

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES
MONTHLY MEETING, OCTOBER 2, 2018

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, October 2, 2018 in the conference room at the District Offices located at 44 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
 Chris **Gallant**, KSD Assistant Manager

Others present were: Nicholas N. **Branchina**, Resident
 Valerie **Giguere**, P.E. Senior Project Manager, Underwood Engineers, Inc.
 Merton **Brown**, Town Clerk, Town of Kennebunk
 Lionel **Menard**, Resident
 Lorena **Porfido**, Resident
 Ted **Trainer**, Resident

AGENDA:

1. Special District Meeting on the Proposed Bond for Phase 1B, WWTF Improvements, Headworks and Clarifiers
2. Reading of the Minutes for the September 4, 2018 Monthly Meeting
3. Final Draft of the 2019 Capital Improvement Program
4. Other Business...
5. Adjournment

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

Agenda Item #1: Special District Meeting on the Proposed Bond for Phase 1B, WWTF Improvements, Headworks and Clarifiers

Chairman **Price** asked for a motion to open the district meeting.

A motion was made to open the district meeting

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

Chairman **Price** stated that the Board will take public comment on the subject of the bond resolution voted on at the last meeting and asked District Manager **Bolduc** for a summary of the proposed bond.

Bolduc and **Gallant** provided a project overview power point presentation of the current treatment system, highlights included:

- Existing condition of the headworks constructed in the upgrade of 1985;
- Components included:
 - A bar rack;
 - Screw pumps and drive motors (one pump replaced in 2007, lower bearings replaced in 2017);
 - Step screen (replaced in 1995); and
 - Grit removal system.
- Equipment service life of 30 years has been exceeded;

- The 3 main reasons why replacement is necessary were given as:
 - Equipment is outdated;
 - Cannot meet present peak flow capacity; and
 - Will not be able to meet 2021 permit requirement for nutrient removal

- Proposed alternatives to meet 2021 permit requirements were given as:
 - 1) Borrow now and upgrade the system;
 - 2) Wait and see what happens; and
 - 3) Upgrade the existing headworks and upgrade the system in 10 years as needed.

- Proposed cost of each alternative was given as:
 - 1) \$8M now;
 - 2) \$1.7M to replace existing headworks equipment now; and \$8.75M at next permit cycle (2021) to construct new headworks; and
 - 3) \$1.7M to replace existing headworks equipment now; and \$13.22M at future permit cycle (2028) to construct new headworks.

Nicholas N. **Branchina**, Resident, asked what part of the proposed cost is needed to meet the current issues. **Bolduc** replied that \$1.7M would be needed in the next 5 years to upgrade the existing headworks.

Lionel **Menard**, Resident, asked how long the \$8M would be good for. **Bolduc** replied 30 years.

Menard noted that in the past, the price for the upgrade had been discussed at \$20M.

Allenwood replied that the figure was actually \$22M but that amount included headworks and the secondary process upgrade equipment to satisfy the new nutrient restrictions which are not yet known; therefore, it is not included in this estimate. Depending on what happens with the permit requirement, \$14M may be needed in addition to the \$8M to satisfy future requirements.

Menard asked if operating cost has been calculated.

Bolduc replied in the negative.

Menard speculated that operating costs may be lower with the upgrade.

Gallant agreed.

Menard asked how much increased capacity would be gained with the upgrade.

Valerie **Giguere**, Underwood Engineers, provided the following upgrade capacity detail:

- Accommodates anticipated flow out to 20 years and beyond; and
- The new biological system will be able to accommodate all the peak hourly flows that the existing headworks cannot accommodate.

Phrasing his question differently, **Menard** asked how much increased capacity would be gained by investing \$8M now.

Price replied that “*capacity will not increase, no matter what is built; it still has to go through the end of the pipe.*”

Branchina presented comments regarding the town Comprehensive Plan and expansion of sewer services.

Lorena **Porfido**, Resident, opened a discussion regarding:

- Who pays for the headworks project cost of \$8M;
- The current high cost of sewer service; and
- Current population and future growth.

Giguere provided a summary of the current and permitted capacity.

Bolduc provided past and present growth data within the district.

Branchina reviewed rate data for various towns.

Ted **Trainer**, Resident asked for an explanation of the 80% capacity limit.

Allenwood replied that when the figure is reached, the Federal regulations require an upgrade examination.

A discussion developed regarding flow capacity, design capacity limits, additional growth potential, and equity buy-in fees.

Branchina expressed concern that the current rate payers will be paying for a project that they receive no benefit from and recommended that the burden of payment for new additions be picked up by new users.

Branchina endorsed the plan of spending \$1.7M now and see what happens in the future.

Porfido asked what amount the ratepayers could expect to see in their bills as a result of the upgrade.

Bolduc surmised the increase would be in the 3% to 4% range.

Trainer noted that defining the increase in specific terms such as 3% to 4% bill increase is helpful to the average rate payer.

Merton **Brown**, Town Clerk, Town of Kennebunk provided a definition of sewer district voters versus sewer district ratepayers.

Menard asked if storm water had any impact on sewer capacity.

Bolduc replied that they are separate systems.

Menard opened a discussion by suggesting selling the district's excess capacity to neighboring towns to help pay for the upgrade.

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

A motion was made to close the public hearing

MOVED: Oppert

DISCUSSION: Branchina remarked that he did not agree with the Board's direction, he intended to generate a petition to oppose a bond issue of \$8M, and asked the Board to clarify the process and number of signatures needed to override any Board decision to approve a bond issue for \$8M.

Town Clerk Brown explained that a detailed process is provided in the Sewer District charter, requires 5% of the KSD user members or 337 signatures, and explained that a citizen initiated petition is totally generated by the person seeking the signatures.

A discussion developed regarding the logistics of generating a KSD citizen initiated petition including:

- **Petition/Ballot question wording;**
- **Special referendum town meeting vote;**
- **Signature verification, recommended number, and document trail;**
- **28 day time limit;**
- **Selectmen's warrant wording**

SECONDED: Allenwood

DISCUSSION: None

MODS: None

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

Citing his role on the Conservation Commission for the Town of Kennebunk Comprehensive Plan, **Branchina** expressed concern that town septic systems are not monitored and noted that addressing this issue is one of his goals.

Price thanked **Branchina** for his comments, noted that they will be taken under advisement, and moved to the next agenda item.

Agenda Item #2: Reading of the Minutes for the September 4, 2018 Monthly Meeting

Dispensing with a reading of the minutes, **Price** asked the Board for comments regarding the minutes of the August 7, 2018 monthly meeting.

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

A motion was made to accept the minutes of September 4, 2018 as submitted.

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 #3: Final Draft of the 2019 Capital Improvement Program

Referring to Agenda Item Commentary of the October, 2018 Trustee's Meeting hand out and Attachment #8 (Final Draft of the 2019 Capital Improvement Program), **Bolduc** opened a discussion regarding the project which included the following topics and highlights:

- The proposed CIP for 2019 is \$8,390,500;
- Changes from the last edition include;
 - The portable air compressor was moved to 2020;
 - The SCADA system and programming for the pumping stations was added to the 2019 budget; and
 - Investigation and spot repairs for the collection system was added to year 2021 and 2022.

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

A motion was made to approve the 2019 Capital Improvement Plan of \$8,390,500.

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

Price moved to the next agenda item.

Agenda Item #4: Other Business...

1. Trustee Edward Sharood Vacancy

Bolduc reported that the Town requested an official recommendation to appoint a replacement for the remainder of **Sharood's** term expiring on June 30, 2019. **Arnold Reim** was previously discussed as a candidate to serve out the term.

A motion was made to direct the Manager to draft a letter to the Town Manager and Board of Selectmen requesting the appointment of Arnold (Arni) Reim of 4 Fleming Court to the Kennebunk Sewer District's Board of Trustee for the remainder of Trustee Ed Sharood's term expiring on June 30, 2019.

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

2. Manager's Report for October 2018

Bolduc provided a summary of selected items from the Manager's Report as detailed in Attachment #5 (Manager's Report), of the October, 2018 Trustee's Packet. His comments included the following topics and highlights:

FINANCIAL AND ADMINISTRATIVE

Personnel

- Maurice **Bedard** is scheduled to be back October 11, 2018;
- Susan **Richards**, Office Manager started on September 24, 2018; and
- Daniel **Boissonneault**, Collection Systems Foreman, graduated from Management Candidate School on September 20, 2018.

Oppert recommended sending a letter of congratulations to Daniel **Boissonneault**.

All present agreed, **Bolduc** volunteered to draft the correspondence.

Finance

- The application for the SRF loan was submitted to the Maine Bond Bank on October 2, 2018;
- The issue of interim financing at 1.5% was presented as an option;
- The account transfers and closings detailed on page 20 and 21 of Attachment #5 (Manager's Report) were modified as follows:
 - The Impact Fees 1997 account balance of \$42,754.31 will be used for SCADA system upgrade instead of the Storer Street Project.

PLANT OPERATIONS

Equipment Issues

Control Building

- Michael **Cleary**, Project Manager, Benchmark, will be addressing the delinquent punch list items this week.

COLLECTION SYSTEMS

Collection Systems Study

- The Town of Arundel has expressed interest in the concept.

Boothby Road Pump Station

- A faulty check valve and shut off valve may need replacement at additional cost.

Brown Street Pump Station

- The time between Blue Rag issue occurrences has increased.

SAFETY

The next safety training is scheduled for October 13, 2018.

2018 CAPITAL IMPROVEMENT PROJECTS

WWTP Projects

- **Phase 1b Headworks Project**
 - Preliminary schematic designs and equipment selection are in progress and are expected to be presented in December 2018.

Pumping Station Capital Improvements

- **Waterford Green**
 - The replacement control panel and both pumps are installed and operational; and
 - Project completion is anticipated to be end of October 2018.

- **Storer Street**
 - Project completion is anticipated to be 5 October, 2018.

- **Doanes Wharf**
 - Pump #2 is installed and operational;
 - A larger VFD has to be purchased for one of the pumps;
 - Project completion is anticipated to be 5 October, 2018.

3. KSD Citizen Initiated Petition

A discussion developed regarding a possible petition being generated opposing any \$8M bond. Discussion points included:

- Calling for a special election at KSD's expense;
- The next scheduled election will be in June of 2019;
- Interest on SRF funds will likely increase with any delay;
- PR Strategy; and
- Petition/Ballot question language.

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

Agenda Item #5: 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 9:07 p.m.

MOVED: Brockway

SECONDED: Oppert

DISCUSSION: None.

VOTE: 4 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>
Date	Agenda Item # __: Topic _____; Description _____.