

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES
MONTHLY MEETING, FEBRUARY 4, 2020

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, February 4, 2020 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
 Arnold H. **Reim**

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

Others present were: Valerie **Giguere**, P.E., Senior Project Manager, Underwood Engineers, Inc.
 W. Steven **Clifton**, P.E., Vice President, Underwood Engineers, Inc.

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AGENDA:

Public Comment

New Business

1. Reading of the Minutes for the January 7, 2020 Monthly Meeting
2. Headworks Project Status Report
3. Approval of the Amended Operation and Maintenance Budget and Proposed Rates for 2020
4. End of Year Transfers
5. Update on Turnpike Plaza Discussion
6. Executive Session – Personnel Matters

Unfinished Business

Other Business

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

Having no objections from the Board members, and in consideration of Underwood Engineers, Inc. representatives being present, Chairman **Price** moved ahead to Agenda Item #2.

Agenda Item – (New Business) #2: Headworks Project Status Report

Referring to Attachment #3 (Agenda Item Commentary), of the February 4, 2020 Trustee's Packet, Valerie **Giguere**, Underwood Engineers, Inc. opened a discussion regarding the Headworks Project Status. Her comments included the following:

- Solutions for storm event caused backups;
- Submittal of 100% drawings;
- February 26, 2020 target for bid advertisement;
- Revised project cost for bidding is estimated at \$7.1 M or \$7.6M with SCADA added, and a contingency of \$400,000 or 5%;
- A 30 day bid turnaround time will be imposed;
- A non-mandatory pre-bid meeting will be conducted;

- Construction completion limit will be 18 months;
- Discussion of operational access concerns during construction; and
- Mid June, 2020 construction start date.

District Manager **Bolduc** provided a synopsis of storm event considerations resulting from the recent December 14th weather and tides.

Senior Project Manager **Giguere** list the following upgrade implementations as a result of lessons learned from storm events:

- Increased size of effluent pumps;
- Through-the-wall pipe and wet-well modifications for future flow equalization pumps; and
- The addition of manual effluent sluice gates.

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 accept the recommendations of Steve Clifton of Underwood Engineers, Inc. for modifications to the Headworks design as described in his memorandum of January 16, 2020 and proceed to bidding as soon as practical.

MOVED: Brockway

SECONDED: Allenwood

DISCUSSION: None

MODS: None

VOTE: 5 in favor, 0 opposed; the motion carried.

Chairman **Price** thanked the participants and moved back to Agenda Item “Public Comment”

Agenda Item – Public Comment

Chairman **Price** asked for public comment.

District Manager **Bolduc** reported one customer bill was returned with hand written negative comments regarding increased rates.

There being no further discussion regarding this Agenda Item, Chairman **Price** acknowledged and noted the public input and moved to the next scheduled Agenda Item.

Agenda Item – (New Business) #1: Reading of the Minutes for the January 7, 2020 Monthly Meeting

Dispensing with a reading of the minutes, Chairman **Price** asked the Board for comments regarding the minutes of the January 7, 2020 monthly meeting.

Treasurer **Brockway** noted that he believes a second Executive Session for Personnel Matters was conducted to review the Manager’s performance appraisal.

A discussion developed regarding the issue.

All present agreed that their January 7th meeting notes should be review to determine if a second Executive Session for Personnel Matters was conducted.

Treasurer **Brockway** recommended that the Minutes for the January 7, 2020 Monthly Meeting be updated if needed and the reading and vote be postponed until the March meeting.

Chairman **Price** agreed.

Clerk **Oppert** submitted the following correction:

- Page 4, Agenda Item (**New Business**) #2:, last paragraph, line 1: “*direct the District Attorney to*” should read “*direct the District’s attorney to*”

There being no further corrections, revisions, or additions to come before the Board regarding this agenda item, Chairman **Price** recommended that consideration of the minutes be continued at the next meeting after updates have been incorporated.

All present agreed.

Chairman **Price** moved ahead to Agenda Item #3.

Agenda Item – (New Business) #3: Approval of the Amended Operation and Maintenance Budget and Proposed Rates for 2020

Referring to Attachment #6 (2020 Operation and Maintenance Budget) and the Agenda Item Commentary as detailed in the February 2020 Trustee’s Packet, District Manager **Bolduc** provided a summary of selected items and changes which included the following topics and highlights:

- Budget changes included wages, benefits, and insurance increases; and
- The amended budget for 2020 is \$3,143,982, up from \$3,116,681, an increase of \$27,301.

Trustee **Reim** objected to the increases because it’s a second increase since the last published proposed budget.

Vice-Chair **Allenwood** noted that the proposed increase is due only to union negotiations.

Treasurer **Brockway** remarked that the negotiations occurred later than normal due to a change in union personnel. District Manager **Bolduc** stated that the union was notified in February, 2019 and the parameters were approved in June, 2019.

Vice-Chair **Allenwood** reminded the Board how difficult staff retention has become in today’s market and that retention ultimately translates solely into wages.

District Manager **Bolduc** remarked that KSD’s wage level has traditionally been low and that the proposed increase brings the wage level up to current market point.

There being no further discussion to come before the Board regarding this agenda item, Chairman **Price** asked for a motion regarding suggested motion (1): approval of the amended 2020 Operation and Maintenance budget.

A motion was made to approve the amended 2020 Operation and Maintenance budget of \$3,143,982.

MOVED: Allenwood
SECONDED: Brockway
DISCUSSION: None
MODS: None
VOTE: 4 in favor, 1 opposed (Reim); the motion carried.

There being no further discussion to come before the Board regarding this agenda item, Chairman **Price** asked for a motion regarding suggested motion (2): approval of the proposed rates for 2020.

A motion was made to approve the proposed rates for 2020 as follows:

1. Debt Retirement \$190.77 per equivalent dwelling unit (EDU 250 gallons)
2. Support Systems: \$401.00 per EDU
3. Variable O&M: \$0.03095 per cubic foot

MOVED: Brockway
SECONDED: Allenwood
DISCUSSION: Reim asked if the proposed rates are for the coming year. **Bolduc confirmed that the rates are for 2020 explaining that the rates are not set until the water readings are received. The water data was received in mid-January which is normal. Reim expressed concern that rate payers have no recourse regarding increases.**

**Reim asked how the Debt Attenuation fund gets used.
Brockway replied that it can only be used for its stated purpose of debt attenuation.
Bolduc noted that a special rate hearing meeting is scheduled for March and that notices must be mailed prior to the meeting.**

**MODS: None
VOTE: 4 in favor, 1 opposed (Reim); the motion carried.**

District Manager **Bolduc** opened a discussion explaining the calculation methods used regarding the next motion of “the 2020 Equity Buy in Fee” and “the Turnpike Impact Fee,” highlights included:

- A 5% increase in the 2019 rate that will result in a proposed 2020 Equity Buy In Fee of \$4,645 per EDU;
- No new developments regarding the Town of Arundel have been received; and
- The Turnpike Zone increase is 1.94% for a proposed fee of \$10.27 per gallon.

Clerk **Oppert** asked if an alternative method can be devised to calculate the Equity Buy-in Fee.
District Manager **Bolduc** acknowledged that different methods exist but this is the one KSD has chosen to use.

There being no further discussion to come before the Board regarding this agenda item, Chairman **Price** asked for a motion regarding suggested motion (3): approval of the 2020 Equity Buy in Fee.

A motion was made to approve the 2020 Equity Buy in Fee at \$4,645 per EDU or \$18.58 per gallon and to approve the Turnpike Impact Fee at \$10.27 per gallon.

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

There being no further discussion to come before the Board regarding this agenda item, Chairman **Price** asked for a motion regarding suggested motion (4): notice for the Rate Hearing.

A motion was made to approve the notice for the Rate Hearing and set the Rate Hearing for Tuesday, March 3, 2020 at 7:00PM at the District Office on 44 Water Street.

**MOVED: Brockway
SECONDED: Oppert
DISCUSSION: None
MODS: None
VOTE: 5 in favor, 0 opposed; the motion carried.**

Chairman **Price** moved to the next Agenda Item.

Agenda Item – (New Business) #4: End of Year Transfers

Referring to Table 1 (End of Year Transfers for 2019 Final Reconciliation) of the Agenda Item Commentary as detailed in the February 2020 Trustee’s Packet, District Manager **Bolduc** provided a summary of selected items which included the following highlights:

- The difference in this year’s table shows where the amounts came from, where they went to, and what the new balances will be; and
- An note detailing the calculation used for the Rate Stabilization fund was added to the table.

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 authorize the manager to conduct the transfers in the 2019 End-of-Year Inter-fund Transfers as indicated in Table 1.

MOVED: Oppert

SECONDED: Brockway

DISCUSSION: None

MODS: None

VOTE: 5 in favor, 0 opposed; the motion carried.

Chairman **Price** moved to the next Agenda Item.

Agenda Item – (New Business) #5: Update on Turnpike Plaza Discussion

Assistant Manager **Gallant** reported the following update status:

- 165 ft. of pipe length will be under a fill depth greater than 15 feet next to the northbound onramp;
- A lightweight fill and either thick wall HDPE or Ductile iron pipe is anticipated for installation;
- Boring logs indicate soil settlement can be expected under the pipe;
- The contractor is Shaw Brothers Construction, Inc;
- An estimate for lightweight fill is expected by the end of the week;
- Cost for the project will come from the Turnpike Zone Impact Fee; and
- The MTA has acknowledged ownership of the easement discussed at the previous meeting.

Having no objections from the Board members, and in consideration of Executive Session, Chairman **Price** moved ahead to Agenda Item **(Other Business) a:**

Agenda Item – (Other Business) a: Manager's Report for February 2020

District Manager **Bolduc** provided a summary of selected items from the Manager's Report as detailed in Attachment #2 (Manager's Report for February 2020), of the February 4, 2020 Trustee's Packet. His comments included the following topics and highlights:

FINANCIAL AND ADMINISTRATIVE

Account Billing Software

- Staff is working with KKWWD and Corson adjusting the 2019 year-end flow data to arrive at billable amounts.

Personnel

- The Union has ratified its contract; and
- An additional operator has been hired.

EQUIPMENT ISSUES

RBC boiler

- Repairs have been completed.

RBC Media

- Work has begun on the stabilization project; and
- Time to completion is expected to be 3 months.

Polymer System

- Status unchanged.

HVAC Issues

- In progress.

COLLECTION SYSTEMS

Pump Stations

- Several pump station building interiors have been cleaned and painted;
- Cat Mousam pump station building exterior is being replaced with vinyl siding;
- Installation of one new station is anticipated for this year;
- Electrical panel upgrades are planned for 4 existing stations; and
- Replacement of the radio communication link with cellular modems is planned for selected station with weak or nonexistent radio links.

2019 CAPITAL IMPROVEMENT PROJECTS

SCADA System

- The new CP2 panel has been installed in the process building.

Doanes Wharf Generator

- On hold, no new status update available.

Asset Management Upgrade

- Status unchanged.

2020 CAPITAL IMPROVEMENT PROJECTS

Floor painting

- Floors in the Chemical Room, Electrician Stephen **Anderson**'s Office, and the press room have been painted.

Tools

- The first round of tools has been ordered from a list of needed tools to be purchased in January and February.

Berm / Levee Certification

- In progress.

Sludge Storage Tanks

- This project may be delayed until the fall because the tanks will be needed during the summer.

Pump Station

- This project started today.

Treasurer **Brockway** asked for a pump station / SCADA report.

Assistant Manager **Gallant** provided the following status:

- 24 of 28 pump stations are on the new platform; and
- The 4 remaining stations will be brought on the system this year.

There being no further business to come before the Board regarding this issue, Chairman **Price** moved back to Agenda Item # 6.

Agenda Item – (New Business) #6: Executive Session – Personnel Matters

Chairman **Price** asked for a motion to enter Executive Session.

At 8:24 p.m. a motion was made to enter into Executive Session to discuss Union negotiations, Pursuant to [M.R.S.A. Title 1: General Provisions, Subchapter 1, §405 (6) (A) and (6) (D)]

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

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

At 8:40 p.m. a motion was made to come out of Executive Session.

MOVED: Brockway
SECONDED: Oppert
DISCUSSION: None.
MODS: None.
VOTE: 5 in favor, 0 opposed; the motion carried.

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

At 8:41 p.m. a motion was made to authorize the Manager to execute the Agreement with Teamster 340.

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

Chairman **Price** moved ahead to Agenda Item # 7.

Agenda Item – (Other Business) #7: 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 8:41 p.m.

MOVED: Oppert
SECONDED: Allenwood
DISCUSSION: None.
VOTE: 5 in favor, 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>
April 2, 2019	Agenda Item (New Business) #3 : Topic: <u>Discussion on Impact Fees</u> ; Description: <u>Ongoing impact fee recalculation.</u>
December 3, 2019	Agenda Item (New Business) #3 : Topic: <u>Account Systems Operation Manual Annual Updates</u> ; Description: <u>Security/encryption details of backup records stored off-site.</u>
Date	Agenda Item # __ : Topic _____; Description _____.