

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES  
MONTHLY MEETING, DECEMBER 3, 2019

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, December 3, 2019 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  
                                   Arnold H. **Reim**

Trustees absent were:     Wayne A. **Brockway**, Treasurer

KSD Staff present was:    Michael **Bolduc**, KSD District Manager  
                                   Chris **Gallant**, KSD Assistant Manager

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**AGENDA:**

**Public Comment**

**New Business**

1. Reading of the Minutes for the November 5, 2019 Monthly Meeting
2. Executive Session – Legal Matters
3. Account Systems Operation Manual Annual Updates
4. Report on Status of the Route One North and South Impact Fees
5. Sewer Connection Manual

**Unfinished Business**

**Other Business...**

6. Adjournment
- .....

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

**Agenda Item – Public Comment**

Chairman **Price** opened the meeting for public comment.

District Manager **Bolduc** reported that no public comments have been received.

There being no further discussion regarding public comment, Chairman **Price** moved to the next agenda item.

**Agenda Item – (New Business) #1: Reading of the Minutes for the November 5, 2019 Monthly Meeting**

Dispensing with a reading of the minutes, Chairman **Price** asked the Board for comments regarding the minutes of the November 5, 2019 monthly meeting.

Clerk **Oppert** submitted the following correction:

- Page 1, Agenda Item **Public Comment**., 2<sup>nd</sup> paragraph, line 2: “install an EV charging station” should read “installing an EV charging station”
- Page 3, Agenda Item (**Other Business**) **a.**, 2<sup>nd</sup> paragraph from the bottom, line 4: “Siphon digging” should read “Siphon pigging”

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

**A motion was made to accept the minutes of November 5, 2019 as amended.**

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

Having no objection from the Board members, and in consideration of executive session, Chairman **Price** moved ahead to Agenda Item #3.

**Agenda Item – (New Business) #3:** Account Systems Operation Manual Annual Updates

District Manager **Bolduc** provided a summary of selected items from the document's annual review as detailed in Attachment #5 (Accounting Systems Operation Manual), of the December 3, 2019 Trustee's Packet. His comments included the following:

- Most of the changes are minor in nature: and
- One change of note (on page 51) is checks requiring signature has been adjusted from \$1,000 to \$1,500.

Chairman **Price** asked for security/encryption details of backup records stored off-site.

District Manager **Bolduc** replied that he would research that concern and report back at the next meeting.

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

**A motion was made to approve the 2020 Accounting Systems Operations Manual as revised.**

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

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

**Agenda Item – (New Business) #4:** Report on Status of the Route One North and South Impact Fees

District Manager **Bolduc** reported that the work associated with the Impact Fees for Route One North and Route One South Long-Term Planning Studies has been completed and recommends closing the bank accounts for these two Impact fees and the remaining balances be transferred to the Impact Fee account.

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

**A motion was made to transfer the remaining balances from the Route One North and South accounts to the Impact Fee Account and close the Route One North and South accounts.**

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

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

**Agenda Item – (New Business) #5: Sewer Connection Manual**

District Manager **Bolduc** provided a summary of the document as detailed in Attachment #7 (Kennebunk Sewer District Service Connection Policy), of the December 3, 2019 Trustee's Packet. Highlights included the following:

- The document establishes a policy for application, permitting, and inspection of service connections;
- The manual provides clear procedures and responsibilities for contractors, drain layers, and residents with respect to connection requirements;
- Sample web-based data input forms are provided; and
- An additional fee of \$75 for inspection of the connection has been added to the appendix list of approved fees.

District Manager **Bolduc** recommended updating the KSD web site.

Vice Chairman **Allenwood** submitted corrections for page 78.

Clerk **Oppert** provided a list of various changes and corrections to District Manager **Bolduc**. Among other recommendation, the list included:

- Additions for “Definitions of Terms”; and
- Changing “District Connection” to “Town Connection” for “Street Openings” on page 74.

Chairman **Price** recommended removing the term “House Trap.”

Chairman **Price** opened a discussion regarding the adequacy of a \$75 inspection fee. All present agreed that the fee was acceptable.

District Manager **Bolduc** remarked that the changes will be included in a revised document and which will be presented for review at the next meeting.

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

**Agenda Item – (Unfinished Business) a: Response to Nick Branchina’s Memo of September 17, 2019**

Referring to “Response to Nick Branchina’s Memo of September 17, 2019” (provided as enclosure (1), which is incorporated by reference into these minutes), Assistant District Manager **Gallant** recited a summary of selected correction items submitted by Treasurer **Brockway**, his review included the following:

- Page 1, 1<sup>st</sup> paragraph, “Sewer Extensions”, 3<sup>rd</sup> sentence, should read “be constructed” and “according to the”;
- Page 2, “KSD Charter” section, the last and first bullets, should begin with a semicolon and end with a period; and
- Page 2, “Cost” section, “Board of Selectmen” should read “Board of Trustees”.

Vice Chairman **Allenwood** submitted the following amendment:

- Page 2, “KSD Charter” section, the discussion regarding plant upgrade should have an added bullet stating that “*the proposed plant upgrade does not increase capacity*”

Chairman **Price** suggested including an expanded definition of “plant upgrade.”

Vice Chairman **Allenwood** recommended “*this upgrade is to maintain secondary treatment capabilities for new and or lower permit limits which will be issued at some point in the future.*”

Chairman **Price** agreed.

Clerk **Oppert** provided various grammar corrections on page 1 & 2, and recommended adding the following statement to attachment 2 *“at this time the district is projecting a 3% increase in rates, which includes the debt retirement.”*

Chairman **Price** agreed and suggested referencing the memo date in the first line.

District Manager **Bolduc** asked who the response document, with attachments, should be sent to.

Chairman **Price** suggested sending it to the originator and the Town Manager for distribution to the Board of Selectmen.

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

### **Agenda Item – (Other Business) a: Manager’s Report for December 2019**

District Manager **Bolduc** provided a summary of selected items from the Manager’s Report as detailed in Attachment #2 (Manager’s Report for December 2019), of the December 3, 2019 Trustee’s Packet. His comments included the following topics and highlights:

#### **FINANCIAL AND ADMINISTRATIVE**

##### **EBIF & Turnpike Zone Impact Fees**

- No new developments.

##### **Personnel**

- Shelby **Carver** is out on medical leave;
- No new development of the union contract;
- Ty **Morin** of Kennebunk has been hired as an operator;
- John **Whitten** and Alex **King** are attending Management Training School; and
- Danny **Boissonneault**, John **Whitten**, and Alex **King** will be attending JETCC’s Pilot Air Quality Testing and Confined Space Preparation for the Competent Person Program on December 5<sup>th</sup>.

##### **Insurances**

- A Staff meeting with Woodard and Curran is planned for December 4<sup>th</sup> to conduct a record search; and
- An inquiry to locate possible “Grant Funds” has proved negative.

#### **EQUIPMENT ISSUES**

##### **RBC Electrical Building**

- Staff replaced a corroded electrical lighting panel; and
- The boiler for the RBCs is going to need a new chimney.

##### **RBC Media**

- The MMM Plastics prototype “Flopper Stopper” project has been delayed until January when funding becomes available.

##### **Polymer System**

- This project is on hold until the HVAC issues are resolved.

##### **HVAC Issues**

- Benchmark’s design was not completely adequate;
- KSD and Benchmark have reached a settlement where they provide the parts and KSD will do the installation; and
- The needed modifications are in progress.

### **Operational Issues**

- Assistant District Manager **Gallant** has been coordinating all of the various process monitoring into electronic applications that are aggregated on a master spreadsheet; and
- DO probes will be a beneficial addition for process control and energy conservation during summertime operations.

### **Asset Management Upgrade**

- This project is expected to begin at the start of next year.

## **COLLECTION SYSTEMS**

Wet well cleaning has been completed.  
Annual line televising of the collection system has begun.  
The Mousam river siphons have been pigged and inspected.

## **SAFETY ISSUES**

Asbestos training, respirator use, and winter snow hazards safety training has been completed.

## **2019 CAPITAL IMPROVEMENT PROJECTS**

### **Phase 1b Headworks Project Design (64% Expended, 90% complete)**

- A design suitable for bidding is expected in December.

### **Replacement of Wet Well Covers (0% Expended, 0% complete)**

- No status update available.

### **Doanes Wharf Generator**

- On hold, no new status update available.

### **Completed projects include:**

- Cressy Cross Country;
- Dane Street;
- Admirals Way Pumping Station;
- SCADA Software and Programming for the Pumping Stations;
- Waterford Greene; and
- Larboard Lane PS.

There being no further business to come before the Board regarding this issue, Chairman **Price** moved back to Agenda Item # 2.

### **Agenda Item – (New Business) #2: Executive Session – Legal Matters**

There being no representative present to discuss legal matters, Chairman **Price** moved ahead to Agenda Item # 6.

### **Agenda Item – (Other Business) #6: Adjournment**

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

**A motion was made to adjourn the meeting at 7:50 p.m.**

**MOVED: Oppert**

**SECONDED: Allenwood**

**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**

<b><u>Request Date</u></b>	<b><u>Action Item</u></b>
<b>April 2, 2019</b>	Agenda Item <b>(New Business) #3:</b> Topic: <u>Discussion on Impact Fees</u> ; Description: <u>Ongoing impact fee recalculation.</u>
<b>December 3, 2019</b>	Agenda Item <b>(New Business) #3:</b> Topic: <u>Account Systems Operation Manual Annual Updates</u> ; Description: <u>Security/encryption details of backup records stored off-site.</u>
<b>Date</b>	Agenda Item # __ : Topic _____; Description _____.

Enclosures:  
 (1) Response to Nick Branchina’s Memo of September 17, 2019

## Response to Nick Branchina's Memo of September 17, 2019

This is a response to Nick Branchina's memo that was distributed to the KSD Board of Trustees and the Kennebunk Board of Selectmen.

### MAXIMUM BUILDOUT AREA

#### Sewer Extensions

For the vast majority of sewer extensions, the Kennebunk Sewer District (KSD) requires those extensions be done at the cost of the developer. The developer could be a private developer or a public entity such as the Town of Kennebunk or RSU 21. The District requires that the extension constructed according Rules and Regulations of the District and at the approval of the Town's Planning Board or Site Plan Review Board.

#### Affect on Population, Housing, and Zoning

The District provides sewer service to homes and businesses within the District's jurisdiction but does not direct policy relating to zoning issues, providing affordable housing, or commercial/industrial development. The District responds and facilitates policies and goals that the community wants to achieve provided that it does not pass those costs on the rate payers disproportionately.

While the District does not directly influence development or policy issues of the town, it does indirectly play a part in the Town's decisions resulting from financial and system capacity restraints. For example, the town may desire to establish high density, lower cost housing in West Kennebunk. This may not be economically feasible due to the high cost of installing new infrastructure and addressing downstream capacity issues. The costs of providing this service may not result in the desired goal of lower cost housing.

### SEPTIC SYSTEM/ENVIRONMENT

The District does not have any responsibility or authority to provide oversight to the properties on septic systems. This would be a Town function. However, the District benefits indirectly from ensuring that septic systems are properly functioning and maintained. The quality of the Mousam River does impact the licensing requirements of the treatment facility. For example, failing septic systems, untreated stormwater runoff, and agricultural runoff can have bacterial and nutrient levels that result in greater levels of treatment required at the treatment plant. Specifically, the Mousam River is nutrient impaired above the dams and is a factor in establishing the size and type of treatment system that will be needed to meet MEDEP licensing requirements.



## KSD CHARTER

### Rate Payer Input

The Charter requires specific requirements for the borrowing of funds including:

- A Special Meeting of the District is required
- A Notice is required to be mailed each rate payer stating the need and amount of the borrowing, and the date, time, and location of the Special Meeting to discuss the proposed borrowing.
- The Notice is required to be publicly posted and appear in a legal notice in a newspaper having a general circulation in Kennebunk.
- At the conclusion of the vote at the Special Meeting, the Charter also provides for petitioning of the Board of Selection for reconsideration

## TAXATION

The District is fully supported financially by the rate payers in the District and does not have the authority to charge user fees or otherwise tax the public beyond the district's authority as stated in our Charter.

## TRANSPARENCY

The District maintains full transparency with all decisions made in public meetings as required by law and charter. The District has a website and semiannual newsletter that are mailed to each account providing District business and news. The District's annual report and audit are available on the District's website. This year the District met with both the Town's Board of Selectmen and the Economic Development Commission to discuss how to facilitate and coordinate the Comprehensive Plan goals. We are available for future meetings or to provide answers and clarifications to any of the Town's boards or commissions as well as the general public.

## COSTS

The costs of providing service to the rate payers of the District is the responsibility of the District and its Board of Selectmen. Information is exchanged formally and informally with the Town regarding the costs of the operating and maintaining the District.

## CONCLUSION

The size and type of treatment for any of the upgrades to the Wastewater Treatment Facility should and will be done with the best interests of the rate payers and the town in general. The District does work closely with the Town to deliver a system that meets the goals of the regulators, the residents of Kennebunk, and our ratepayers for now and the future.

**ATTACHMENT 1**

The District is going out for bid on the Headworks Phase of the upgrade and final pricing should be known at the beginning of 2020. Current construction estimates for this phase are \$8.0M

**ATTACHMENT 2**

At this time the District is projecting a 3% increase in rates including, not in addition to the debt retirement.

## memo

To: Board of Selectmen and Kennebunk Sewer District Trustees  
From: Nick Branchina, Sr.  
Date: 09/17/2019  
Re: BOS and KSD Joint Workshop Agenda Item E (Public Comments)

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I am writing this as background for the implementation of the Comprehensive Plan - specifically Chapter 5: Public Utilities.

As you know, the three utilities are working through some significant issues:

- KKW - Branch Brook Consortium
- KLPD - Energy sources, dams, the area served by CMP in town
- KSD - Service area (particularly West Kennebunk and Arundel) and treatment plant upgrades (see attachments for a financial perspective of these issues)

Accordingly, I suggest that KSD and the BOS consider follow-up in the future regarding:

1. Maximum buildout area: The developer is required to assume the cost of extending the sewer line to new developments. This affects town population (Comprehensive Plan Chapter 1) and housing availability (Comprehensive Plan Chapter 2). This also affects zoning, which will be updated after the town approves the Comprehensive Plan.
2. Septic systems/Environment: Currently, septic systems are not monitored and thus pose a threat to drinking water and watersheds. It would help the town if KSD and the town collaborated to develop a monitoring system, i.e., develop a list of properties with septic and requiring verification of septic system maintenance and pump-out.
3. KSD charter/process:
  - a. Make it easier for rate payers to have input on financial decisions. Currently, rate payers must petition the board to reconsider financial decisions.
  - b. Plant upgrade: Expansion of capacity does not benefit current rate payers as KSD's "quasi-government" status precludes town-wide taxation (see Attachment I).
4. Transparency: BOS and KSD Board of Trustees transparency would enhance town residents' understanding of the ramifications of the plant upgrade, particularly managed residential and commercial growth as delineated in the Comprehensive Plan.
5. Costs: KSD and the BOS, possibly in conjunction with the Budget Board, should assess the cost of sewer expansion, comparing it to the RSU 21 renovation costs (see Attachment II) and the costs of sewer in adjacent communities (see Attachment III).

In conclusion, KSD's plant upgrade to meet DEP discharge criteria and BOS oversight of community taxation ramifications would be enhanced by updating the project size and costs. I trust this workshop will be the beginning of a discussion of wastewater management, septic and sewer impacts on our community goals as stated in the Comprehensive Plan.

**KENNEBUNK SEWER DISTRICT  
 ENGINEERING FEE RECONCILIATION  
 CONCEPTUAL OPINION OF PROBABLE CONSTRUCTION COST**

ITEM	DESCRIPTION	ESTIMATED COST		
		ESTIMATED DESIGN START	ESTIMATED BIDDING	ESTIMATED CONSTRUCTION START
	Estimated Design Start	Complete	Spring 2018	Fall 2017/Jan 2022
	Estimated Bid	Complete	TBD	TBD
	Estimated Construction Start	Spring 2018	TBD	TBD
	Estimated Midpoint of Construction Date from 2017	Spring 2018	TBD	TBD
	Target Total Nitrogen, mg/l	3 mg/l	3 mg/l	3 mg/l
1	HEADWORKS		TBD	
2	NEW PROCESS BUILDING		\$3,793,000	\$2,541,000
3	BIOLOGICAL SYSTEMS			\$2,342,000
5	AIR LIFT SYSTEM			\$10,186,000
6	CARBON ADDITION SYSTEM			\$95,000
8	CONSTRUCT BUILDING IMPROVEMENTS			\$395,000
	<b>ADDITIONAL PRALING COSTS NOT OTHERWISE REQUIRED BY REGULATIONS</b>		\$654,148	
10**	Dune existing septic receiving building/sewer electrical (advance)		\$200,000	
11**	Flow measuring at bypass channel in headworks/construct clarifier through cast building (advance)		\$70,000	
12**	Primary Clarifier Modifications/replace primary sludge pump (advance)		\$1,021,000	
13	Modify Secondary Clarifier/replace SAS/WAS pump			
14**	Sludge storage modifications (odor control, covers, confing) (advance)			
15	SCADA Upgrade (advance)			
	<b>SUBTOTAL</b>		\$654,148	
	Contractor O&M - 15%		\$5,684,000	\$13,472,000
	Contingency - 15%		\$852,600	\$3,020,800
	<b>TOTAL PROBABLE CONSTRUCTION COST</b>		\$7,389,200	\$20,513,600
	Escalation to Midpoint of Construction @ 3%/yr		\$8,074,000	\$20,383,600
	Final Design Engineering Services (10%)			\$2,039,400
	Admin, Engineering and Construction Services (10%)			\$2,039,400
	<b>TOTAL PROJECT COSTS YEAR 2017 (ENR = 417)</b>		\$747,000	\$9,464,000

*390*

*390 increase each year*

## Attachment II

### KSD Ratepayer Cost Comparison with RSU 21 Renovation

	RSU 21 Renovation Tax	KSD Plant Upgrade Cost
KSD Ratepayer	50% <sup>1</sup> {\$14,372,400} <sup>2</sup>	100% (\$34,574,000) <sup>3</sup>
Non-KSD taxpayers	50% {\$14,372,400}	0%

NOTES:

<sup>1</sup> Approximately one-half of taxpayers are on sewer.

<sup>2</sup> Kennebunk taxpayer share of RSU 21 renovation is \$28,744,800.

<sup>3</sup> KSD plant 3-phase renovation costs is \$34,574,000 plus approximately 3% each year.

### Comparative Sewer District Costs per 8,000 cu ft

**Wells:** \$525

**Kennebunkport:** \$475

**Kennebunk:** \$780