

MINUTES OF THE BOARD OF TRUSTEES July 26, 2017

The regular meeting of the Board of Trustees, which was held at the Conference Room at the Office Complex, 92 Main Street, Kennebunk, was called to order by President Jim Burrows at 2:00 pm. Trustees Richard Littlefield, Tom Oliver 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, GIS Manager Justin Richardson, Technical Services Manager Don Gobeil and Administrative Assistant Cindy Rounds.

Minutes – June 29, 2017 Meeting

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

Public Comment

There was no public comment.

Treasurer's Report

The Treasurer presented the June financial report and actual to budget comparison. He reported that annual metered account revenues were \$1,493,704, indicating a 2.1% favorable budget variance of \$30,754. Seasonal metered account revenues totaled \$665,646, indicating a 3.5% favorable budget variance of \$22,544. Total metered revenues were \$2,159,350, indicating a 2.5% favorable budget variance of \$53,298 and a 2.8% decrease in the year-to-date billed usage from 2016. Total operating revenues for year-to-date June were \$2,798,465, indicating a 2.2% favorable budget variance of \$61,577. Nineteen SDCs were collected (\$49,128) in June with \$135,873 collected year to date from 74 connections. That figure was decreased by \$8,141.21 due to net three year adjustments, resulting in net year to date collections of \$127,733.44.

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to approve the June financial reports.

Monthly Water Production Report

The Assistant Superintendent presented the monthly charts for total water production, liquid equivalent precipitation, groundwater production and surface water versus groundwater production for June. He reported that although water production (137.5 MG) was down by 12.6 MG (9.2%) compared to 2016 (124.9 MG), it is the second highest June total historically. Liquid precipitation in June was 2.55" and 32.05" year to date, which is 12.83" above the same period for 2016. A look at July water production through the first 25 days of the month indicates a decrease of 11 MG (7.8%) compared to 2016. June's groundwater total of 38.5 MG is comprised of 36.1 MG from the Merriland River well, 0.7 MG from the Harriseckett Road wells, and 1.7 MG from the Plant well. This year's groundwater production is 90.4 MG (48.3%) lower than the 174.8 MG produced in 2016 as a result of not running the Kennebunk River Well. The surface water chemical costs decreased to

\$148.50 per million gallons (from \$221.34 in May) and were attributed to the increase in groundwater production. The year to date blended chemical cost was \$170.74 MG, up from \$132.01 in 2016.

AMI Meters

The Treasurer reported that a total of 1,233 meters have been installed in 2017 including 268 installed so far in July. This compares to 239 meters installed during July of 2016.

The Assistant Superintendent was pleased to report that the SRF request for \$519,140 for AMI meters has moved up to the primary list and has been authorized and effective as of 3/1/17. The District will realize approximately \$10,000 in savings per year over 20 years with the SRF funding as opposed to the interest rate of a traditional bond.

Biddeford Pool Tank Structural Modifications

The Superintendent reported that the work to improve the tank's structural integrity by adding wind rods is underway. This project is being funded by three of the five cell carriers leasing space on the tank. A fourth carrier has expressed interest in contributing toward the cost in order to upgrade their tank-mounted equipment. The Facilities Manager described the scope of the work.

Kennebunk River Well

The Facilities Manager confirmed that the third pilot test (for the removal of PFCs) being undertaken by Evoqua Water Technologies began today. The Superintendent briefly described the system, which is comprised of four filter tubes of different types of granular activated carbon. The purpose is to compare the effectiveness of each type and determine how long each type will last.

The Superintendent reported that he will be meeting with DEP and DWP staff tomorrow to discuss the status of the PFC issue. He outlined some of his goals for the meeting, which included seeking innovative funding to assist with ongoing testing and possibly a treatment facility if necessary. Upon inquiry, the Superintendent stated that the DEP has not yet published their Phase 2 report on their investigation into the local PFC issue.

Woodhaven Drive, Kennebunk Main Relocation

The Technical Services Manager provided an overview of this project that will be undertaken in conjunction with a Town drainage project. He explained that the Town has engineered a new drainage system for Woodhaven and Colonial Drive in Kennebunk. When the final plans for the drainage and road rebuild project were received by the District, the Technical Services Manager identified a potential conflict with the proposed drainage system and the District's existing 10-inch water main. After confirming the conflict with a test pit, it was decided that the water main needed to be lowered to facilitate the new drainage system. The project will be done at the Town's expense and should be completed in a day.

Mill Street/Alfred Road Main Abandonment Project

The Technical Services Manager explained the scope of this project involved making a connection between an existing 12-inch water main on Alfred Road and an existing 8-inch main on Mill Street. With the connection complete, the District can now abandon approximately 1,500 feet of obsolete 6-inch cast iron main on Alfred Road that was rendered unnecessary by the installation of the new 12-inch main completed in the fall of 2016 by a private developer for an upcoming subdivision.

Lagoon Drainage Project

The Assistant Superintendent reported that this project will commence next week. He summarized the lengthy regulatory and permitting process that was required before construction on the project could begin. He reported that all the materials have been delivered and site preparation has been completed. He will be conducting a final on site review with the Distribution Manager and Foremen tomorrow. He briefly outlined the purpose of the project.

Cold Storage Facility

The Assistant Superintendent reported that he recently met with the Town Planner and was informed that this Capital budget item will require full Planning Board review for a special exemption in accordance with the Town's zoning ordinance. This project does not qualify as a utility essential service due to the nature of the project. He provided an overview of the building design. He doesn't anticipate an approval until September or October. He is developing an RFP to send out to area contractors in anticipation of the approval.

Lord's Point Road, Kennebunkport Main Replacement Proposal

The Technical Services Manager described this unique request by the residents of Lord's Point Road (near Mother's Beach) to upgrade the underground utilities in the dead-end 15-home neighborhood. A portion of the road is private and a portion is public. The request as it stands now proposes to replace approximately 700 feet of 6" water main and other utilities (sewer, telephone, etc.). The existing sewer system is substandard and its replacement is hindered by the presence of the other utilities in this congested neighborhood, prompting a need to design a project that ultimately will result in all new utilities. If this resident-financed project proceeds, the Technical Services Manager may seek Board approval to piggy-back the replacement of the first 400 feet of 6-inch water main along Lords Point Road, which is outside of the project area being targeted by the residents. Replacing the first 400 feet of main is included in the District's Master Plan.

District Staffing

The Superintendent introduced the concept of adding one permanent position, that of Distribution/Customer Service Technician, who will initially work primarily on the AMI project but will be available to assist with Distribution-related work as needed. He explained that as retirements occur in the near future and as the AMI program slows down, the need for maintaining this level of Distribution/Customer Service staffing will be reconsidered. The addition will bring the District's workforce to 42 full time employees.

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to accept the Superintendent's recommendation to increase staff to 42.

Kennebunk High School Water Supply

The Superintendent reported that a tentative solution to the High School's previously-reported water pressure issue has been reached. RSU 21 is proposing to contribute \$150,000 to the Water District to relocate the District's existing 60+ year old West Kennebunk Booster station at the intersection of Fletcher Street and Ross Road to a point just east of the school, along Fletcher Street, on RSU 21 property. The \$150,000 was determined to be the cost of RSU 21's other solution to the issue, which was to install a nearly ¼ mile long fire service to the West Kennebunk Booster. The remaining actions to be taken in order for the booster relocation option to move forward will be a vote by the RSU 21 School Board to grant the District an easement and formally commit the funds for the booster station (which appears likely) and for our Board to vote a \$75,000 Capital budget increase, as the booster relocation project is expected to cost between \$200,000 and \$225,000. The Superintendent outlined the operational changes that will be undertaken to maintain high pressure in the area while the work is being undertaken.

Mr. Oliver made a motion to authorize the \$75,000 but withdrew his motion during the discussion to include the motion in the next agenda item.

Upon inquiry, the Superintendent confirmed that the property on which the current West Kennebunk booster is situated is a buildable lot. The Assistant Superintendent added that the square footage of the lot would technically allow for a duplex despite the topography challenges associated with the steep lot.

Capital Budget Modification Requests

The Superintendent informed the Board that in addition to the \$75,000 request relating to the relocation of the West Kennebunk Booster station, he is requesting their consideration for approval of \$6,000 to purchase a software upgrade necessary to fully utilize the recently completed hydraulic model of the District's distribution system. He explained that unlike a software update or software maintenance charges, the reason this upgrade is considered a capital item is because it increases the capacity of the already capitalized software package.

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to budget the balance of the anticipated cost of relocating the booster station, estimated at \$75,000, pending a positive vote by the RSU 21 Board.

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to authorize the \$6,000 hydraulic modeling software upgrade.

Other Business

- Terms & Conditions – The Superintendent outlined a proposed revision to the District's Terms and Conditions that will further clarify the circumstances when a service charge for restoration

of a disconnected service can be assessed. PUC approval is also necessary before the modification can be effective. The Treasurer elaborated on the purpose of the revision.

On a motion by Mr. Oliver, seconded by Mr. Emmons, it was unanimously voted to approve the modification to the District's Terms & Conditions and authorize the submittal to PUC.

- Potential Water Supply to Alfred – The Superintendent reported that he and Sanford Water District have been approached by the owner of a large over age 55 mobile home park in Alfred. He introduced the concept to supply approximately 50,000 to 100,000 GPD to this project, which has water and quality issues and is planning for a park expansion. He elaborated on some of the details that would have to be worked out to successfully accomplish the concept. He also offered a number of scenarios that would be beneficial with the expansion. The proposed supply would equate to approximately ½ to 1% of the District's total water production. The Superintendent was encouraged to continue the dialogue and investigation of the concept and keep the Board updated on any developments.
- Kudos – The Superintendent was pleased to share two letters from customers. One was a compliment on Don Gobeil's newsletter article and the second that expressed gratitude for the overall information that the newsletter provides.

Next Meeting

The next meeting of the Board of Trustees will be held on Wednesday, August 30, 2017 in the Conference Room at the Office Complex at 92 Main Street, Kennebunk at 2:00 pm.

Adjournment

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to adjourn the June 29, 2017 regular meeting at 3:36 pm.



Wayne A. Brockway, Clerk