

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

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, January 5, 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  
                                  Nicholas N. **Branchina**

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

Others present were:     Valerie **Giguere**, P.E., Senior Project Manager, Underwood Engineers, Inc.  
                                  Jonathan **Halle**, AIA, ASLA, LEED AP / Architect & Landscape Architect, Manager,  
                                  Warrenstreet Architects, Inc

AGENDA:

1. Reading of the Minutes for the December 1, 2015 Monthly Meeting
2. Presentation on Building Construction Delivery Methods
3. End of Year Budgetary Transfers
4. Sodium Hypochlorite Tank Replacements
5. Review of Personnel Goals for 2015 and Recommended Goals for 2016
6. Executive Session: Personnel Evaluations
7. Other business...
8. Adjournment

The meeting was called to order by Chairman **Price** at 6:57 p.m.

Having no objection from the Board members, and in consideration of attendees **Giguere** and **Halle**, **Price** moved ahead to agenda item #2.

Agenda Item #2: Presentation on Building Construction Delivery Methods

Referring to Attachment #5 (*Underwood Engineers Memorandum – Project Delivery Methods, dated December 21, 2015*) of the January 2016 Trustee's Meeting Packet, **Giguere** introduced Jonathan **Halle**, Warrenstreet Architects, Inc., who asked the Board members if they had any questions before he began his presentation.

**Oppert** noted that the 'DESIGN-BID-BUILD' method requires "compliance with public bidding policy" and asked if the other two methods ('CONSTRUCTION MANAGER' and 'DESIGN-BUILD') also require public bidding. **Halle** replied that it depends on the local ordinances and the funding source. He presented an explanation of the three delivery methods using the details illustrated by Attachment #5.

**Bolduc** asked if the price guarantee of CM applied to selection of sub-contractors.

**Halle** replied that the Construction Manager will deliver the project for a GMP (Guaranteed Maximum Price); however, owner and CM contingencies are part of the GMP that allow for minor fluctuations in cost.

**Allenwood** verified that the CM method is 'open book' which allows the owner access to all the costs that the contractors incur and the agreed upon markup on those costs.

**Halle** replied in the affirmative.

A discussion developed regarding the CM construction delivery method, highlights included:

- An example of the CM method is the two 5,000 sq. ft. maintenance buildings under construction at the Brunswick Sewage Treatment Facility (**Bolduc**);
- KSD could contact previous Warrenstreet clients for their opinions of the CM method (**Giguere**); and
- The time window for making this decision is limited (**Brockway**);

**Bolduc** asked about time constraints with choosing bidders when using the DB method.

After a lengthy explanation and examples, **Halle** summarized that depending on the magnitude of the project, DB method's end result is loss of control in the project.

**Branchina** asked who the lead would be.

**Bolduc** replied that in the CM method, there is no lead; KSD Staff would work with the Construction Manager and the design engineer to scope the project.

**Branchina** asked if any Board member had experience with any of the delivery methods.

Rejecting DBB as an unsatisfactory delivery method, **Allenwood** provided a favorable opinion of CM.

**Giguere** noted the following occurrences relating to DBB:

- Low bidding sub-contractors sometimes go bankrupt; and
- Reductions on labor resulting in schedule extensions.

A discussion developed regarding the need to have the new admin building completed prior to commencing the plant upgrade construction project.

Speculating that an RFQ for Construction Management firms might be the vehicle, **Bolduc** asked how the CM method gets initiated.

**Halle** replied in the affirmative, adding the following details:

- CM fulfills the public bid process;
- Hire based on qualifications;
- Ask for a fee;
- The contract is a two part form;
  - Part one – The CM firm stipulates how much they will get paid for the 'Estimating and Design Phase' until they reach the GMP;
  - Part two – The 'Construction' phase which fixes the price and schedule.
  - The contract is signed twice.

**Halle** advised the Board to invest the time required to settle on how the 'CM firm selection decision' should be made prior to choosing one. Examples included:

- Qualifications;
- KSD's criteria such as 'prior experience working on a treatment plant facility';
- Firms within a specified distance to the construction site;
- Justification of how the selection was made; and
- Selection from a list of KSD pre-qualified firms.

**Allenwood** summarized the two part RFQ process as follows:

- Select a designer; and
- Working with the designer, select a Construction Manager.

**Bolduc** asked how much time would be needed from start of RFQ development to start of construction.

A lengthy discussion developed regarding total project scheduling, highlights included:

- Design time = 6 months (**Halle**);
- Starting today (Jan 5, 2016) a fixed number from the design phase might be available by the end of June, 2016 (**Halle**);
- Hiring a CM would occur in Feb or Mar 2016 (**Halle**);
- The tenants will vacate the building in Jun 2016 (**Bolduc**);
- Site remediation will take approximately 6 months (**Bolduc**);
- Full civil engineering drawings need to be completed prior to Town Site Plan Review application (**Halle**);
- The Town Site Plan Review process will take approximately 3 months (**Halle**);

- Construction would not start prior to Jun 2016, bidding would occur in Mar 2016 (**Giguere**);
- To start construction by Labor Day (the cutoff for winter conditions affecting construction):
  - Planning Board approval is needed by the end of Jul 2016 (**Halle**);
  - Planning Board application is needed by the end of Jun 2016 (**Halle**); and
  - Start of design needs to begin in the next two weeks (**Halle**);
  - A floor plan needs to be developed first in order for civil engineering drawings to be created (**Halle**);
- Construction time for a 10,000 sq ft building will take approximately 8 to 9 months (**Halle**);
- If construction is started on Labor Day, the building would be completed in the Spring (**Halle**);

Not having enough information regarding timing and 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.

**Halle** reiterated his characterization of the difference between DBB and CM, and emphasized the importance of selecting a delivery method in the near future.

**Halle** suggested helping KSD conceive a quick design concept and schedule in order to appreciate the magnitude of the project.

**Bolduc** summarized 4 current KSD projects as follows:

- The tenant lease extension of the K&E building;
- Remediation of the K&E site once the building is vacated;
- The treatment plant upgrade design; and
- The admin building construction.

**Bolduc** detailed the sequence of current KSD projects as follows:

- Concurrent work on the design of a new building;
- The remediation effort;
- Demolition of the K&E building; and
- Construction of the new admin building.

**Price** suggested that a design concept drawing (including a quick site plan, floor plan, and schedule) would be helpful to provide an idea to the Architects of what KSD is looking for when those discussions take place.

**Bolduc** agreed.

**Bolduc** asked the Board members if they had enough information to select a construction delivery method.

**Allenwood** remarked that no matter which delivery method is used, Architect selection must occur first. He also pointed out that the CM method provides an easy exit to the DBB method if KSD become dissatisfied with the progress.

Given all the variables, **Branchina** asked how the cost is managed.

**Allenwood** explained:

- The CM method is 'open book';
- The Architectural cost will be less with CM or DB versus DBB; and
- The DB method incurs cost cutting in the final stages.

**Bolduc** asked the Board members if they wanted to pursue an RFQ for an Architect.

**Price** recommended starting with design concept drawings, as previously discussed, to provide an idea for discussions with selected Architects.

**Bolduc** agreed to work with **Halle** to develop a design concept plan for Board presentation at the next meeting. On the basis of the small project size, **Oppert** recommended using Construction Manager for a Building Construction Delivery Method.

**Halle** opened a discussion regarding development of a design concept plan, his highlights included:

- Discussions will take more than one meeting;
- Amount of money to be spent on the building;
- Construction type;

- Attendees will include various staff and Board members; and
- Create a starting point with a draft program resulting from an initial phone interview.

**Bolduc** suggested his starting point could be based on his floor plan copy of the current admin building under construction for the Brunswick Sewer District.

**Giguere** agreed to coordinate the funding effort.

**Price** thanked **Giguere** and **Halle** for their comments and asked if any Board members wanted to volunteer to participate in the design concept plan discussions.

**Oppert** and **Price** agreed to participate in the design concept plan discussions.

**Price** moved back to agenda item #1.

Agenda Item #1: Reading of the Minutes for the December 1, 2015 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 December 1, 2015.

**Oppert** submitted the following correction:

- Page 4, Item #4, 4<sup>th</sup> paragraph, line 6: “type of work planed for the” should read “type of work **planned** for the”.

**Allenwood** submitted the following revision:

- Page 2, Item #2, 4<sup>th</sup> paragraph, line 2: “Valve list” should read “**Biowin model runs**”.
- Page 3, Item #3, 5<sup>th</sup> paragraph, line 1: “asked if O<sup>2</sup> pricing” should read “asked if **ECO<sub>2</sub>** pricing”.

**A motion was made to accept the minutes of December 1, 2015 as amended.**

**MOVED: Branchina**  
**SECONDED: Oppert**  
**DISCUSSION: None.**  
**MODS: As amended.**  
**VOTE: 5 for, 0 opposed; the motion carried.**

**Price** moved ahead to agenda item #3.

Agenda Item #3: End of Year Budgetary Transfers

Referring to Attachment #2 (Agenda Item Commentary) of the January, 2016 Trustee's Meeting Packet, **Bolduc** summarized the account transfers of item # 3 (End of Year Budgetary Transfers.)

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

**A motion was made to authorize the transfer of funds as presented.**

**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 #4: Sodium Hypochlorite Tank Replacements

Referring to Attachment #2 (Agenda Item Commentary) of the January, 2016 Trustee's Meeting Packet, **Wiley** opened a discussion regarding item # 4 (Sodium Hypochlorite Tank Replacements). His comments referred to attachment #6 (Sodium Hypochlorite Tank Replacement Materials) and included the following highlights:

- One of the two tanks, which were fabricated by a local company, is leaking;
- The manufacture has tried to repair the leaking tank on several occasions without success;
- Staff recommends replacement of both tanks;
- A review of all 3 cost options for tank and containment system replacement presented in attachment #6.
- The preferred choice, identified as option #3, included the following details:
  - Tank replacement;
  - Repair of cracks in the existing containment wall;
  - Floor re-sealing; and
  - Total cost of \$23,823.

**Allenwood** asked if the installation cost was included in the price quote.

**Wiley** replied in the negative, adding that KSD Staff is expecting to recover some of the original \$20,000 cost of the tanks, which only lasted 3 years, by applying any refund agreement to the installation cost.

**Branchina** asked if the tanks had a warranty or an expected life.

**Wiley** responded that the expected life of the tanks was 7 to 10 years; however, no warranty was in place. If no refund or other compensation for the short tank life can be obtained, **Wiley** expects the faulty tank manufacturer to at least disassemble and remove the old defective tanks.

**Brockway** asked if the new tanks would need replacement as part of the treatment facility upgrade.

**Wiley** replied in the negative.

**Oppert** asked if the new tank was made of suitable material.

**Allenwood** replied that the material is exactly what BC (Brown & Caldwell) specified.

**Price** suggested a hybrid of 'Bathtub' style containment, reseal the floor, and remove the existing concrete wall containment.

**Wiley** replied that the suggested combination would increase the cost of even the most expensive option (#3) by \$6,300.

**Oppert** asked if the floor sealant was a suitability material.

**Wiley** replied that the sealant is an epoxy type which is detail in the attachment.

Attesting to the suitability of the stitching method used in the sealing process, **Bolduc** reported that the same material was use to repair a leaking wall in the building and the fix has been leak free for 8 months.

**Wiley** noted that the sealing process will take about 2 days, and the entire tank replacement project about 7 days. Referring to the previously discussed lack of warranty on the old tanks, **Price** questioned the details of the manufacturer's warranty on the new tanks.

**Wiley** replied that he did not have the manufacturer's warranty details but would provide it to the Board.

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 replacement of the Sodium Hypochlorite Tanks using Option #3 as presented contingent upon receiving a suitably warranty.**

**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 #5: Review of Personnel Goals for 2015 and Recommended Goals for 2016

Referring to Attachment #2 (Agenda Item Commentary) of the January, 2016 Trustee's Meeting Packet, **Bolduc** opened a discussion regarding item # 5 (Review of Personnel Goals for 2015 and Recommended Goals for 2016).

His comments referred to attachment #7 (Status of 2015 Goal and Recommended Goals for 2016) and included the following highlights:

- The status of each goal is indicated in the report;
- Completion time is generally 2 to 3 years;
- The format is a good tracking device to assess progress (**Brockway**);
- The following topics from the '2016 Potential Objectives List' were noted:
  - WWTP Upgrade;
    - ✓ Plant design;
    - ✓ Peer review;
    - ✓ DEP discharge limits and wasteload allocation studies; and
    - ✓ Plant relicensing in 2016.
  - Doanes Wharf and Grove Street Sewer Rehabilitation Project;
  - Asset Management;
    - ✓ Inventory, Condition, and risk assessment for Collection systems; and
    - ✓ Condition and risk assessments on plant equipment.
  - Technology (**Wiley**);
    - ✓ Digitizing data collection with applications;
    - ✓ Introduction of tablets for data collection, email, information disbursement; and
    - ✓ Expanding the GIS system.
  - K&E Building;
  - Administrative;
    - ✓ Website.
  - Communications.
- The following topics from the 'Goals for 2016 List' were noted:
  - The goals and objectives have been discussed with each employee; and
  - Each employee has two major goals.

**Branchina** asked how 'aging out' staff replacement and training are being handled compared to previous discussion of 2 years ago.

**Bolduc** replied that KSD does not have a formal staff replacement plan in place.

**Branchina** asked how future retirement looks over the next 3 years.

**Bolduc** provided the following insight regarding retiree replacements:

- Identification of employees that are close or considering retirement;
- Staff is not currently recruiting from outside the company for potential retirees; and
- Current employees are being groomed to fill future vacated positions created by retirees.

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 recommended goals for 2016 as presented.**

**MOVED: Brockway**

**SECONDED: Oppert**

**DISCUSSION: None.**

**MODS: None.**

**VOTE: 5 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 #7.

Agenda Item #7: Other business...

### **K&E Building**

**Bolduc** reported the following K&E Building Tenant Lease update:

- The tenants have a 3 month extension option as detailed on page 2 of the lease;
- Two of the tenants have indicated that they are planning to utilize the 3 month extension;

- KSD control of the building will probably not be available any earlier than June 30, 2016; and
- The tenants are required to pay the entire year's tax bill if they maintain occupancy beyond March, 2016.

A discussion developed regarding tenant occupancy beyond June, 2016 if the admin building project schedule is delayed, highlights included:

- Until all the project components are established and pieced together, a firm schedule for termination of tenant occupancy cannot be determined (**Oppert**); and
- Further discussions with Underwood Engineers, Inc. and Warrenstreet Architects, Inc. are required before all component time frames can be established (**Bolduc**).

#### **RSU Cost & Services sharing meeting**

A discussion developed regarding the upcoming cost & services sharing meeting to be held on Thursday, Jan 7, 2016.

Price moved back to agenda item #6.

Agenda Item #6: Executive Session: Personnel Evaluations

Price asked for a motion to enter Executive Session.

**At 8:43 pm, a motion was made to enter into Executive Session to discuss non-union personnel evaluations, Pursuant to [M.R.S.A. Chapter 18, Subchapter 1, §405 (6) (A)]**

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

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

**At 9:37 pm a motion was made to come out of Executive Session.**

**MOVED: Oppert**  
**SECONDED: Allenwood**  
**DISCUSSION: None.**  
**MODS: None.**  
**VOTE: 5 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 enter into the record that the Trustees were in agreement with the recommendations of the manager on the employee evaluations and the Trustee's evaluation of the manager's performance.**

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

Price moved ahead to agenda item #8.

Agenda Item #8: 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 9:40 p.m.**

**MOVED: Oppert**

**SECONDED: Allenwood**

**DISCUSSION: None**

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

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

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

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KSD Board of Trustee Meeting Action Items History List

<u>Mtg. Date</u>	<u>Action Item</u>
Jan 5, 2016	<u>Agenda Item #2: 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.  <u>Agenda Item #4: 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.
Dec 1, 2015	<u>Agenda Item #4: Other business...</u> Monthly correspondence <b>Bolduc</b> to email the Manager's meeting letter to <b>Branchina</b>
Nov 3, 2015	<u>Agenda Item #6: Other business...</u> A motion was approved to sell the cement mixer to the Town of Kennebunk for the sum of \$1.
Oct 22, 2015	<u>Agenda Item #1: Review and Award of the Bid for Doane's Beach Grove Sewer Rehabilitation Project</u> <b>Allenwood</b> recommended rechecking the requested document list, because typically the Notice of Award cannot be signed until DEP approval of the entire bid package is obtained. <b>Roy</b> agreed to recheck the requested documents list with DEP.
Oct 6, 2015	<u>Agenda Item #6: Other business...</u> <b>Correspondence File for October 2015</b> <b>Price</b> reiterated that the Board of Trustees should send correspondence to the Town of Arundel stating that: <ul style="list-style-type: none"><li>• There seems to be some misinformation;</li><li>• The Board of Trustees has given the Town of Arundel no direction to proceed;</li><li>• KSD looks forward to talking with the Town of Arundel in the future;</li><li>• KSD is taking no action at this time.</li></ul> <b>Price</b> commented that the Board of Trustees should add " <i>the Board of Trustees is not happy about the newspaper articles</i> " to the Arundel correspondence.