

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES
MONTHLY MEETING, FEBRUARY 6, 2018

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, February 6, 2018 in the conference room at 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
 Edward **Sharood**, Member

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

AGENDA:

1. Reading of the Minutes for the January 2, 2018 Monthly Meeting
2. Abandonment of Easement on 34 High Street
3. Review of 2018 Sewer User Fees and Setting a District Meeting Date
4. Bid Awards for:
 - a. One Ton Dump Truck
 - b. Portable Generator
 - c. Cat Mousam Generator
5. Status Report on the Administrative and Maintenance Building
6. WWTP Phase 1A Control Building Modifications
7. Closing of the Generator and K&E Bank Accounts
8. Other Business...
9. Adjournment

The meeting was called to order by Chairman **Price** at 7:00 p.m.

Agenda Item #1: Reading of the Minutes for the January 2, 2018 Monthly Meeting

Dispensing with a reading of the minutes, **Price** asked the Board for comments regarding the minutes of January 2, 2018 monthly meeting.

There being no corrections, revisions, or additions to come before the Board regarding this issue, **Price** asked for a motion.

A motion was made to accept the minutes of January 2, 2018 as submitted.

MOVED: Brockway

SECONDED: Oppert

DISCUSSION: None

MODS: None

VOTE: 5 for, 0 opposed; the motion carried.

Price moved to the next agenda item.

Agenda Item #2: Abandonment of Easement on 34 High Street

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out and Attachment #5 (Letter from the Roberts Requesting Abandonment of Easement and Associated Legal Documents), **Bolduc** explained that the reason for the abandonment was because the Cat Mousam force main was relocated to the public way on High Street.

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

A motion was made to proceed with the abandoning the easement at 34 High Street.

MOVED: Oppert
SECONDED: Allenwood
DISCUSSION: None
MODS: None
VOTE: 5 for, 0 opposed; the motion carried.

Price moved to the next agenda item.

Agenda Item #3: Review of 2018 Sewer User Fees and Setting a District Meeting Date

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out and Attachment #6 (Report on setting of the 2018 User Fees, Equity Buy-In Fees, and Impact Fees and District Meeting Notice),

Bolduc opened a discussion summarizing the agenda item which included the following topics and highlights:

- An adjustment of the bill's debt portion was needed for the ongoing attenuation and the new administrative building bond;
- The increase will be \$22.49;
- System support and variable charges decreased slightly;
- Equity Buy-in fees calculation;
- Accumulated depreciation;
- Reduction of the assets list for a cost of \$600.00;
- Estimating depreciation life expectancy;
- List "Pooling" of assets; and
- Wording of the public notice to be mailed with the first quarter bills.

Oppert submitted the following corrections:

- Public Notice Page 2, Collection System Impact Fees Table: the second "2017 Cost per Gallon" should read "2018 Cost per Gallon"

Bolduc acknowledged

Continuing his summary, **Bolduc** noted the following topics and highlights:

- Projected operational cost, including the Capital Indebtedness payments, increased by 2% overall (approximately \$20.00);
- Minimum usage limit increased from 6,000 to 8,000 gallons;
- Capacity growth rates and limits;
- Re-utilization of the RBC building; and
- Certificate of Occupancy for the new Admin Building.

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

A motion was made to authorize the manager to make all required public notifications according to the District Charter and establish a district meeting for the purpose of setting rates and fees for Tuesday, March 6, 2018 at the District Main Offices at 44 Water Street based on the Rates and Fees attached in the proposed Rate Notice.

MOVED: Sharood
SECONDED: Oppert
DISCUSSION: None
MODS: None
VOTE: 5 for, 0 opposed; the motion carried.

Price moved to the next agenda item.

Agenda Item #4: Bid Awards for:

a. One Ton Dump Truck

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out, **Wiley** opened a discussion summarizing the agenda item. Highlights included:

- Frank Galos Chevrolet was the low-bidder at \$38, 595.56; and
- Trade-in credit for the existing 2005 GMC dump truck will be allowed.

b. Portable Generator

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out, **Wiley** opened a discussion summarizing the agenda item. Highlights included:

- One bid was received from PowerPoint Generator Power Systems for \$67,378.00.

c. Cat Mousam Generator

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out, **Wiley** opened a discussion summarizing the agenda item. Highlights included:

- The RFP is being amended for the fuel system and will be re-issued.

Bolduc noted that:

- Each "Bid Awards" agenda item has a separate recommended motion;
- The Cat Mousam generator was not a budgeted item;
- Funding for the generator will come from Capital Reserves; and
- Expected bids for the Cat Mousam generator are anticipated to be in the \$100,000 range.

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

A motion was made to authorize the manager to award the bid for the new dump truck including trade in to Frank Galos Chevrolet for \$38,595.56 including trade-in from CIP Account: Dump Truck.

MOVED: Allenwood
SECONDED: Brockway
DISCUSSION: None
MODS: None
VOTE: 5 for, 0 opposed; the motion carried.

Price asked for a motion regarding the Portable Generator for the Administrative & Maintenance Facility and Brown Street Pump Station.

A motion was made to authorize the manager to purchase the portable generator from PowerPoint Generator Power Systems for \$67,378.00 from the CIP Account: Portable Generator.

MOVED: Oppert
SECONDED: Sharood
DISCUSSION: Allenwood asked if anyone had knowledge of PowerPoint Generator Power Systems' credentials. All replied in the negative.
A discussion developed regarding the company's creditability.
Wiley stated that he would confirm the company's status and reliability.
MODS: None
VOTE: 5 for, 0 opposed; the motion carried.

Price moved to the next agenda item.

Agenda Item #5: Status Report on the Administrative and Maintenance Building

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out and Attachment #7 (Administrative Building Schedule and Financial Projections), **Bolduc** opened a discussion regarding the project which included the following topics and highlights:

- Updated changes totaling \$40,558.00;
- Schedule is on track for a move-in next month;
- The new sign has been installed; and
- Exterior landscaping will be completed in the spring.

There being no further discussion to come before the Board regarding this agenda item, **Price** moved to the next agenda item.

Agenda Item #6: WWTP Phase 1A Control Building Modifications

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out and Attachment #8 (Phase 1A Control Building Modifications cost estimates), **Bolduc** opened a discussion and distributed an agenda of a meeting held at KSD on February 6, 2018 to discuss HVAC costs at the Control Building (provided as enclosure (1), which is incorporated by reference into these minutes). His comments regarding Agenda Item #6 included the following topics and highlights:

- HVAC costs are coming in high as indicated on page 33 of the Variance Report;
- A review of pricing and specifications will be conducted to identify any possible errors;
- Elimination of the second "Fume Hood" was discussed as a possible cost reduction method;
- Pricing for the HVAC was expected to be \$40/sq.ft. but came in at \$125/ sq.ft.;
- An additional meeting to discuss possible solutions was recommended;
- Other possible cost saving methods included:
 - Vinyl baseboard vs. Ceramic; and
 - Interior window changes.
- Equipment and labor cost will also be reviewed.

Price recommended setting a GMP but holding out the HVAC portion which will be determined at a later date.

Price asked **Bolduc** if he wanted to set a date for a meeting with the Trustees.

Bolduc replied that he would e-mail negotiation updates and set a date once everyone is ready.

Oppert supported the recommendation for a set GMP with the HVAC portion removed.

Price reiterated that the Board could authorize a maximum GMP minus the HVAC portion.

All present agreed that equipment design should not be changed in order to cut cost.

A discussion developed regarding wording of a motion to authorize a GMP minus the HVAC portion.

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

A motion was made to authorize the manager to execute a contract amendment for a Guaranteed Maximum Price of \$707,388.00 subject to finalized scope and cost for Division 15000 PHVAC.

MOVED: Sharood

SECONDED: Allenwood

DISCUSSION: None

MODS: None

VOTE: 5 for, 0 opposed; the motion carried.

Brockway noted that a special meeting with the Trustees will not be required as a result of the approved motion.

Bolduc replied that he would e-mail negotiation updates for Board review and present final results at the next meeting.

All present agreed.

Price moved to the next agenda item.

Agenda Item #7: Closing of the Generator and K&E Bank Accounts

Referring to Agenda Item Commentary of the February, 2018 Trustee's Meeting hand out and Attachment #4 (Monthly Account Balances), **Bolduc** opened a discussion summarizing the agenda item which included the following topics and highlights:

- With the transfer of funds from the last meeting, the K&E account was reduced to a zero balance; and
- The generator account has no guidance as to its function or collection procedures.

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

A motion was made to authorize the manager to close Kennebunk Saving Bank accounts for the Portable Generator Fund (ending in 3358) and the K&E savings fund (ending in 9058).

MOVED: Brockway

SECONDED: Oppert

DISCUSSION: None

MODS: None

VOTE: 5 for, 0 opposed; the motion carried.

Price moved to the next agenda item.

Agenda Item #8: Other Business...

1. Manager's Report for February 2018

Bolduc provided a summary of selected items from the Manager's Report as detailed in Attachment #2 (Manager's Report), of the February, 2018 Trustee's Packet. His comments included the following topics and highlights:

FINANCIAL AND ADMINISTRATIVE

Account Billing Software

- Completion is expected to be the end of March.

Personnel

- Patrick **Wiley**, PhD, KSD Assistant Manager has submitted his resignation;
- He will be taking a position in Portsmouth, NH as Operations Manager at Peirce Island WWTF;
- Interviewing is in progress for the Chief Operator position at KSD

PLANT OPERATIONS

Equipment Issues

Temporary Laboratory

- The laboratory was relocated to the Process Building.

New LED lighting

- New LED lighting, partially funded through Efficiency Maine, is being installed in the Pump House and the Effluent Pumping Station.

Polymer System

- A second wet polymer system has been purchased and installation is 90% complete; and
- It is expected to be fully operational in February.

COLLECTION SYSTEMS

Equipment Issues

Waterford Greens

- One of the pumps failed and a spare is being refurbished and will be installed to ensure continuous operation until the upgrade occurs.

Cedarwoods

- One pump is failing periodically;
- A direct replacement pump and a “cutter” type pump are being specified and priced; and
- The failing pump was replaced in 2006.

Collection Systems Study

- UEI is conducting the collection systems study for the Arundel line to the Main Plant; and
- This study should be completed by the end of February.

2017 CAPITAL IMPROVEMENT PROJECTS

WWTF Design

Phase 1b

- A kick off meeting will be scheduled for February.

Brown Street Pump Station Upgrade

- The new station was connected to the force main and put online 12/27/17;
- The old station was permanently decommissioned on January 15th;
- Permanent electrical service is installed;
- Remaining work to be completed includes;
 - Final site work; and
 - Integration of the controls and alarming features with the existing radio telemetry network.

Pumping Station Capital Improvements

- The control panel for the Waterford Green pump should arrive sometime in March; and
- The Waterford Green pump should arrive anytime.

2. PFOA

Bolduc provided a status update of the PFOA news reports which was included in the correspondence file. He added that no calls have been received regarding the report.

3. Training Report

Sharood provided a status update of the training program for new Board members which included the following comments and topics:

- A set of Brunswick by-laws has been received and a review is in progress;
- A mentor program outline has been created for review at the next meeting;

Price moved to the next agenda item.

Agenda Item #9: 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 8:24 p.m.

MOVED: Oppert

SECONDED: Allenwood

DISCUSSION: None.

VOTE: 5 for, 0 opposed; the motion carried.

Date Signed _____

James A. Oppert, Clerk _____

KSD Board of Trustee Monthly Meeting Action Items History List

<u>Request Date</u>	<u>Action Item</u>
Jun 6, 2017	Agenda Item #5: <u>Other Business; Manager’s Report for June 2017; Operational Issues; Plant Operations;</u> Bolduc agreed to include a running monthly update of the total nitrogen testing in the Action Item History List.
Oct 3, 2017	Agenda Item #5: <u>Review of the Draft 2018 Operations and Maintenance Budget</u> Bolduc agreed to present the model used to create the “KSD Annual Sewer Rate Projections” graph to give the Board members a better understanding of all the variables used to create the graph.

Meeting with the Kennebunk Sewer District

February 6, 2018

1:00

RE: HVAC costs at the Control Building

The costs on Control Building renovations are approximately \$110,000 over our estimates including any contingencies we had estimated. The largest variance is in the HVAC systems.

The purpose of today's meeting would be to:

- Determine the reasons for the cost variances
- Clarify any scope uncertainties
- Look for ways to bring the HVAC costs closer to where we need them to be for the project budget