Collection Systems:
  - Beach Area, Grove Street, Doanes Wharf:
    - ✓ Brex has commenced work on the Beach Area sewer project approved for Golf Club Drive.
- GIS:
  - Ray Corson has finished the web application for public use of the GIS; and
  - A Help Desk application has been added to the Web Site.
- Safety:
  - Davit Arms, that aid descending into deep pump stations, have been ordered.
- 2016 Capital Improvement Projects:
  - Doanes, Beach, and Grove:
    - ✓ A change order for the Doanes Wharf project has been submitted for two additional terminus manholes.
  - Truck 5 Replacement:
    - ✓ Bids are due to be opened on April 12, 2016.

**Tickler List of Carryover Items**

**Bolduc** noted that the list has been reformatted and contains the current status of selected items.

**Impact of Equity Buy-in Fees**

**Bolduc** opened a discussion regarding changes in the residential calculation method, highlights included:

- The previous method was based on the number of bedrooms;
- Deriving a true bedroom count is difficult and inaccurate; and
- All future single family home calculations will be assessed at the standard rate regardless of the number of bedrooms.

**Price** moved to the next agenda item.

Agenda Item #7: Adjournment

There being no further business to come before the Board at this time **Price** asked for a motion to adjourn.

**A motion was made to adjourn the meeting at 9:00 p.m.**

**MOVED: Oppert**  
**SECONDED: Allenwood**  
**DISCUSSION: None**  
**VOTE: 4 for, 0 opposed; the motion carried.**

James A. Oppert, Clerk \_\_\_\_\_

Date Signed \_\_\_\_\_

**KSD Board of Trustee Monthly Meeting Action Items History List**

<b><u>Request Date</u></b>	<b><u>Action Item</u></b>
<b>Apr 5, 2016</b>	Agenda Item #5: <u>Discussion of Potential Lease Renewal Option at K&amp;E</u> <b>Price</b> requested a copy of the first lease agreement for KSD records.
<b>Feb 28, 2016</b>	Request via email from Trustee Branchina for legal opinion of the ability to raise rates for future infrastructure improvements at the WWTF <u><b>Current Status: Complete – email forwarded to Trustees on March 10</b></u>
<b>Feb 2, 2016</b>	Agenda Item #2: <u>Status Report on the K&amp;E building</u> <b>Price</b> questioned whether KSD will own all the survey data or just enough resolution for 2 foot contours. <b>Bolduc</b> agreed that the question was valid and would get the answer from Underwood. <u><b>Current Status: Complete-We have the survey data and the survey was done in 1 foot contours by Doucette.</b></u>

<b>Feb 2, 2016</b>	Agenda Item #3: <u>Review of Rate Setting Options</u> <b>Brockway</b> asked if the rate projections graphs for each scenario could be superimposed on top of each other in order to see the differential. <b>Bolduc</b> replied in the affirmative. <b>Current Status: <u>Not started</u></b>
<b>Jan 5, 2016</b>	Agenda Item #2: <u>Presentation on Building Construction Delivery Methods</u> In order for KSD to make sound scheduling decisions, <b>Bolduc</b> requested time durations for all components of the project. <b>Giguere</b> agreed to provide the necessary data. <b>Current Status: <u>In progress -Waiting on time frames on environmental and staff input on sequencing</u></b>
<b>Jan 5, 2016</b>	Agenda Item #4: <u>Sodium Hypochlorite Tank Replacements</u> <b>Price</b> questioned the details of the manufacturer's warranty on the new tanks. <b>Wiley</b> replied that he would provide the warranty information to the Board. <b>Current Status: <u>Complete -The warranty on the tank is 5 years, and the warranty on the floor coating is 12 months</u></b>
<b>Nov 3, 2015</b>	Agenda Item #6: <u>Other business...</u> A motion was approved to sell the cement mixer to the Town of Kennebunk for the sum of \$1. <b>Current Status: <u>Complete</u></b>