

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES
MONTHLY MEETING, JUNE 7, 2016

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, June 7, 2016 in 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

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

Others present were: Edward **Sharood**, prospective Board of Trustees member

AGENDA:

1. Reading of the Minutes for the May 3, 2016 Monthly Meeting
2. Request for Proposals for Construction Management Services
3. Disposition of Surplus Equipment
4. Biosolids Contract with Soil Preparation, Inc Assignment to New England Waste Services of ME, Inc.
5. Executive Session: Labor Negotiations MSRA § 405(6)(d)
6. Other business...
7. Adjournment

The meeting was called to order by Chairman **Price** at 6:59 p.m.

Agenda Item #1: Reading of the Minutes for the May 3, 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 May 3, 2016.

Oppert submitted the following correction:

- Page 3, Item #4, 4th paragraph, line 2: The word “**that**” should be removed from “**payment above that for those**”.

Allenwood submitted the following revision:

- Page 2, Item #2, 1st paragraph, line 2: “**Brockway** submitted the following change” should read “**Brockway previously submitted the following change**”.

There being no further discussion or comments to come before the Board regarding this issue, **Price** asked for a motion.

A motion was made to accept the minutes of May 3, 2016 as amended.

MOVED: **Oppert**

SECONDED: **Allenwood**

DISCUSSION: **None.**

MODS: **As noted.**

VOTE: **3 for, 0 opposed, 1 abstained (Brockway); the motion carried.**

Price moved to the next agenda item.

Agenda Item #2: Request for Proposals for Construction Management Services

Referring to Attachment #2 (Agenda Item Commentary) of the June, 2016 Trustee's Meeting Packet, **Bolduc** summarized the details of Attachment # 5 (Request for Proposals for Construction Management Services for K&E site). Discussions of the subject included the following topics and highlights:

Bolduc reported that this item was more costly than anticipated.

The Benchmark price estimate of \$1.9 million did not include site work.

The site work will cost about \$500,000 plus an additional \$100,000 for site cleanup and miscellaneous soft cost for architectural site work design.

The building estimate low is \$2.8 million.

Verification from Brex was obtained for bid comparison.

The Underwood site work estimate was \$440,000 with Brex coming in at \$480,000 for a difference of \$40,000.

Reasoning that paving costs comparison between the two bids should be relatively close, especially if the area to be paved is known and the material cost is the same, **Brockway** questioned why paving accounted for the biggest differential between the two comparisons.

Bolduc replied that there is a large price difference between suppliers and that paving costs can be reduced by using the town's paving supplier.

Bolduc noted that the stand-out cost for him was the building demolition of \$197,000. Previously, Shaw Brothers had estimated the demolition work to be between \$100,000 and \$150,000.

The current total cost is \$2.463 million.

Bolduc recommended submitting RFPs for the Construction Manager, discuss different ways to cut cost with the CM, and have the CM select the architect.

Allenwood noted that another difference on the building cost was the difference between contingencies of 7% versus 11%.

Bolduc agreed, adding that KSD can adjust the scope of the project to make the contingencies fit.

Brockway noted that the architectural fees are a small part of the overall cost and wanting the CM to have a good working relationship with KSD, the CM should be allowed to select the architect. **Brockway** also noted that a pre-engineered building will not require a lot of architectural input.

Price asked if counsel has reviewed the RFP.

Bolduc replied in the affirmative, adding that some insurance has been added as a result of the review.

Price asked for details of how the insurance limits were obtained.

Bolduc replied that the limits were the same as provided in the original proposal from Jonathan **Halle**.

Brockway asked if the insurance limits have been reviewed by Danny **Edgecomb** of Kennebunk Savings Bank Insurance.

Bolduc replied in the negative.

Price suggested running the numbers by **Edgecomb**.

Bolduc agreed, and added that he was more concerned about the removal of the old building regarding insurance coverage than construction of the new building.

Allenwood asked who was going to do the geotech work.

Brockway asked for an explanation of geotech engineering.

Allenwood replied that the term refers to the collection of boring samples to determine what the foundation requirements will be.

A discussion developed regarding foundation requirements, highlights included:

- The full scope of work has not been received from Underwood;
- The geotech engineering will probably be put under Underwood's contract;
- Jonathan **Halle** recommended boring at the four corners of the building to determine seismic activity and bedrock;
- **Allenwood** recommended collecting the boring samples after the building has been taken down.

Brockway asked **Bolduc** for the original building estimate.

Bolduc replied that the Benchmark estimate was around \$1.9 million.

Brockway asked **Bolduc** for the projected overall cost of the facility expansion.
Bolduc replied that the estimate is somewhere under \$25 million dollars.

Price asked **Oppert** if there were specific items in the RFP that he wanted to review.

Oppert replied in the affirmative, and submitted the following topics and highlights:

- **Oppert** asked if the title "*Construction Management at Risk Services*" a legal term;
- **Bolduc** replied that he didn't know if it was a legal term but it implies that the price is guaranteed;
- On page 3 of the RFP, the term "cany" should be changed "carry;" and
- Various RFP typos were noted.

A discussion developed regarding the list of RFP bidders, highlights included:

- Five bidders would be the optimum number;
- Comments regarding past experiences with bidders should be noted on the list;
- The Board expressed a desire to stay with local firms;
- The approved list of bidders will consist of the first five firms listed in the "Potential Select Bidder's List for WWTF Building" of the RFP and are identified as follows:
 - **Allied Cook Construction**, Scarborough, ME
 - **Benchmark**, Westbrook, ME
 - **The Trades Center**, Biddeford, ME
 - **Weston & Sampson**, Portsmouth, NH
 - **PATCO**, Sanford, ME

Price questioned section 8. **ADDITIONAL TERMS AND CONDITIONS**, a) Kennebunk Sewer District may buy from multiple vendors, on page 5 of attachment A.

Bolduc replied he did not know why that section was in the RFP and suggested rewording it to say "*the Kennebunk Sewer District will have input on sub-contractors and equipment purchases.*"

All agreed.

There being no further discussion or comments to come before the Board regarding this issue, **Price** asked for a motion.

A motion was made to approve the Request for Proposal for Construction Manager and to direct the District Manager to solicit proposals from the approved list of five candidates that was discussed earlier.

MOVED: Brockway

SECONDED: Allenwood

DISCUSSION: None.

MODS: None.

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

Price moved to the next agenda item.

Agenda Item #3: Disposition of Surplus Equipment

Referring to Attachment #2 (Agenda Item Commentary) of the June, 2016 Trustee's Meeting Packet, **Wiley** summarized the details of Attachment # 6 (Surplus Property Disposition List). Discussions of the subject included the following topics and highlights:

- The surplus items list included everything identified as "*no longer useful to KSD*" except Truck #5 which was replaced by the new van;
- Various methods of equipment disposal were discussed;
- The value of each item has been determined and recorded; and
- Each item is accounted for and removed from the fixed assets list as it is disposed of.

There being no further discussion or comments to come before the Board regarding this issue, **Price** asked for a motion.

A motion was made to declare the List of Unused Assets dated June 1, 2016 as surplus property and directs the Manager to dispose of the surplus assets in the most advantageous manner.

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

A motion was made to add truck #5 to the List of Unused Assets as surplus property.

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

Price moved to the next agenda item.

Agenda Item #4: Biosolids Contract with Soil Preparation, Inc Assignment to New England Waste Services of ME, Inc.

Referring to Attachment #2 (Agenda Item Commentary) of the June, 2016 Trustee's Meeting Packet, **Bolduc** summarized the details of Attachment # 7 (Soil Preparation Inc contract and Assignment Agreement). Discussions of the subject included the following topics and highlights:

Bolduc reported that the five-year contract with Soil Preparation Incorporated was in its final year when the firm went out of business. Soil Preparation Incorporated informed KSD that its contract has been assigned to New England Waste Services Incorporated (aka "Casella").

Bolduc recommended accepting the remaining 1 year contract with New England Waste Services Incorporated which will assume the contract at current prices for the final year.

Price asked if counsel has reviewed the agreement.

Bolduc replied in the affirmative, adding that multiple attorneys from the sludge cartel have reviewed the agreement. **Bolduc** reported that he did not make any changes to the current contract and that he has received a signed copy from New England Waste Services. At the end of the current contract, the Sludge Cartel (which KSD is a member) will go out for bid for the next five year period.

There being no further discussion or comments to come before the Board regarding this issue, **Price** asked for a motion.

A motion was made to authorize the Manager to execute the agreement for the assignment of the Soil Preparation, Inc. contract to New England Waste Services of ME, Inc (Casella) through the remainder of the contract ending June 30, 2017.

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

A motion was made to authorize the Manager to proceed with developing an aggregate bid with the "sludge cartel" for sludge disposal beyond the assignment.

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

Having no objection from the Board members, and in consideration of executive session, **Price** moved ahead to agenda item #6.

Agenda Item #6: Other business...

Manager's Report for June 2016

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

- Financial and Administrative:
 - K&E:
 - ✓ Bob **Hoffman** and Patrick **Wiley** are working on the RFP for the building environmental cleanup of PCB's and asbestos;
 - ✓ A presentation for Board approval is expected in July or August;
 - ✓ Bidding, contract award, and environmental cleanup is expected to finished by the end of September; and
 - ✓ Work is expected to begin on the new building by October 1st.
 - GIS:
 - ✓ Jordan **Heath** is working 6 hours a week on incorporating the easements.
 - Personnel Issues:
 - ✓ Ian **Carter** is participating in the management training course;
 - ✓ Don **Holbrook** is retiring;
Oppert asked who might be in line for replacement;
Bolduc replied that he has interviewed two in-house personnel. Ian **Carter** looks like a possible candidate to advance. The plan would be to try him out in an intern position for 4 months.
 - ✓ Jeffrey **Hanscom** has returned to work. He has been recovering from his head injury since February.
 - ✓ **Allenwood** volunteered to be the trustee representative for the upcoming union contract talks.
- Equipment Issues:
 - Operational Issues:
 - ✓ There is a period of time seasonally when a growth appears either on the RBCs or the activated sludge;
 - ✓ The wintertime sees the growth predominantly on the RBCs; and
 - ✓ Staff has expended a concerted effort to solve the problem and the answers seem to have been achieved.
 - Technology:
 - ✓ Tablets have been issued to Personnel;
 - ✓ An app for the pump station data has been acquired;
 - ✓ The app will allow alarm data to be identified with a particular pump station through the HMI; and
 - ✓ Cost of the app is \$30 per phone.
 - Digitalization Effort:
 - ✓ An effort to digitize all the prints is being evaluated;
 - ✓ The cost is excessively high at around \$10,000;
 - ✓ An alternate method would be to buy a scanner/plotter and do the effort in house;
 - ✓ **Price** suggested a lease option instead of a purchase which would guarantee equipment technology updates;

- ✓ **Bolduc** suggested acquiring a scanner only and not a scanner/plotter, reasoning that a scanner would not require the maintenance of a scanner/plotter and would be much cheaper. He also noted that KSD's demand for a plotter is very low and that any plotting needs could be satisfied by commercial vendors; and
- ✓ **Wiley** reported the availability of a software package that is being used to apply all the video inspections to the GIS which allows layering of any abnormality. The application is called "Pipetech View."
- Fuel Bids:
 - ✓ Fuel bids should go out at the end of this month.
- Collection Systems:
 - ✓ Staff is looking at the possibility of pipe bursting the bottleneck on Storer street;
 - ✓ The current capacity is at 85%;
 - ✓ Changing the pipe diameter from 8" to 12" is being considered;
 - ✓ Two of the three brick manholes are also scheduled for replacement; and
 - ✓ The area of the restriction is in the vicinity of Mechanic Street.
- Safety:
 - Doanes, Beach, and Grove:
 - ✓ **Wiley** reported that the davit arm has been received and is on site.
- 2016 Capital Improvement Projects:
 - WWTF Design:
 - ✓ The peer review is complete and a direction has been determined;
 - ✓ The SBRs are out, the MLEs are in;
 - ✓ A letter describing the WWTF design will be available for presentation to the Board at the next meeting;
 - ✓ The new plan, which includes building a new head works and MLE tanks, may be less costly; and
 - ✓ A description of the proposed plant operation was provided.

Bolduc reported that the town of Arundel is going out with an RFP to design their sewer, and that there has been no communication with the town of Arundel and KSD.

A discussion developed regarding the possible future connection of the town of Arundel's sewer system into the town of Kennebunk's system, highlights included:

- At build out, the Arundel system would be producing about 400,000 gallons per day; and
- KSD would have to calculate the cost for an Arundel connection.

Price asked if the state restricted the amount that KSD could charge Arundel.

Brockway remarked that guidelines contained in title 38 indicate that rate setting should be a "*just and reasonable rate.*"

Bolduc suggested a flow meter at the output of the Arundel system and billing for the gallons the town sent.

Price requested a status of the action item dated May 3, 2016 from the KSD Board of Trustee Monthly Meeting Action Items History List for a "Memorandum of Understanding summarizing why the decision was made to not use the David Dilks Mousam River Estuary Modeling Report dated April 8, 2016"

Bolduc replied that **Wiley** has completed and filed the memorandum and that it would be sent to the members in the correspondence file.

Price suggested a thank you letter be sent to the Doanes Wharf project contractor for a job well done.
All agreed.

Bolduc replied that he would send one out.

Oppert asked for a thank you letter to be sent to the residents of Doanes Wharf for their cooperation during the project.

Bolduc detailed the improvements to the area as a result of the project including the new roadbed and landscaping.

Price moved back to agenda item #5.

Agenda Item #5: Executive Session: Labor Negotiations MSRA § 405(6)(d)

Price asked for a motion to enter Executive Session.

At 8:26 p.m. a motion was made to enter into Executive Session for the purpose of discussing labor negotiations with Teamster Unit 340 pursuant to MSRA § 405(6)(d).

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

Price asked for a motion to come out of Executive Session.

At 8:55 p.m. a motion was made to come out of Executive Session.

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

Price asked if any motions were desired as a result of the Executive Session

A motion was made to move forward with contract negotiations with the union as discussed during executive session.

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

Price moved ahead to agenda item #7.

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 8:57 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

<u>Request Date</u>	<u>Action Item</u>
June 7, 2016	Agenda Item #6: <u>Other Business...</u> Price asked for a thank you letter to be sent to the Doanes Wharf project contractor for a job well done.
June 7, 2016	Agenda Item #6: <u>Other Business...</u> Oppert asked for a thank you letter to be sent to the residents of Doanes Wharf for their cooperation during the project.
May 3, 2016	Agenda Item #5: <u>Preliminary Review of the MEDEP Mousam River Estuary Modeling Report</u> Price asked for a Memorandum of Understanding summarizing the previous discussion why the decision was made to not use the David Dilks Mousam River Estuary Modeling Report dated April 8, 2016.
Apr 5, 2016	Agenda Item #5: <u>Discussion of Potential Lease Renewal Option at K&E</u> Price requested a copy of the first lease agreement for KSD records.
Feb 28, 2016	Request via email from Trustee Branchina for legal opinion of the ability to raise rates for future infrastructure improvements at the WWTF Current Status: Complete – email forwarded to Trustees on March 10
Feb 2, 2016	Agenda Item #2: <u>Status Report on the K&E building</u> Price questioned whether KSD will own all the survey data or just enough resolution for 2 foot contours. Bolduc agreed that the question was valid and would get the answer from Underwood. Current Status: Complete-We have the survey data and the survey was done in 1 foot contours by Doucette.
Feb 2, 2016	Agenda Item #3: <u>Review of Rate Setting Options</u> Brockway asked if the rate projections graphs for each scenario could be superimposed on top of each other in order to see the differential. Bolduc replied in the affirmative. Current Status: Not started
Jan 5, 2016	Agenda Item #2: <u>Presentation on Building Construction Delivery Methods</u> In order for KSD to make sound scheduling decisions, Bolduc requested time durations for all components of the project. Giguere agreed to provide the necessary data. Current Status: In progress -Waiting on time frames on environmental and staff input on sequencing
Jan 5, 2016	Agenda Item #4: <u>Sodium Hypochlorite Tank Replacements</u> Price questioned the details of the manufacturer's warranty on the new tanks. Wiley replied that he would provide the warranty information to the Board. Current Status: Complete -The warranty on the tank is 5 years, and the warranty on the floor coating is 12 months

Kennebunk Sewer District Board of Trustees

Meeting Minutes for June 7, 2016

Nov 3, 2015	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. <u>Current Status: Complete</u>
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