

KENNEBUNK SEWER DISTRICT BOARD OF TRUSTEES
MONTHLY MEETING, FEBRUARY 6, 2024

Trustees present James A. **Oppert**, Chairman
Patrick **Wiley**, Vice Chairman
Wayne A. **Brockway**, Treasurer
Robert **Brady**, Clerk
Jason **Wise**, Trustee

KSD Staff present Chris **Gallant**, KSD District Manager
Chris **Johnson**, KSD Project Manager / Assistant District Manager

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AGENDA:

Unfinished Business

New Business

1. Minutes of the January 2, 2024, Board of Trustee Meeting
2. Approval of Proposed 2024 Rate Notices for Sewer User Fees, Equity Buy In Fees, and Impact Fees
3. 2023 Year End Transfers
4. Review KSD Billing Policy

Other Business

5. Manager's Report

Adjournment

6. Adjournment
-

Chairman **Oppert** called the meeting to order at 7:01 p.m.

Agenda Item – Unfinished Business

There being no discussion regarding Agenda Item “Unfinished Business,” Chairman **Oppert** moved to the next scheduled Agenda Item.

Agenda Item – (New Business) #1: Minutes of the January 2, 2024, Board of Trustee Meeting

Dispensing with a reading of the minutes, Chairman **Oppert** asked the Board for comments regarding the monthly meeting minutes of January 2, 2024, contained in KSD Board of Trustees packet of February 6, 2024, Attachment #2.

Trustee **Wise**, submitted the following correction:

- Page 1 of 8, Item **(New Business) #1**: 1st paragraph, line 1, Agenda Item Title: “Board of Trustee Meeting” should read “Board of Trustees Meeting”

District Manager **Gallant** submitted the following amendments:

- Page 4 of 8, Item **(New Business) #4**: 1st paragraph, line 5:
“Kennebunk Town Manager Heather **Balsler** fully supports the position of Town Engineer, Director of Community Development Christopher J. **Osterrieder**, P.E., saying that KSD is not meeting any of the town’s demands or requests, including alternative designs, to get this project off the ground.”
should read:

“During a meeting with District Manager Gallant and Kennebunk Town Manager Heather Balsler, Town Manager Balsler specified she fully supports the position of Town Engineer, Director of Community Development Christopher J. Osterrieder, P.E., saying that KSD is not meeting all the town’s demands or requests, including alternative designs, to get this project off the ground.”

There being no further corrections, revisions, or additions to come before the Board regarding the monthly meeting minutes of January 2, 2024, Chairman **Oppert** asked for a motion.

A motion was made to approve the minutes for the January 2, 2024, Monthly Meeting as amended.

MOVED: Brockway
SECONDED: Wise
DISCUSSION: None
MODS: as noted
VOTE: Chairman **Oppert, affirmative**
Vice Chairman **Wiley, affirmative**
Treasurer **Brockway, affirmative**
Clerk **Brady, affirmative**
Trustee **Wise, affirmative**
5 in favor, 0 opposed; the motion carried.

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

Agenda Item – (New Business) #2: Approval of Proposed 2024 Rate Notices for Sewer User Fees, Equity Buy In Fees, and Impact Fees

District Manager **Gallant** provided a summary of Proposed 2024 Rate Notices as presented in KSD Board of Trustees packet of Feb 6, 2024, pg. 2 & 3 of 45, Tables 1, 2, & 3 on pg. 3 of 45, and Attachment #3 (2024 Rate Notices). His review included the following discussions and comments:

- The average home owner will see a 2.9% or \$27.00 (\$6.75 per quarter) rate increase over 2023.
- Projecting out to 2029 and 2030, the average rate increase will be about 4%.

Referring to pg. 3 of 45, Vice Chairman **Wiley** asked if the debt retirement and the support system charges, the difference in the number of users, was because of vacant land.

District Manager **Gallant** provided the following explanation:

- Customers that live in houses that aren’t on sewer, but have sewer frontage within 200 feet, are called ready to serve. They only pay debt retirement; they do not pay variable O&M (Operation & Maintenance) from actual meter readings.

Treasurer **Brockway** recommended including a customer growth trend chart in future rate structure documentation. District Manager **Gallant** agreed.

Trustee **Wise** asked for verification that consumption is down, as indicated by the data.

District Manager **Gallant** replied in the affirmative and added a description of the rate setting process.

Treasurer **Brockway** attributed the decline in consumption to 2023’s wet weather.

Trustee **Wise** asked if revenues go down when water consumption goes down.

District Manager **Gallant** replied in the negative, explaining that the rate was based on last year's data.

Trustee **Wise** asked for an explanation of the Equity Buy In Fee referred to on pg. 2 of 45.

District Manager **Gallant** and Chairman **Oppert** provided a description of the Equity Buy In Fee background and the current calculation process.

Trustee **Wise** asked for a report on Septage Revenue.

District Manager **Gallant** replied that Septage Revenue has been excellent as indicated by the data on pg. 16 of 45.

District Manager **Gallant** called attention to important documentation contained on pgs. 14 & 15 concerning the rate hearing notice. He noted the following:

- The notice needs to be published in the newspaper, posted at town hall, and mailed to every KSD customer at least 10 days in advance.

There being no further comments to come before the Board regarding this issue, Chairman **Oppert** asked for a motion.

A motion was made to approve the preliminary proposed rates for 2024 as follows:

- a. Debt Retirement: \$220.82 per EDU**
- b. Support Systems: \$405.68 per EDU**
- c. Variable O&M: \$0.04004 per cubic foot**
- d. Equity Buy In: \$21.32 per gallon (\$5,330 per EDU)**
- e. Turnpike Impact: \$12.18 per gallon**

MOVED: Brockway
SECONDED: Wise
DISCUSSION: None.
MODS: None.
VOTE: Chairman **Oppert**, affirmative
Vice Chairman **Wiley**, affirmative
Treasurer **Brockway**, affirmative
Clerk **Brady**, affirmative
Trustee **Wise**, affirmative
5 in favor, 0 opposed; the motion carried.

A motion was made to approve the notice for the Rate Hearing and set the Rate Hearing for Tuesday, March 5, 2024, at 7:00PM at Kennebunk Sewer District administrative building conference room.

MOVED: Wise
SECONDED: Brady
DISCUSSION: None.
MODS: None.
VOTE: Chairman **Oppert**, affirmative
Vice Chairman **Wiley**, affirmative
Treasurer **Brockway**, affirmative
Clerk **Brady**, affirmative
Trustee **Wise**, affirmative
5 in favor, 0 opposed; the motion carried.

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

Agenda Item – (New Business) #3: 2023 Year End Transfers

District Manager **Gallant** presented a summary of the End of Year Transfers as detailed in KSD Board of Trustee's packet of February 6, 2024, Attachment 1 (Agenda Item Commentary) page 4 of 45, Table 4.

District Manager **Gallant** explained that the reason for yearend transfers is because the accounting department uses one checking account during the year and then transfers the money back to the appropriate account at the close of the budget season. His summary included the following specific information:

- The budget for the year is \$4,050,453.00.
- The goal is to start the year with a balance in the O&M Savings account of \$2,065,731.03, or 51% of the budget.
- Account transfers included:
 - EBIF (Equity Buy In Fee)
 - Capital Reserve
 - Rate Stability
 - Private Bonds

- With the transferring of the Private Bonds funds back into the Capital Reserve account, the Private Bonds account is ready to be closed.

Treasurer **Brockway** asked for an explanation of the Private Bond to O&M (Operation & Maintenance) transfer of \$104,544.40.

District Manager **Gallant** explained that it was seed money from the O&M (Operation & Maintenance) and Capital Reserve accounts to open an account which allowed the bank to deposit bond money.

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

A motion was made to authorize the District Manager to conduct the transfers as shown in the 2023 End Of Year Inter-funds Transfer Table as shown in Attachment 1 (Agenda Item Commentary) page 4 of 45, Table 4.

MOVED: Brockway
SECONDED: Wiley
DISCUSSION: None.
MODS: None.
VOTE: Chairman Oppert, affirmative
Vice Chairman Wiley, affirmative
Treasurer Brockway, affirmative
Clerk Brady, affirmative
Trustee Wise, affirmative
5 in favor, 0 opposed; the motion carried.

A motion was made to authorize the District Manager to close out the Headworks Phase 1B bank account at Kennebunk Savings Bank that ends in 9815.

MOVED: Brady
SECONDED: Wise
DISCUSSION: None.
MODS: None.
VOTE: Chairman Oppert, affirmative
Vice Chairman Wiley, affirmative
Treasurer Brockway, affirmative
Clerk Brady, affirmative
Trustee Wise, affirmative
5 in favor, 0 opposed; the motion carried.

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

Agenda Item – (New Business) #4: Review KSD Billing Policy

District Manager **Gallant** asked for comments of the KSD Billing Policy as detailed in Attachment #4 (KSD Billing Policy), of the February 2024 Trustees Packet.

Chairman **Oppert** asked if the KSD Billing Policy document was distributed to KSD customers.

District Manager **Gallant** replied in the negative, adding that it is available for review as a public document.

Treasurer **Brockway** recommended providing a link to the document on KSD's website.

District Manager **Gallant** agreed.

Treasurer **Brockway** provided a written list of his KSD Billing Policy document minor changes and cosmetic corrections to District Manager **Gallant**.

Referring to Page 4 of 19, Item **Residential Categories**, paragraph c., line 2, Treasurer **Brockway** asked how the phrase “properties are those that are connected to the sewer but are vacant and have zero water usage” relate to the term “Inactive (I)” on Page 4 of 19, Item **Residential Status**, paragraph 3, line 1.

District Manager **Gallant** replied that the term “Inactive (I)” on Page 4 of 19, Item **Residential Status**, paragraph 3, line 1, refers to units that have been demolished.

Referring to Page 4 of 19, Item **Residential Categories**, paragraph d., line 1, Chairman **Oppert** asked for a definition of the term “re-construction stage.”

District Manager **Gallant** replied that the term “re-construction stage” on Page 4 of 19, Item **Residential Categories**, paragraph d., line 1, refers to an existing residential unit that has been torn down and is in the process of re-building. The unit has a connection to the sewer, but the connection is not being used.

Trustee **Wise** asked how KSD knows there’s a change in **Residential Status** or **Residential Categories**.

District Manager **Gallant** replied that KSD works closely with the Town of Kennebunk Planning Department reviewing building permits.

Treasurer **Brockway** asked how consumption is credited when there is a change in ownership and an active payment plan in progress.

District Manager **Gallant** replied that the closing agent will facilitate the credits after examining KSD’s records.

Treasurer **Brockway** recommended that the change of ownership issue be included in the KSD Billing Policy.

District Manager **Gallant** agreed.

Chairman **Oppert** provided a written list of his KSD Billing Policy document minor changes and cosmetic corrections to District Manager **Gallant**.

Chairman **Oppert** asked for an explanation of the relationship between **Manual Adjustments** on pg. 6 of 19, and **Kennebunk Sewer District Irrigation Meter Installation Instructions** on pg. 18 of 19.

District Manager **Gallant** provided the following comments:

- The following procedures apply to customers who use irrigation:
 - Be given a one-time annual manual adjustment.
 - Be informed about the irrigation meter policy.
 - Purchase a meter from KSD and have a plumber install it.
 - Send the meter reading to KSD annually.

Referring to **Kennebunk Sewer District Irrigation Meter Installation Instructions** on pg. 18 of 19, Step 1. Chairman **Oppert** questioned if the statement “Purchase of a water meter from the District as of 2021, this is a requirement.” is really a necessary requirement.

District Manager **Gallant** replied in the affirmative; adding that KSD trusts these meters, they cannot be modified, and they are sold at cost. To qualify for this adjustment, customers are required to purchase the meter from KSD.

Treasurer **Brockway** recommended changing the statement from “Purchase of a water meter from the District as of 2021, this is a requirement.” to “Purchase of a water meter from the District is a requirement.”

District Manager **Gallant** agreed.

A discussion developed regarding various ways to calculate a manual adjustment for irrigation if a customer has a gap in annual reports due to failure to provide the meter reading.

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

A motion was made to adopt the updated KSD Billing Policy as amended during this meeting.

MOVED: Brockway
SECONDED: Brady
DISCUSSION: None.
MODS: None.
VOTE: Chairman **Oppert**, affirmative
Vice Chairman **Wiley**, affirmative
Treasurer **Brockway**, affirmative
Clerk **Brady**, affirmative
Trustee **Wise**, affirmative
5 in favor, 0 opposed; the motion carried.

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

Agenda Item – (Other Business) #5: Manager’s Report

District Manager **Gallant** provided a summary of selected items from the Manager’s Report as detailed in Attachment #5 (Manager’s Report for February 2024), of the February 2024 Trustees Packet. His comments included the following topics and highlights:

FINANCIAL AND ADMINISTRATIVE

Personnel

- Lab Technician Jack **Carter** acquired his grade 5 wastewater license.
- District Manager **Gallant**, Collection System Foreman Daniel **Boissonneault**, and Operator Brice **Bond** attended the NEWEA (New England Water Environment Association) annual conference in Boston MA on January 22, 2024.
- Project Manager / Assistant District Manager **Johnson** and Operator Nate **Jones** have been attending monthly operator training courses at Portland Water District, Portland, ME.
- An employee required surgery after slipping on ice at the plant and receiving a knee injury from falling.

KSD Project Manager Chris **Johnson** provided a summary of the following items from the Manager’s Report as detailed in Attachment #5 (Manager’s Report for February 2024), of the February 2024 Trustees Packet. His comments included the following topics and highlights:

COLLECTION SYSTEMS

Update From Collection System Foreman (Danny Boissonneault)

- Prepared Boothby Road pump station for future flooding events by installing an additional steel plate in the door sill providing a total flood barricade of two feet.
- Checked pump stations weekly.
- Snow removal at pump stations.
- Changed the Brown Street pump station generator battery.
- Completed safety trailer repairs.
- Cleaned Wells Road pump station wet well which had been plugged by the storm.

PLANT OPERATIONS

Update From Lead Operator (Ty Morin)

- Process control continues to stay in check.
- Completed generic work orders.
- Completed installing lower headworks shelving.

- The new waste oil shed has been built.
- N. M. Curtis Earth Works, Inc, North Berwick, ME was onsite to repair a six-inch water line break.
- Work will continue next month to clean out the steel garage.

2022 CAPITAL IMPROVEMENT PROJECTS

Doane's Wharf Pump Station Rehabilitation

- CMP (Central Maine Power) completed setting the utility pole.
- Richardson Electrical Co, Seabrook, NH completed the electrical hook-up and ran the station on the new plug and the new power. The generator was also tested with satisfactory results.

District Manager **Gallant** provided a summary of the following item from the Manager's Report as detailed in Attachment #5 (Manager's Report for February 2024), of the February 2024 Trustees Packet. His comments included the following topics and highlights:

Phase 2 WWTP Biological Design

- Value engineering has been completed.
- The new estimate for construction (\$25M) is back within our budget (\$27M).
- Brown and Caldwell are asking for a contract adjustment to cover additional engineering costs incurred during the re-design to lower the estimated construction estimate. A final number has not been determined, but estimates are \$200,000 - \$450,000 needed in design costs. The District is still negotiating this change order with Brown and Caldwell. Funds may need to be allocated from the Capital Reserve account to fund these additional costs.

Vice Chairman **Wiley** asked what items of the re-design require such a large adjustment.

District Manager **Gallant** explained that the initial design was based on faulty peak flow numbers which are now being adjusted downward, and the re-design will be going from three biological treatment trains to two. He added that going forward, KSD will have a much better grasp of what the real peak flow numbers are.

Treasurer **Brockway** asked if there was any way to model the predictive maximum flow that comes through all the pipes coming into the collection side to determine what that maximum flow could be in an hourly or daily rate? District Manager **Gallant** replied in the negative explaining that even as volume increases, velocity also increases. Vice Chairman **Wiley** also noted that maximum capacity from all points would have to always be assumed.

KSD Project Manager Chris **Johnson** provided a summary of the following items from the Manager's Report as detailed in Attachment #5 (Manager's Report for February 2024), of the February 2024 Trustees Packet. His comments included the following topics and highlights:

Bartlett Mills Pump Station Rehabilitation

- No change, paving and final landscaping is scheduled to be completed in the spring.

2023 CAPITAL IMPROVEMENT PROJECTS

Boothby Road Pump Station Pumps

- Staff are continuing to evaluate pump station building position options.
- A meeting is anticipated in the next few weeks with Larry **Mills**, Technical Sales Engineer, Champlin Associates, Scarborough, ME, to finalize the specifications for pump upgrading and replacement.

Riverlocks 1 Pump Station Pumps

- This project has been completed for \$10,680 under budget.

Fieldcrest Easement

- The road to the manhole has been completed.
- Area seeding and a locking gate installation are scheduled to be accomplished in the spring.

District Manager **Gallant** provided a summary of the following item from the Manager's Report as detailed in Attachment #5 (Manager's Report for February 2024), of the February 2024 Trustees Packet. His comments included the following topics and highlights:

Lower Village Sewer Design

- District Manager **Gallant** and Jamie **Paschal**, District Engineer, KKWWD (Kennebunk, Kennebunkport, and Wells, Water District) met with the Kennebunk Chamber of Commerce. The Chamber expressed their full support and backing of this project.
- A Zoom meeting is planned for March 6, 2024, at 8:00 a.m. to publicly present the project.
- District Manager **Gallant** plans to preview the Zoom presentation on Thursday, February 8, 2024, with the following Town of Kennebunk officials:
 - Stephen **Houdlette**, Economic Vitality Director
 - Stephen **Sawyer**, Economic Development Committee Chairman
- District Engineer **Paschal** is circulating a Zoom meeting invitation letter through KSD and the Town of Kennebunk for their examination. After their review, the invitation will be distributed to all major businesses in the affected area.

KSD Project Manager Chris **Johnson** provided a summary of the following items from the Manager's Report as detailed in Attachment #5 (Manager's Report for February 2024), of the February 2024 Trustees Packet. His comments included the following topics and highlights:

Beach Street Siphon Design

- Waiting for Vortex Services LLC. Freehold, NJ to provide pipe lining cost estimates.
- A meeting is scheduled for February 14, 2024, with a representative from a new service provider (Insituform Technologies, LLC. Chesterfield, MO) to discuss pipe lining pricing.

Treasurer **Brockway** asked if the storm had any impact on the project.

District Manager **Gallant** replied in the negative adding that none of KSD's infrastructure received any storm damage.

Emergency Backup Power

- The Brown Street pump station generator and transfer switch have been delivered.
- The first stage of moving the electrical panels is scheduled to begin on February 13, 2024.
- A project review meeting for the electrical work is planned for February 7, 2024, with the electrician from Camarie Electric, Biddeford, ME.
- After the electrical work is completed, the generator louvers and ducting will be installed by Haley's Metal Shop, Inc., Biddeford, ME.
- No update has been received for Riverlocks 1 or Doane's Wharf generators.

2024 CAPITAL IMPROVEMENT PROJECTS

Coating of CCT

- CCT (Chlorine Contact Tank) coating is scheduled to be performed by Marston Industrial Services, Inc., Fairfield, ME in June 2024.

New Truck

- A white 2024 GMC 2500 truck, with a regular cab and an 8ft. bed, has been ordered.
- Build time is expected to be 8-12 weeks with delivery in April 2024.

Sludge Tank Diffusors

- Measurements are being finalized and equipment ordering is anticipated for the week of February 12, 2024.

Beach Ave Siphon Construction

- Waiting for Vortex Services LLC. Freehold, NJ to provide pipe lining cost estimates.

Agenda Item – (Other Business) #a: Fats Oils and Grease(FOG)

Progress

- The amount of grease and fats that go into the new plant upgrade can become an issue due to aeration.
- The existing rules and regulations are under review and will be presented to the Board soon.
- A new FOG (Fats, Oils, and Grease) permit will be established for food service businesses to insure better regulation.

Treasurer **Brockway** asked if KSD has the authority to issue fines for noncompliance.

District Manager **Gallant** replied in the negative adding the following comments:

- KSD has an industrial waste and industrial user permit, but nothing for regular commercial kitchens and restaurants.
- Presently KSD requires restaurants to have grease traps and to show proof that they are maintained annually.

There being no further remarks or comments to come before the Board regarding this issue, Chairman **Oppert** moved to the next agenda item.

Agenda Item – (Adjournment) #6: Adjournment

There being no further business to come before the Board, Chairman **Oppert** asked for a motion to adjourn.

A motion was made to adjourn the meeting at 8:30 p.m.

MOVED: Wise

SECONDED: Wiley

DISCUSSION: None

MODS: None

VOTE: Chairman Oppert, affirmative
Vice Chairman Wiley, affirmative
Treasurer Brockway, affirmative
Clerk Brady, affirmative
Trustee Wise, affirmative

5 in favor, 0 opposed; the motion carried.

Date Signed _____

Robert **Brady**, Clerk _____

KSD Board of Trustees Monthly Meeting Action Items History List

<u>Request Date</u>	<u>Action Item</u>
December 6, 2022	Agenda Item # 3: Topic <u>Review Employee Handbook and Administrative Procedures and Benefits Manual.</u> Description Investigate paid maternity / paternity leave options.
December 6, 2022	Agenda Item (Other Business) a: Topic <u>Union Contract Agreement.</u> Description have Bradley Sawyer, Deputy Director, MRWA (Maine Rural Water Association) investigate the legality of the union contract agreement. Should the agreement be between the union and the Kennebunk Sewer District Board of Trustees, or an agreement between the union and Kennebunk Sewer District.
February 7, 2023	Agenda Item # 5: Topic <u>Power Supply Options Update.</u> Description Staff conduct a more thorough review of the contract details.
May 2, 2023	Agenda Item # 3: Topic <u>Paid Maternity / Paternity Leave Options.</u> Description Consider paid maternity / paternity leave options in calendar year 2024 and add those policies and procedures that the Board of Trustees reviewed and accepted to the Employee Handbook and Administrative Procedures and Benefits Manual.
Date	Agenda Item # __: Topic _____. Description _____.