

MINUTES OF THE BOARD OF TRUSTEES April 27, 2017

The regular meeting of the Board of Trustees, which was held in the Conference Room at the Water District Office Building, 92 Main Street, Kennebunk, was called to order by President Richard Littlefield at 2:00 pm. Trustees Tom Oliver, Jim Burrows and Bob Emmons attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Distribution Manager Keith Archibald, Accountant Cathy McLeod, Facilities Manager Rob Weymouth, Filtration Plant Manager Bill Snyder, Technical Services Manager Don Gobeil and Administrative Assistant Cindy Rounds.

Minutes – March 29, 2017 Meeting

On a motion by Mr. Burrows, seconded by Mr. Oliver, it was unanimously voted to approve the Minutes of the March 29, 2017 meeting as written.

Public Comment

There was no public comment.

Treasurer's Report

The Treasurer was pleased to report that the annual audit has been completed without any adjustments. Therefore, the appropriations that were previously voted on for the Water Supply Protection Fund were finalized.

The Treasurer presented the January financial report along with the actual versus budget comparisons. Year-to-date annual metered account revenues in January were \$327,550, indicating a 4.0% favorable budget variance of \$12,600. Seasonal metered account revenues totaled \$35,665, indicating a 34.7% unfavorable budget variance of \$18,950. Total metered revenues were \$363,215, indicating a 1.7% unfavorable budget variance of \$6,350 and a 15.9% decrease in the year-to-date billed usage from 2016. Total operating revenues for year-to-date January were \$489,104, indicating a 1.9% unfavorable budget variance of \$9,489. A total of \$7,060.00 was collected for 5 system development charges (SDC) in January that was offset by \$4,677.10 in three-year refunded adjustments (\$2,383.19 net total).

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to approve the January financial report.

The Treasurer presented the actual versus budget comparison for March operating revenues. Year-to-date annual metered account revenues through March were \$742,610, indicating a 3.4% favorable budget variance of \$24,534. Seasonal metered account revenues totaled \$79,328, indicating a 14.8% favorable budget variance of \$10,235. Total metered revenues were \$821,938, indicating a 4.4% favorable budget variance of \$34,769.

Monthly Water Production Report

The Assistant Superintendent presented the monthly charts for water production, liquid precipitation, groundwater production and surface water versus groundwater production for March.

The Assistant Superintendent reported that for the month of March, water production was up by 1.7 MG (3.4%). Liquid precipitation in March was 4.17" and 16.88" year-to-date which is 4.93" above the same period for 2016. The April 25th U.S. Drought Monitor (U.S. Department of Agriculture) indicates that the drought is officially over in Maine. The U.S.G.S. monitoring well at Branch Brook indicates that the groundwater is at the highest level since 2013. There was no groundwater withdrawn from the District's wells in March. The Merriland River well is expected to go on line in May or June.

Seasonal Main Replacement – Parson's Beach Road, Kennebunk

The Technical Services Manager reported that the installation of this 3,600' seasonal main replacement (capital budget item) has been completed; there are still some services to be reconnected to the new main.

Main Replacement – Shore Road, Ogunquit

The Technical Services Manager reported that the installation of this main replacement is complete; service changeovers are currently underway.

Main Extension – Sandpiper Lane, Kennebunkport

The Technical Services Manager reported that this 325' long deep water main is expected to be completed later this week following a few delays due to weather and ledge and the annual town road posting, limiting truck access to the site.

Office Renovation Project

The Treasurer was pleased to report that the office renovation project is essentially complete. Customers have offered many compliments on the new appearance. A modification to the capital budget will be presented at the next meeting to address the cost overruns of the project.

Kennebunk River Well

The Superintendent reported that the monitoring wells near the Kennebunk River Well continue to be studied to track the level of perfluorinated compounds (PFCs). The initial pilot study to determine the effectiveness of one brand of granular activated carbon (GAC) has been completed and did not yield the desired outcome. A second small pilot will begin once another type of GAC is delivered. The District was awarded a \$10,000 matching grant to undertake a third (more comprehensive) pilot study that will evaluate several different GAC products. The District continues to work closely with the Maine Drinking Water Program and the Maine Department of

Environmental Protection on various areas of interest and toward determining the possible source(s) and magnitude of the PFC contamination. A full scale treatment facility may be necessary once the pilot studies are concluded.

Conversion to Chloramination

The Superintendent reported that the conversion from free chlorine to chloramination was successfully implemented. There has been a significant reduction to the chlorine-related taste and odor of the water from what was evident prior to the conversion.

SRF Main Replacement – Green Street, Kennebunkport

The Assistant Superintendent reported that this SRF project is being scheduled to begin the week of May 8th. The Ted Berry Company will be undertaking the replacement of pre-1920s vintage 6" cast iron main with 8" HDPE utilizing the pipe bursting method. Kennebunkport Sewer Department originally planned to undertake a sewer replacement in conjunction with the District's project but decided to wait until after Columbus Day, due to the difficulty of coordinating the logistics of both projects being worked on simultaneously and the desire to complete the work before the busy Memorial Day weekend.

Spring 2017 Spring Flushing Program

The Assistant Superintendent reported that the Spring 2017 Flushing Program commenced on April 17th and is progressing ahead of schedule with Ogunquit, Wells and York completed.

Main Extension – Dyke Road and Route 9 (Mills Road), Kennebunkport

The Technical Services Manager reported that this 4,300' long seasonal main extension, being installed by R. J. Grondin on behalf of the Sandy Pines Resort Campground is underway and is progressing well. The connection to Dyke Road is expected to be completed by next week.

Retiree Benefit Trust Investment Committee Annual Meeting

The Treasurer summarized the meeting that was held prior to the regular Trustees' meeting. He reported that the benchmarks that were previously set were accomplished and he elaborated on the 6% return on the stock and bond investments.

AMI Meters

The Treasurer reported that a total of 1,804 meters have been installed to date (501 since January).

Mack Wheeler Bid – Review and Approval

The Assistant Superintendent reported that although three Mack Truck dealer bids were solicited, only one bid from O'Connor (\$113,705, including the trade-in) was submitted. He learned at the bid opening that sales territories for Mack dealers do not overlap. He noted that Mack is now owned by

Volvo and they share many of the same components (i.e., engines, transmissions, frames, etc.). Volvo has a model very similar to the Mack model that was specified of which a bid price was requested. The Volvo equivalent wheeler bid was \$112,821. After an on-site evaluation and consultation with staff that will operate the wheeler, it was recommended to proceed with the Volvo purchase.

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to accept the Volvo bid and authorize the purchase not to exceed \$113,705, including the trade-in.

Other Business

- The Superintendent was pleased to share two notes from customers. The first sent kudos to District staff on the Parsons Beach Road project and the other complimented staff on the Winter 2017 newsletter that was *"well-written, informative, engaging and the photos were a real plus"*.
- The Superintendent announced that Eric Cloutier was awarded the recently restructured Distribution Technician position that was created as a result of Jerry Smith's recent retirement.
- The Superintendent reported that the District has purchased the one-acre lot along Route 99 in Sanford, which is adjacent to other District watershed land. This purchase authorization was voted upon by the Board on August 31, 2016.
- The Superintendent distributed a proposed memorial to Dave Sweet that will be included in the Minutes. The family will be contacted in regards to an inscribed plaque.

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to include the memorial, as presented, into the Minutes.

- The Superintendent reported that he, the Plant Manager and Assistant Superintendent recently met with their counterparts at Maine Water Company's Biddeford & Saco division. The topics discussed were the anticipated purchase of some water from them this summer (due to the Kennebunk Well being taken out of service) and some technical projects that we may be jointly undertaking in the future. It was a very amicable and productive meeting.
- The Annual meeting of Southern Maine Regional Water Counsel will be held at Duffy's at 5:30pm this evening.
- Upon inquiry, the Superintendent confirmed that the 572 Wire Road building is still being partially rented by The Nature Conservancy.

Next Meeting

The next meeting of the Board of Trustees will be held on Wednesday, May 31, 2017 at the Filtration Plant, 135 York Street, Kennebunk at 2:00 pm.

Adjournment

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to adjourn the April 27, 2017 meeting at 3:11 pm.

A handwritten signature in blue ink, reading "Wayne A. Brockway". The signature is written in a cursive style with a large initial 'W'.

Wayne A. Brockway, Clerk