

MINUTES OF THE BOARD OF TRUSTEES September 28, 2016

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 Bob Emmons, Tom Oliver and Jim Burrows attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Accountant Cathy McLeod, Facilities Manager Rob Weymouth, Technical Services Manager Don Gobeil and Administrative Assistant Cindy Rounds.

Tata & Howard Presentation – Organizational Review and Succession Plan

The Superintendent introduced Tata & Howard representatives Jim Courchaine (National Director of Business Practices) who joined the meeting by phone and his associate Paul Cote who attended the meeting in person. They explained that the purpose of the study was to provide insight into the District's organization and to assist the District in its succession planning efforts in light of several upcoming retirements of key staff. The study was conducted over several months and included on-site individual and group interviews with nearly all employees including all management personnel. The majority of the input from the interviews was very positive. Among the observations were that staff views the District as a good place to work. In addition to having a sense of empowerment and independence, they feel they are provided with the right tools, equipment and technologies to perform their work. Conversely (as Jim Courchaine explained was a common issue with nearly all organizations), there was the message that communication needed to be improved at all levels. The Superintendent outlined some communication enhancement concepts that will be considered for implementation.

Executive Session – Officer Discussion Relating to Succession Plan

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to go into Executive Session at 2:25 pm to discuss officer-related components of the report.

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to come out of Executive Session at 2:40 pm with no action taken.

Minutes – August 31, 2016 Meeting

On a motion by Mr. Burrows, seconded by Mr. Oliver, it was unanimously voted to approve the Minutes of the August 31, 2016 meeting as written.

Public Comment

There was no public comment.

Treasurer's Report

The Treasurer presented the August financial reports along with the actual versus budget comparisons.

Annual metered account revenues through August were \$2,145,799, indicating a 6% favorable budget variance of \$121,519. Seasonal metered account revenues totaled \$943,505, indicating a 6.3% favorable budget variance of \$55,845. Total metered revenues were \$3,089,305, indicating a 6.1% favorable budget variance of \$177,365. Total operating revenues for year-to-date August were \$3,915,446, indicating a 5% favorable budget variance of \$185,787 and a 4.3% increase in the year-to date billed usage from 2015. A total of \$34,125 was collected for 26 system development charges (SDC) in August bringing the gross 2016 total to \$275,087.18 (net total is \$229,230.69).

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to accept the August financial report as presented.

The Treasurer reported that a \$10,000 reimbursement request is being processed for the Capacity Development Grant for the District's share of the regional hydraulic study that was conducted by Tata & Howard on behalf of the Southern Maine Regional Water Council.

The Treasurer also reported that the (\$104,000) debt for Wells Blueberry parcel, which was acquired in 2007, has been retired. The final check was mailed last week. There will be two bonds expiring in 2018 also.

Monthly Water Production Report

The Assistant Superintendent reported that there was only 2.16" of precipitation in August, tracking 11.16" below the year to date average of 35.50". He pointed out that the weekly U.S. Drought Monitor report indicated the degree of drought condition still remains at 'extreme' for the District's service territory.

Water production in August set another new all-time record monthly high at 179.4 MG, up 17.6 MG (10.9%) from that of 2015. The year-to-date water production (791.2 MG) is tracking 7.6 MG (1%) more than in 2015. A glimpse at September (through the 27th) indicated a 3 MG (2.5%) increase over last year.

The groundwater production source analysis indicated that during August, 41.8 MG of water was produced from the Merriland River well, 28.45 MG produced from the Kennebunk River well, 15.67 MG from the Plant wells and 2.62 MG from the Harriseckett Road wells. The Plant wells were shut down on August 24th and the Harriseckett wells will soon be shut down for the year. 2016 groundwater production to date represents approximately 45% of all water production.

The Assistant Superintendent summarized the surface water versus groundwater production comparison that showed the cost of surface water chemical treatment decreased to \$195.45 per MG. The aggregate groundwater water chemical treatment cost increased slightly to \$59.52 per MG. The surface water versus groundwater YTD chemical treatment cost differential was \$149.21 MG. The Merriland River well and Kennebunk River well aquifers continue to be closely monitored during the drought and remain at sufficient levels to maintain current withdrawal pumping rates.

AMI Project

The Treasurer reported that to date, approximately 1,200 AMI meters have been installed; an addition of nearly 100 since the last meeting. Additional repeaters have been installed to successfully alleviate the communication bottle neck and reduce the number of meters that were not reporting.

Main Extension – Alfred Road, Kennebunk

The Technical Services Manager reported that the installation of approximately 4,050 feet of 12-inch main is nearly complete. The first half of the project has been successfully pressure-tested and disinfected. The process of abandoning the (110 year old) 6-inch main in the first 1,700 feet will commence next week with services being brought over to the new 12-inch main.

Main Extension – Thompson Road and Higgins Drive, Kennebunk

The Technical Services Manager reported that the installation of approximately 900 feet of 12-inch main along Thompson Road and 1,400 feet along Higgins Drive that will serve 22 lots has been completed and is awaiting disinfection.

Main Replacement – Beach Street, Kennebunk

The Assistant Superintendent reported that the pipe tie in will be finished tomorrow with all the services hooked up. Once the main is tested and disinfected, the temporary services will be removed.

Main Replacement – Shore Road, Ogunquit

The Technical Services Manager reported that he and GIS Coordinator Justin Richardson attended the September 20 Ogunquit Board of Selectmen public hearing to discuss this upcoming project, which is being coordinated with the Ogunquit Sewer District's sewer replacement project in the same area. The design has been finalized and bids for the material are being solicited.

Main Replacement – Ocean Avenue, Biddeford Pool

The Technical Services Manager reported that this project, comprised of installing 400 feet of 8-inch pipe, is being undertaken in conjunction with a City of Biddeford street rebuilding project. District crews will start this project once the Beach Street project has been completed.

Main Extension – EBS Cover Lane, Kennebunkport

The Assistant Superintendent reported that the sewer installation component of this project is underway and the water pipe portion, comprised of 1,080 feet of 8-inch water main, will commence tomorrow (by Foglio Construction).

Fall Hydrant Flushing

The Assistant Superintendent reported that the fall hydrant flushing program began on September 26th in Kennebunk and is progressing well. He was pleased to report that the flushing time has decreased significantly. He attributes this in part to the high demand over the past summer season along with the iron and manganese removal from the Merriland River well.

Water Sales to York Water District

The Superintendent reported that since September 22nd, approximately 300 gpm of water is being fed into the York Water District system on an around-the-clock basis at a cost of approximately \$400 per MG. The York Water District has requested this additional supply as a precautionary measure, when considering the ongoing drought conditions and the current water level of their surface water supply, Chase's Pond.

Main Extension – Sandpiper Lane, Kennebunkport

Connecting to the existing 2-inch branch main off the existing 12-inch main located along Ocean Avenue in Kennebunkport at a point at the intersection of Ocean Avenue and Sandpiper Lane, install approximately 325 feet of 3-inch main southeasterly along Sandpiper Lane ending at the approximate midpoint of a house located on Kennebunkport Tax Map 20 – Block 1 – Lot 38.

Reference is made to a drawing entitled 'Sandpiper Lane Kennebunkport – Water Main Extension', prepared by the KKW Water District and dated 01/15/2016.

The applicant, The Ory Residences Trust–2012 and 7 Sandpiper Lane, LLC, will be required to deposit \$4,224 plus furnish *all* trench, *all* material and *all* labor to complete the installation in accordance with Water District specifications.

Authorization to sell the 1998 Wacker Model RT820 remote-controlled compactor

The Assistant Superintendent reported that staff has requested the Board's consideration to sell the 1998 remote controlled compactor that has not been used in the past five years. In

2013, the Board authorized the purchase of a new compact roller for the trenches that has been utilized since then. The Wacker only has 961 hours of use. Some investigation found that the value of this model compactor is between \$4,950 and \$12,000.

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to authorize the sale of the 1998 Wacker Model RT820 remote controlled compactor.

Update on the Water Fluoridation Referendum

The Superintendent reported on the activity of the Campaign to Reconsider Fluoride. A second forum, this time hosted by the water fluoridation supporters, is being held at the Town Hall Monday, October 3rd. The Superintendent will be participating as a speaker and panelist. The Board did not oppose the concept of placing bigger (4'x4') signs on District properties along high visibility roads.

The Superintendent introduced a concept, for the Board's feedback, that related to the \$20,000 that the District annually expends on water fluoridation. He reported that at some of the public meetings he has attended that he has been asked, if fluoridation was voted out at the upcoming election, whether the District would consider expending that amount of money on dental health education or advocacy programs. After the brief discussion during which both pros and cons of the concept were considered, the consensus among the Board was that the District's mission is to supply safe water and it shouldn't be involved in dental-related advocacy issues.

Other Business

- The Superintendent brought the Board's attention to the 2015 SRF Project Report issued by the Drinking Water Program included in their meeting packet.
- Employee Appreciation Luncheon – The Superintendent shared the thanks and gratitude that Staff expressed to him at the September 23rd Employee Appreciation Luncheon.
- JETCC Management Candidate School – The Superintendent distributed pictures of Brian McBride and Matt Sampson who recently graduated from the 2015-2016 JETCC Management School. He also announced that Kathleen Chapin and Rob Weymouth would be attending the 2016-2017 class of the Management School.
- Mr. Oliver opened a dialogue to consider changing the start time of the Board's monthly meeting. After a brief discussion, there was agreement among the Board and Officers to change the meeting time from 3:00 to 2:00 pm.
- Mr. Littlefield reported that Jan Hanson, chairperson of the fluoride campaign, did a fine job representing the fluoride issue at a recent Ogunquit Board of Selectmen's meeting.

- Mr. Littlefield asked if there was a method to make water available to residents of the District's service area whose wells have gone dry. After a brief discussion, the Superintendent recognized that the outside spigots at the Plant and Office could be utilized for filling water containers. The offer will be advertised on the District's website, Facebook page and by contacting the town managers in the service area.

Next Meeting

The next regular meeting of the Board of Trustees is scheduled to be held on Wednesday, October 26, 2016 in the Conference Room at 2:00 pm.

Adjournment

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to adjourn the September 28, 2016 meeting at 3:47 pm.



Wayne A. Brockway, Clerk