

## MINUTES OF THE BOARD OF TRUSTEES July 29, 2015

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, Richard Littlefield and Tom Oliver attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Facilities Manager Rob Weymouth, Accountant Cathy McLeod, Utility Assistant Keith Archibald, Technical Services Manager Don Gobeil and Administrative Assistant Cindy Rounds.

### Minutes – June 24, 2015 Regular and Annual Meetings

On a motion by Mr. Burrows, seconded by Mr. Oliver, it was unanimously voted to approve the Minutes of the June 24, 2015 Regular and Annual Meetings as written.

### Public Comment

There was no public comment.

### Treasurer's Report

The Treasurer provided a brief overview of the June financial report along with the budget versus actual comparison analysis. Annual metered account revenues were \$1,452,223, indicating a 2.6% favorable budget variance of \$37,079. Seasonal metered account revenues totaled \$640,603, indicating a 21.9% favorable variance of \$115,291. Total metered revenues were \$2,092,826 indicating a 7.9% favorable variance of \$152,370. Total operating revenues for year to date June were \$2,662,885, indicating a 6.1% favorable variance and a 0.2% decrease in the billed usage from 2014, primarily due to the timing of seasonal minimum billings. A total of \$15,097 was collected for 13 system development charges in June bringing the 2015 total to \$83,310.08 for 56 connections (\$77,188.81 for 62 connections in 2014).

Upon an inquiry by Mr. Oliver, the Treasurer responded that the District had previously discussed starting operating reserve accounts, which are now allowed by the Maine PUC, but has not yet taken any action towards setting them up. He explained the conditions and implications of having them. A brief discussed ensued.

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

### Monthly Water Production Report

The Assistant Superintendent reported that 118.9 MG of water was produced in June (3.3% less than the 123.0 MG in 2014). The decrease is likely due to the 6.22" of rain during the month.

July's month to date production is 6% higher than in 2014. June's production was comprised of 83.1 MG of surface water (Branch Brook) and 35.8 MG groundwater from the Kennebunk River well (35.8), Plant wells (.33), Merriland River well (.11) and Harrisckett Road wells (.06). Year to date (YTD) groundwater production of 189.82 MG is tracking significantly ahead of the 2014 YTD of 100.41 MG. The 2015 YTD total production (all sources combined) is 457.6 MG (8.5%) ahead of 2014.

The June surface water versus groundwater production comparison chart showed that the chemical cost for surface water was \$242.76 per MG while groundwater chemical cost was \$21.07 per MG. On a YTD basis, groundwater chemical cost is averaging \$196.12 per MG less than surface water chemical cost. He noted that the YTD chemical cost savings realized with groundwater versus surface water equates to \$52,521, with most of the groundwater coming from the Kennebunk River well.

The Assistant Superintendent was pleased to report that YTD, a total of 185 MG of water has been produced from the Kennebunk River well. After reviewing a chart that illustrated water table drawdown levels and production, he indicated that it was conceivable that this well was capable of producing up to 300 MG of good quality water per year.

#### Merriland River Well Manganese Removal Project

The Superintendent reported some calibrating and reprogramming of the system is on-going. The level of manganese removal being achieved has exceeded expectations. The Facilities Manager reported that the system is being operated intermittently by the Plant Manager and himself. The shortage of staff (two Plant Operators are on medical leave) and high seasonal water demand have made it difficult to plan adequate time for the remaining Operators to learn the new system. Once the normal staff level is restored, the system will operate on a full time basis.

#### Ogunquit 3 MG Tank Painting

The Facilities Manager reported that this tank restoration project has been completed and is again in service. He was pleased to report that the project, which was originally budgeted for \$290,000 was completed for \$249,900.

#### AMI Project

The Treasurer reported that legal counsel has completed their review of a near-final draft of the contract. Once a few operational questions are discussed in a meeting planned for tomorrow, the contract will be ready to finalize.

### MDOT Route One Ogunquit Project

The Technical Services Manager reported that the Distribution crew will be starting the installation of the 16" water main replacement over the new Phillips Bridge tomorrow. He pointed out that MDOT once again modified the bridge design without any communication with the District. Since this bridge will now be higher than originally planned, the new water pipe will need to be installed using a series of elbows to allow for the difference in elevation. An air release assembly will also be needed.

### Main Replacement – Langsford Road, Kennebunkport

The Assistant Superintendent reported that this 1,600' replacement of obsolete 6" pipe with 8" HDPE pipe via the pipe bursting method was completed last Tuesday. The launch and receiving pits have been paved along with all of the service connections. A fire flow test will be conducted in the near future, with the assistance of Jim Burrows and the Kennebunkport Fire Department. He noted that one of the hydrants that was replaced was dated 1893.

### Main Replacement – Parsons Street, Kennebunk

The Assistant Superintendent reported that this 1,000' main replacement project is scheduled to start next week.

### Main Extension -- Ocean Avenue, Kennebunkport

The Technical Services Manager reported that since a portion of the main extension (near Walker's Point) is in the Resource Protection area, a Planning Board public hearing is necessary and is scheduled for next week. The bid package was distributed to a number of contractors today. The project is anticipated to commence by mid-September.

### Main Extension – Cottages at Salt Marsh, Kennebunk

The Technical Services Manager reported that this project (855' of 8" main and 305' of 4" main) located on Western Avenue in Kennebunk, has been completed, chlorinated and put on line yesterday.

### Main Extension – Arundel-Kennebunkport Cottage Preserve, Route One, Arundel

The Technical Services Manager reported that the first phase of this project, 1,800' of 16" water main, has been installed and chlorinated. A defective 16" valve that had caused prior pressure tests to fail has been replaced.

### Main Extension – Summit Terrace, Wells

The Technical Services Manager reported that this 420' of 2" main extension on Drakes Island in Wells has been completed, chlorinated and put on line.

### Capital Budget Modification Request

The Technical Services Manager reported that due to a redesign of a developer-financed main extension on Summit Terrace (Wells), the District's Capital Budget item for installing 120 feet of 2-inch main on Summit Terrace is not needed at this time. The potential exists for further development along Summit Terrace that would likely result in the necessity of a developer closing the loop, which is what the District's budget item would have done. The recommendation is that the District's \$10,000 project be eliminated.

The Superintendent discussed the previously-approved \$40,000 Capital Budget item for a used excavator (for impoundment and lagoon dredging). Initially an excavator was found for slightly under \$40,000. However, as a result of further research into the availability and condition of excavators in that price range, a second, very suitable excavator was found at a cost of \$46,000. At this time it is felt that both excavators should be considered. The recommendation is to increase the budgeted amount for this item by \$6,000

The Trustees were asked to consider these two modifications to the Capital budget.

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to modify the 2015 Capital budget as proposed.

### Succession Planning/Personnel Update

The Superintendent reported the initial transitions resulting from the succession planning in anticipation of (three) retirements have been completed. As of August 2<sup>nd</sup>, Keith Archibald will assume the duties of Distribution Manager. Effective July 26<sup>th</sup>, Peter Jewett will assume the duties of the new Inventory (Purchasing) and Cross Connection Control position; Eric Cloutier will assume the duties of Assistant Utility Person; and Michael LeBlanc will assume the duties of Utility Person. The promotions result in two vacancies in the Distribution Department that have been posted and advertised.

### Other Business

- System Development Charge Update – The Superintendent reported that the proposed revision (decrease) in the System Development Charge was approved by the Public Utilities Commission and will become effective August 1<sup>st</sup>.

- U.S. Cellular on Kennebunk Tank – The Superintendent reported that a modified lease agreement with U.S. Cellular has been signed and will become effective once they install the additional equipment/antenna. The modification will result in a lease payment increase of \$412 per month.
- Injured (off duty) Employees/Family Medical Leave - The Superintendent reported that Plant Operator Ed Kilian was injured in a recent motorcycle accident. He sustained serious back and neck injuries and is expected to be out of work for an extended period of time. Prior to consideration of filling the position, Mr. Kilian's will be evaluated and a determination by his physician will decide whether his injuries will, within a reasonable amount of time, improve enough to allow him to fully perform his Operator duties. The Superintendent also reported that Plant Operator Randy Nichols was also recently injured in a motorcycle accident. He sustained a broken hip and femur and his recovery period is not expected to be as extensive as Mr. Kilian's.
- Modification to Sick Leave Policy No. 133 – The Superintendent proposed a modification to this policy that is intended to clarify the eligibility requirements for Extended Sick Leave (ESL). The modification states that ESL can only be used for the employee's direct benefit and not for Family Sick Leave, family events or for caring for a family member while otherwise eligible for Family and/or Medical Leave per Policy No. 140.

On a motion by Mr. Oliver, seconded by Mr. Burrows, it was unanimously voted to amend Policy No. 133 as presented.

- Newsletter Kudos – The Superintendent was pleased to share an email from developer Bob Satter in which he complimented the District's staff for an outstanding newsletter. He elaborated on his first-hand knowledge of producing a newsletter and found *What's On Tap* to be very educational and informative.
- Butch Tibbetts' Retirement Party - The Superintendent reminded the Board of the Distribution Manager's retirement party on July 31, 2015 at the Coastal House in Wells.
- Marsh Property -- The Facilities Manager reported that the relocation of the house at 2190 Main Street, Sanford continues to progress. The individual involved has secured the necessary permits to move the structure off the property and is waiting for the building mover to schedule the move.
- Mr. Oliver reported that again this year the District participated at Wells Harbor Fest at the Wells Harbor Community Park. Cathy McLeod and Jody Harrison represented the Water District with a water game for children. He explained that a popular feature of the Harbor Fest activities is the lobster trap throwing contest. He was pleased to announce that Jody Harrison competed and threw a lobster trap a distance of 37'5", earning the title of World's Champion.

Next Meeting

The next regular meeting of the Board of Trustees is scheduled to be held on Wednesday, August 26, 2015 in the Conference Room of the Office Complex, 92 Main Street, Kennebunk.

EXECUTIVE SESSION – Potential Watershed Land Purchase

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to go into Executive Session at 4:18 pm to discuss a potential watershed land purchase.

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to come out of Executive Session at 4:26 pm with no action taken.

Adjournment

On a motion by Mr. Oliver, seconded by Mr. Littlefield, it was unanimously voted to adjourn the July 29<sup>th</sup> meeting at 4:26.



Wayne A. Brockway, Clerk