

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES
MONTHLY MEETING, MAY 4, 2021

The Board of Trustees of the Kennebunk Sewer District held its regular monthly meeting on Tuesday, May 4, 2021 via teleconferencing computer application “Zoom.”

Trustees present via Zoom were: John E. **Price III**, Chairman
Mark K. **Allenwood**, Vice Chairman
Wayne A. **Brockway**, Treasurer
James A. **Oppert**, Clerk
Arnold H. **Reim**, Trustee

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

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AGENDA:

Unfinished Business

New Business

1. Minutes of the April 6, 2021 Monthly Meeting
2. Acceptance of the 2020 Annual Audit
3. Discussion on WWTP Permit and Action Plan

Other Business...

Adjournment
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The meeting was called to order by Chairman **Price** at 7:03 p.m.

Agenda Item – Unfinished Business

There being no discussion regarding this Agenda Item, Chairman **Price** moved to the next scheduled Agenda Item.

Agenda Item – (New Business) #1: Minutes of the April 6, 2021 Monthly Meeting

Dispensing with a reading of the minutes, Chairman **Price** asked the Board for comments regarding the minutes of the April 6, 2021 monthly meeting.

Clerk **Oppert** submitted the following correction:

- Page 6 of 9, Item (**Other Business**) **a:** 2nd paragraph, line 1: “assessment on the roof is complete” should read “assessment on all the roofs is complete”
- Page 7 of 9, Item (**Other Business**) **c:** 1st paragraph, line 6: “Brad **More** file our letter” should read “Attorney Brad Morin filed our letter”

Assistant Manager **Gallant** submitted the following corrections:

- Page 6 of 9, Item (**Other Business**) **a:** 1st paragraph, line 1: “Contractor Mike **Durveys** has been” should read “Contractor Mike Gervais has been”

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

- Page 4 of 9, Item (**New Business**) #6: 1st paragraph, line 4: “DPW” should read “DEP”
- Page 5 of 9, Item (**New Business**) #6: 1st paragraph, lines 9 and 12: “DPW” should read “DEP”
- Page 5 of 9, Item (**New Business**) #6: 1st paragraph, line 18: “an integrated fixed dome process” should read “an integrated fixed film process” and “adding the RBC media” should read “adding media similar to the RBC media”
- Page 5 of 9, Item (**New Business**) #6: 1st paragraph, line 19: “into the aeration basin. You will get two different systems that grow” should read “into the aeration basin provides two different systems of growth”

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 April 6, 2021 as amended.

MOVED: **Oppert**
SECONDED: **Allenwood**
DISCUSSION: **None**
MODS: **As noted**
VOTE: Chairman **Price** voice vote, **affirmative**
 Vice Chairman **Allenwood** voice vote, **affirmative**
 Treasurer **Brockway** voice vote, **affirmative**
 Clerk **Oppert** voice vote, **affirmative**
 Trustee **Reim** voice vote, **affirmative**
 5 in favor, 0 opposed; the motion carried.

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

Agenda Item – (New Business) #2: Acceptance of the 2020 Annual Audit

District Manager **Bolduc** opened a dialogue regarding the 2020 Annual Audit provided by the firm of *Berry Talbot Royer* for the fiscal year ending on December 31, 2020.

Chairman **Price** asked if any Board member had any questions. There were none.

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

A motion was made to accept the 2020 annual audit.

MOVED: **Brockway**
SECONDED: **Oppert**
DISCUSSION: **None**
MODS: **None**
VOTE: Chairman **Price** voice vote, **affirmative**
 Vice Chairman **Allenwood** voice vote, **affirmative**
 Treasurer **Brockway** voice vote, **affirmative**
 Clerk **Oppert** voice vote, **affirmative**
 Trustee **Reim** voice vote, **affirmative**
 5 in favor, 0 opposed; the motion carried.

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

Agenda Item – (New Business) #3: Discussion on WWTP Permit and Action Plan

District Manager **Bolduc** opened a dialogue regarding the WWTP Permit and Action Plan based on discussions from the workshop of April 28, 2021.

Assistant Manager **Gallant** reviewed the following option plan:

- Option: Spending \$2 million on the RBC and wait two or three years into the next permit cycle to see what the DEP wants to do.
 - Scenario model highlights:
 - ✓ Annual chemical cost to operate at a level of a three.
 - ✓ The difference in electricity to go from RBCs up to an MLA.
 - ✓ Construction start date changeability.
 - ✓ Maximum cap on attenuation.

Chairman **Price** asked if we get a new license, and the river is going to be studied for two years, does that mean we have a five-year license? Then construction begins. So, we are like seven years from construction.

Assistant Manager **Gallant** replied that the license will be valid for five years.

Vice Chairman **Allenwood** provided the following clarification:

“The permit expires in October this year. DEP could simply issue a letter that states that we operate under that same permit, until they issue a new permit. And presumably, if they are going to do two years of study, we would see that new permit in 2023. So basically, we would have a two-year delay on the permit issuance. Alternatively, they could issue a permit this fall with no nitrogen limited, in which case, that would give us time to do some more planning. And presumably, during that permit cycle, they would do their two years of study. And then the next permit, which would be 2026, would include the nitrogen limit. So, it would basically give us five years to design and construct a treatment plant.”

Assistant Manager **Gallant** noted that:

- Any money put into the RBCs would not be bondable because they are past their useful life; therefore, it would come from capital reserve.
- Rates over the next five or six years have steeper increases of 5.4%, 5.14%, 4.88%, and 4.66% due to that \$2 million dollars funded out of capital.
- If you build to three now, but not turn the chemical part on, increases will be 3% instead of high 4’s and 5’s.

District Manager **Bolduc** presented the following alternative option.

- Build the concrete part of the tank to meet a three eventually.
- If we do not get a license for nitrogen, we can build something that is going to replace the RBC units and get us going and not have to add the chemicals.
- All the electrical, equipment, and operational costs that we would have when we did get to three, would not be needed until later.
- Once everything is there to operate it as a three, you must optimize the facility and run it to maximize nitrogen removal as designed.

Vice Chairman **Allenwood** provided the following remarks:

“So, I think that the one of the tricks here is going to be looking at this as basically three different upgrades. So, the first one would just be secondary, the next one would be to go to an eight, the next one would be to go to a three. But the reality is, in that first round, whatever we design is going to fully nitrifying. So that means it is going to convert ammonia to nitrate, which is the first step in removing nitrogen. The problem is, from an energy standpoint, it costs more to do that than it does to just treat it to an eight and get the oxygen credits back by de-nitrifying down to a limit of eight. So, we would want to de-nitrified anyway with no additional chemical input and no addition to the power input. That would save us because we would use less power. The nitrification process consumes alkalinity that is naturally occurring in the wastewater. Most facilities must add more alkalinity to make up for what gets consumed. But when you de-nitrify you get the alkalinity back. You do not get all of it, but you get a lot of it. It would reduce our overall operating costs to just go to an eight or a 10.”

District Manager **Bolduc** noted that Underwood Engineers said that you would want to recover that alkalinity so we would probably not have to add any chemical.

Chairman **Price** asked if we could optimize that so that whenever we get a data return, we are not killing ourselves now to get to a three.

Vice Chairman **Allenwood** noted:

“The ways that we can get to three from an eight would either be (option 1) by having enough tank volume, to get us to the three, or (option 2) to add on another process that would get us to a three. Add on processes might include a ballasted settling or the integrated fixed film setup. So, there's ways to do it within the same tank volume.

I am not fully trusting of Underwood's numbers. What we came up with was a system that was significantly smaller than what Underwood had put out but could be upgraded to get you through a three by using one of these overlay processes instead of just trying to do it with tank volume. Because tank volume is expensive.”

Assistant Manager **Gallant** questioned which of the following license outcomes would be better for KSD:

- Getting the license now that has no limit this year, or
- Getting the license in two years with a limit that is unknown now.

Vice Chairman **Allenwood** replied that:

The better option would be to have the license in hand this year with no limit in it; however, DEP can reopen the permit at any time, once they have the data, and reissue it with a nitrogen level.

District Manager **Bolduc** remarked that we need to go back to the DEP at this point and see what we can get for a permit. Until we have an idea of a direction that they are going in and if they are okay with what we are proposing.

Treasurer **Brockway** noted that because we have separate tasks, you must look at administrative issues such as timing of legislation, charter amendments, and time schedules.

Because he is leaving at the end of 2021, District Manager **Bolduc** remarked that Assistant Manager **Gallant** needed to select an engineer that he feels comfortable with moving forward. Also, it might be time to take a step back and get some RFPs out there for another look at this phase.

Treasurer **Brockway** asked if we would not be required to get RFPs out in order to potentially get SRF money.

Vice Chairman **Allenwood** replied that in looking at the very first section of the new SRF handbook on procuring engineering services, it states that if you are happy with your current engineer, keep using them. If you are not, pick somebody else. That is their published handbook; but what I suggested to District Manager **Bolduc** is that he reached out to John **True** at DEP just to confirm what their current state of mind is.

District Manager **Bolduc** replied that if that is the direction the board wants to go, then we can look at preparing some RFPs and RFQs or whatever it is that we must do to comply with the requirements. And we should try to get that part of it done before the end of the year.

District Manager **Bolduc** noted that the final piece was the charter. A letter from Maine Rural Water was included in the correspondence file as a sample showing the cost of having them negotiate it through the legislative process. We have money in the budget under the legal and professional fees to do that.
All present agreed.

District Manager **Bolduc** opened a new discussion regarding construction administration costs, highlights included:

- We have an \$8M bond and construction administration costs are not coming out of that bond.
- A new contract price with the change orders puts the cost at about \$6.5M which will produce a \$1.5M excess.
- Options for utilizing the excess include.
 - Doing the upgrades to the clarifiers (which was part of the next phase).
 - ✓ Negotiate a price with Apex.

- ✓ Original price was around \$1.2M.
- ✓ After contingencies, the new price will be up around \$1.5M.
- Do not borrow the excess amount at closing.
- Use the excess to do part of that next project.

Chairman **Price** asked where the clarifiers fit in the capital improvement plan.

District Manager **Bolduc** replied that the clarifiers are in the upgrades phase.

Assistant Manager **Gallant** added that the clarifiers are in the biological upgrade phase.

District Manager **Bolduc** commented that if the Board wants to consider this option, a discussion with APEX can be arranged to see if that is something we can negotiate in the change order. District Manager **Bolduc** added that he would talk to the DEP to see if that is a possibility.

All present agreed.

District Manager **Bolduc** stated that he would investigate that option and report back in June.

Treasurer **Brockway** noted that to redeploy money to another piece of the project, that was not in the original scope, will probably require a project amendment vote.

District Manager **Bolduc** replied:

“I think we wrote that bond resolution broad enough that we can include it without any amendments to the bond amendment. If we had to do that, I think we would have to do another resolution and a vote with the board and with the town with a referendum question. Not positive of that. But seems to me if we change the resolution outside of that, we may have to go back.”

Treasurer **Brockway** agreed.

Chairman **Price** asked District Manager **Bolduc** if he needed any kind of motion to get moving, or did he have enough direction to report back next month.

District Manager **Bolduc** replied that he did not need a motion.

Treasurer **Brockway** asked when the design would be completed.

District Manager **Bolduc** replied that Underwood Engineers Inc. confirmed that the design would be completed 18 months from the contract signing date.

There being no further comments or 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 May 2021

District Manager **Bolduc** provided a summary of selected items from the Manager’s Report as detailed in Attachment #2 (Manager’s Report for May 2021), of the May 4, 2021 Trustee's Packet. His comments included the following topics and highlights:

FINANCIAL AND ADMINISTRATIVE

Personnel

- Miguel **Tostado** has been added to the staff replacing Alex **King**. He was hired as an instrumentation tech. No applicants qualified for the operator’s position.

Covid Update

- 11 personnel have been vaccinated fully or partially.

PLANT OPERATIONS

Equipment Repairs

- The middle second RBC train is back and operational as of today, so all three trains of RBCs are working.

Polymer System

- Repairs are in progress.

COLLECTION SYSTEMS

Jet Rodding

- This effort is on-going and ahead of schedule.

Sewer Specifications and Typical Drawings

- In progress at Underwood Engineers, Inc.
- Completion is scheduled for May 31.
- Final specifications and drawings will be posted on the website.

2019 CARRY OVER PROJECTS

Replacement of Wet Well Covers

- Fieldcrest cover is scheduled for replacement on May 12 and 13.

Doanes Wharf Generator

- A meeting is planned with the owner and the adjacent property owner.

2020 CAPITAL IMPROVEMENT PROJECTS

Phase 1B Headworks Project Construction

- Forming of the intermediate floor level is in progress.
- All four walls are done.
- The wet well is formed up.

Treasurer **Brockway** asked if APEX will still be on site if the clarifiers project goes forward. District Manager **Bolduc** replied that he believes that they will still be here.

Panels and Communications for Pumping Stations

- The new employee Miguel **Tostado** will be assigned to the panel installations, freeing up Stephen **Anderson** for other much needed projects.

Building Repairs -WWTP

- Roof repairs are being planned.
- The concrete work is complete.

Sludge Storage Tanks

- 2/3 complete.

Berm / Levee Certification

- No new status.

Building Repairs (Pump Stations)

- The project is lagging due to A-1 Septic not being able to provide pumping service.

2021 CAPITAL IMPROVEMENT PROJECTS

Laboratory Equipment Improvements

- Almost complete.

Roof Repairs

- The contractor is scheduling the work.

WWTF Equipment Replacement

- Complete.

Cedarwoods Pump Station Pump Replacement

- Panel upgrade scheduled for next week.

Pump Station Ground Improvements

- Acquiring pricing on selected items.

Valve Upgrades

- Most of the valves have been received and are in stock.

Shape Drive Sewer Replacement

- KSD is looking to fit into BREX's schedule.
- Completion is expected in the fall.

Lakebrook Pump Station Pump Replacement

- The pumps are in stock, waiting to schedule.

Truck 2 Replacement

- The vehicle has been delivered.

Vehicle Body Work

- Complete.

NEW 2021 CAPITAL IMPROVEMENT PROJECTS

Wells Road Force Main Replacement Engineering

- Underwood expects to have the engineering completed soon.

Doane's Wharf Pump Station Design

- Project is on hold until the station location is finalized.

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

Agenda Item – (Other Business) b: In-person Meetings

Clerk **Oppert** asked if we have any target for getting back to in-person meetings.

District Manager **Bolduc** replied that there has been no decision on a return to in-person meetings.

Trustee **Reim** proposed conducting mix meetings where people can attend in person and those who do not want to attend in person can attend remotely via ZOOM.

All present agreed.

Chairman **Price** recommended conducting the June meeting via ZOOM and have the same evaluation at the end of the June meeting to decide how to conduct the July meeting.

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

Agenda Item – (Other Business) c: Sympathy Card

Treasurer **Brockway** noted that former trustee Bob **Wellman** passed and suggested a sympathy card, or some other recognition might be in order.

Chairman **Price** agreed and recommended sending a sympathy card.

District Manager **Bolduc** replied that he would get a card and send it out this week. Since it cannot be signed by all, he will add a note saying it was from the District Board of Trustees and that we could not all sign it due to COVID.

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

Agenda Item – 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 8:34 p.m.

MOVED: Oppert

SECONDED: Allenwood

MODS: None

VOTE:
Chairman **Price** voice vote, **affirmative**
Vice Chairman **Allenwood** voice vote, **affirmative**
Treasurer **Brockway** voice vote, **affirmative**
Clerk **Oppert** voice vote, **affirmative**
Trustee **Reim** voice vote, **affirmative**
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>
Date	Agenda Item #__: Topic _____; Description _____.