

MINUTES OF THE BOARD OF TRUSTEES February 24, 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 Bob Emmons at 3:00 pm. Trustees Jim Burrows, Tom Oliver, and Richard Littlefield attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Distribution Manager Keith Archibald, Facilities Manager Rob Weymouth, Technical Services Manager Don Gobeil, Accountant Cathy McLeod and Administrative Assistant Cindy Rounds.

Minutes – January 27, 2016 Meeting

On a motion by Mr. Burrows, seconded by Mr. Oliver, it was unanimously voted to approve the Minutes of the January 27, 2016 meeting as written.

Public Comment

There was no public comment.

Treasurer's Report

The Treasurer provided an overview of the 2015 estimated operating results that indicated an adjusted positive net income from operations was \$329,796. He reported that \$15,549 (9 connections) was collected in System Development Charge (SDC) fees in December bringing the 2015 total to \$167,144 (134 connections) as compared to \$196,736.25 (148 connections) in 2014.

The Treasurer provided an overview of the December budget versus actual comparison analysis. Annual metered account revenues were \$4,145,022, indicating a 5.6% favorable budget variance of \$221,600. Seasonal metered account revenues totaled \$1,437,940, indicating a 7.5% favorable variance of \$100,087. Total metered revenues were \$5,582,963 indicating a 6.1% favorable variance of \$321,688. Total operating revenues for year to date December were \$6,831,790, indicating a 5.0% favorable budget variance and a 6.8% increase in the billed usage from 2014.

The Treasurer provided an overview of the January budget versus actual comparison analysis. Annual metered account revenues were \$321,324, indicating a 5.3% favorable budget variance of \$16,054. Seasonal metered account revenues totaled \$55,730, indicating a 25.1% favorable variance of \$11,177. Total metered revenues were \$377,054 indicating a 7.8% favorable variance of \$27,231. Total operating revenues for year to date January were \$500,271, indicating a 5.5% favorable budget variance and a 13.4% increase in the billed usage from 2015.

He reported that \$2,500 (3 connections) was collected in System Development Charge (SDC) fees in January as compared to \$5,716 (4 connections) in 2015.

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

Monthly Water Production Report

The Assistant Superintendent reported that 46.5 MG of water was produced in January representing a 7.8 MG decrease (14.4%) compared with January 2015.

The Assistant Superintendent presented the annual water main leak history chart that indicated 15 breaks had occurred during 2015 for an estimated total loss of 22.92 MG. He added that 17.2 MG was lost during one leak on Pine Hill Road in Ogunquit at the end of the winter.

The Assistant Superintendent summarized the Kennebunk River well aquifer recovery as proceeding nicely as illustrated by four representative monitoring wells. The Kennebunk River well was taken off line on January 21st.

MDOT Route One Ogunquit Project

The Technical Services Manager reported that all of the District's budgeted capital work in the downtown area has been completed. Until the next phase of District work commences (the pipe replacement along Shore Road) in the fall, the District will monitor the MDOT contractors' work, move hydrants and services out of the way and adjust gate boxes as needed.

PTR/Filtration Plant Exterior Piping Reconfiguration

The Facilities Manager reported that all of the exterior underground piping to send filtered Merriland River water (for manganese removal) to the PTR has been completed. He added that the new system went on line yesterday, operating at a rate of 500 gpm. Once the filter effluent booster pump is installed, the filtered water flow rate can be increased to up to 1,000 gpm. He summarized the other processes that were involved in completing the project to this point and noted that the initial performance of the pipe modification has been flawless.

Filtration Plant Office Renovations

The Assistant Superintendent and Facilities Manager reported on the progress of the renovations to create offices for the Plant Manager and Chief Operator, along with a staging area to welcome visitors for Plant tours. The walls have been sheet rocked, electrical wiring installed and an outside contractor is completing the tile floor today. Within the next few weeks, a dropped ceiling and light fixtures will be installed, the doors hung and finish trim completed, along with the reconnection of the phones and computers.

AMI Project

The Treasurer reported that implementation of the AMI project continues to progress at a good pace. As of today, 232 AMI meters have been installed. There has only been one refusal so far in response to the 400+ notification letters that were mailed to customers. In the coming weeks, AMI installations will be ramped up as additional personnel become available to assist with this project. Information regarding the meter upgrade project has been made available on the District's website as well as with a handout that is left when the AMI meter is installed.

The Superintendent reiterated that the major reason for this project's smooth implementation has been the strong collaboration among staff.

Lagoon Drainage and Sedimentation Control Project

The Assistant Superintendent reported that this capital project commenced earlier than expected due to the unseasonably milder weather, resulting in much of the preliminary tree clearing and installation of erosion control measures being completed. He provided an overview on the scope of the project and noted that the project is now on hold after a consultation with the Code Enforcement Officer who advised that a permit would be required before proceeding with the installation of any drainage pipe and structures given that this project is located within the Branch Brook Zone A.

Tata and Howard Studies

The Superintendent provided an update on the hydraulic analysis that is being conducted in cooperation with Southern Maine Regional Water Council. Once completed, it will be the first detailed hydraulic analysis ever performed that includes all of the water utilities interconnected (physically or theoretically) from Kittery to Portland.

Filtration Plant Lab Certification

The Superintendent was pleased to report that the Filtration Plant Lab has recently received State recertification for e-coli and fecal coli (bacteria) testing.

Bridge Replacement, Route One, Kennebunk/Wells

The Technical Services Manager reported that work on this bridge crossing Branch Brook, located immediately adjacent to the Filtration Plant, will be commencing soon.

Main Extension – Alfred Road, W. Kennebunk

The Superintendent reported that he is waiting to hear from Hissong Development whether they are still planning spring construction for the 12' diameter, 4000 foot main extension along Alfred Road to the proposed Terrace Green subdivision. The District will be retiring

approximately 1,300 feet of existing obsolete 6-inch cast iron and transite water main along Alfred Road as a result of the planned extension.

Main Extension – Salt Meadow Landing, Kennebunk

Connecting to the existing 12-inch main along Boothby Road in Kennebunk at a point approximately 620 feet northerly of the intersection of Boothby Road and Annie's Way, install approximately 660 feet of 8-inch main southeasterly along Salt Meadow Lane, ending at a cul-de-sac.

Reference is made to SHEET C-102 entitled, 'Utility Plan – Salt Meadow Landing – 61 Boothby Road Kennebunk, Maine 04043' – prepared by Vafiades Engineering & Design, dated February 24, 2016.

The applicant, ERINMORE, LLC, will be required to deposit \$3,696 plus furnish *all* trench, *all* material and *all* labor to complete the installation in accordance with Water District specifications.

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to approve this main extension.

Main Extension – Frazier Pasture Road, Ogunquit

Connecting to the end of the existing 6-inch main along Frazier Pasture Road in Ogunquit at a point approximately 40 feet easterly of the intersection of Frazier Pasture Road and Cherry Lane, install approximately 140 feet of 8-inch main easterly along Frazier Pasture Road, ending opposite the approximate mid-point of a house located on Lot #3 of the Cherry Hill Subdivision.

Reference is made to SHEET 1 of 3 of a plan set entitled, 'Utility Extension Frazier Pasture Road' – prepared by Kimball Survey & Design Inc., dated February 11, 2016.

The applicant, CHERRY PROPERTIES, LLC, will be required to deposit \$2,990 plus furnish *all* trench, *all* material and *all* labor to complete the installation in accordance with Water District specifications.

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to approve this main extension.

Main Extension(s) – Ocean Avenue, Windemere Place and Seaview Avenue, Kennebunkport

The Technical Services Manager provided a chronology of events on this multi-faceted project that has been in the planning stages off and on over the past 20-plus years. He detailed the latest developments that culminated from several months of effort.

The Superintendent provided an overview of an opportunity to finally complete this important hydraulic loop along Ocean Avenue. He outlined a proposal whereby the District contributed

50% toward the Ocean Avenue portions of the project in the areas where there are contributors considering participation, and 100% for the remaining 650' gap, for a total District cost of \$350-\$400,000. He outlined some funding sources, which included the delay of the budgeted \$325,000 Pipeyard building until 2017 and the recent receipt of an unplanned \$100,000 SDC deposit. In addition, he noted that \$108,000 in SDC funds have already been collected due to the Ocean Avenue project's inclusion in the underlying SDC project list. Completion of the loop will result in a significant improvement in fire suppression for that region of Kennebunkport.

On a motion by Mr. Littlefield, seconded by Mr. Burrows, it was unanimously voted to proceed with a conditional approval and authorize the Superintendent to develop and present a proposal to the homeowners along Ocean Avenue (as detailed above) for the sole intention of completing this hydraulic loop, contingent upon the approval of an adequate number of contributors to make the project feasible as presented.

Social Media

The Superintendent reported that the Technology Committee has been investigating the prospect of utilizing social media (Facebook and Twitter) as another means of communication with District customers. Following the Superintendent's brief presentation, there was consensus among the Board to proceed with incorporating social media as presented.

Reconsideration of Fluoridation of Water

The Superintendent reported that he has learned of an initiative to bring the issue of fluoridation to a public vote at the upcoming November elections. He recommended that the Board develop a position on the issue. A discussion on the topic was held.

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to adopt the following position:

The Water District is not a proponent of continuing the practice of fluoridation of its public water supply.

Furthermore, the Board of Trustees of the District authorizes its Superintendent to voice the District's position and to support efforts to bring the topic of the District's fluoridation of its public water supply to a public vote in the November 2016 general election, in accordance with MSRA Title 22, §2654, 2655 and 2656.

Since last voted upon in 2002, the District has been fluoridating the water it serves to its customers in accordance with the will of the voting public.

Since that time, as a result of both the District's extensive experience with the handling and addition of fluoride to its water supply and from the large amount of information that has since become available about the safety and efficacy of the

ingestion of fluoride, the District is of the position that there is ample justification for the public to reconsider their decision.

This is about more than the statistical reduction of cavities in the general population. It's about unintended consequences, ethics, mass medication without a sensible dosage methodology and about the safety of the District's customers and its employees.

Other Business

- The Superintendent reminded the Trustees that the Winter Outing is being held on March 12th at the Coastal House in Wells.
- The Superintendent brought the Board's attention to the recently mailed winter newsletter.
- The Assistant Superintendent reported that an employee silent auction was conducted for Truck #27 (2003 GMC 2500 HD 4WD pickup with ~139K miles, less plow). The winning employee bid amount was \$3,300 which exceeded the dealer optional trade-in amount of \$3,000.

Next Meeting

The next regular meeting of the Board of Trustees is scheduled to be held on Wednesday, March 30, 2016 in the Conference Room of the Office Complex, 92 Main Street, Kennebunk.

EXECUTIVE SESSION – Officers' Performance Evaluation

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to go into Executive Session at 4:34 pm to conduct Officers' performance evaluations.

On a motion by Mr. Burrows, seconded by Mr. Oliver, it was unanimously voted to come out of Executive Session at 5:25 pm with no action taken.

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to grant the Superintendent a 3.0% wage increase and one additional week of vacation for 2016; to grant the Assistant Superintendent a 3.0% wage increase and one additional week of vacation for 2016; and to grant the Treasurer a 3.5% wage increase.

Adjournment

On a motion by Mr. Burrows, seconded by Mr. Littlefield, it was unanimously voted to adjourn the February 24, 2016 meeting at 5:27 pm.



Wayne A. Brockway, Clerk