

MINUTES OF THE BOARD OF TRUSTEES August 29, 2018

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 Tom Oliver at 2:00 pm. Trustees Bob Emmons and Fred Lynk attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Plant Manager Bill Snyder, Accountant Cathy McLeod, District Engineer Jamie Paschal, Facilities Manager Rob Weymouth and Administrative Assistant Cindy Rounds. Trustee Jim Burrows arrived at 2:15pm.

Minutes – July 25, 2018 Meetings

On a motion by Mr. Emmons, seconded by Mr. Lynk, it was unanimously voted (3-0) to approve the Minutes of the July 25, 2018 regular meeting.

Public Comment

There was no public comment.

Treasurer's Report

The Treasurer presented the July financial report along with the actual to budget comparisons. Annual metered account revenues were \$1,981,698, indicating a 2.3% favorable variance of \$44,264. Seasonal metered account revenues totaled \$696,870 indicating a 1.2% unfavorable budget variance of \$8,444. Total metered revenues were \$2,678,568, indicating a 1.4% favorable budget variance of \$35,820 and a 5.8% increase in the year-to-date billed usage from 2017. Total operating revenues were \$3,472,576, indicating a 1.0% favorable budget variance of \$35,923. Nineteen SDCs were collected (\$35,076) in July. He briefly outlined the status of the District's short term borrowing.

On a motion by Mr. Emmons, seconded by Mr. Lynk, it was unanimously voted to accept the July financial reports.

Monthly Water Production Report

The Assistant Superintendent presented the monthly precipitation, water production details and water production cost charts for July. He reported that water production was 175.0 MG (6.1% increase over 2017) which brings the 2018 YTD production total to 619.1 MG (7.4% increase over 2017). This was the third highest July production on record. A look at August totals through yesterday showed production of 145.5 MG, a decrease of 6.6 MG over 2017 and 17.5 MG less than the record year of 2016. As a result, he noted that 2018 will probably not be a year of record production as he had previously suggested.

Liquid precipitation equivalent in July was 6.72" and YTD precipitation showed a 2.7" decrease from the same period in 2017. He added that although the Branch Brook flow rate spikes during rain

events, the impact is short lived and the brook is currently well below historic levels and continues to be closely monitored along with the groundwater aquifer levels.

He noted that last week's update of the US Drought Monitor showed significant improvement with the southern portion of Maine being classified as 'abnormally dry'.

Groundwater production for July was 68.3 MG, comprised of 30.5 MG from the Merriland River well, 2.6 MG from the Harriseckett Road well, 5.6 MG from the Plant wells and 29.6 MG from the Kennebunk River well. The YTD groundwater production is 165.0 MG which equals approximately 27% of the total water production

The July surface water chemical cost increased to \$236.52 per MG from \$212.12 in June with the 2018 YTD monthly average cost now at \$238.93 per MG (higher than the \$209.71 per MG for the same period in 2017 due to increases in chemical costs). The groundwater chemical cost for July was \$67.74 per MG with the YTD monthly average groundwater chemical cost at \$79.48 per MG. The YTD monthly average for the blended surface water and groundwater chemical cost is \$216.08 per MG, up significantly from the \$169.86 per MG for same period in 2017.

Kennebunk River Well

The Superintendent provided an overview of the testing regimen and performance of the full-scale Granulated Activated Carbon filter pilot test. He reported that the filters are performing well. The recent round of tests indicates that the carbon will last approximately a year before needing to be replaced. If so, the operating cost for the carbon is estimated to be about \$200 per million gallons (MG) with the debt service for the overall permanent facility estimated at \$300 per MG.

Fletcher Street Booster Station

The Facilities Manager reported that the Kennebunk Light & Power District began installing the three-phase service today. He outlined the scope of work that will follow to complete the facility.

The Superintendent reported that the concept of providing electric car charging stations in the new school parking lot, which was to be a joint venture between the District and the school, was inadvertently overlooked by either RSU 21 or its contractor and the parking lot has been paved.

Arundel Tank Site

The Superintendent reported that the conditional use permit application has been submitted. The District Engineer reported that the Planning Board site walk was cancelled since there wasn't a quorum. The Town Planner and District Engineer walked the property. After flying weather balloons at the planned location of the proposed 75-foot tall tank, it was determined that it's visibility will be minimal from the neighboring development. The Superintendent added that the plan is to build a construction access road from Route One to the tank in November or December, after the current construction season ends.

Biddeford Pool Tank

The Superintendent reported that an RFP (request for proposals) for the tank painting was sent out by the District Engineer last week. Four painting contractors attended the mandatory pre-bid meeting. The Superintendent explained that the District is also hiring a separate contractor to temporarily relocate the five cell carriers' cables and supports to enable the painting contractor to prepare and paint the tank's exterior. He detailed the method and product that will be utilized in painting the tank.

Vehicle and Equipment Storage Building

The Assistant Superintendent reported that an RFP (Request for Proposals) for the 8,500 s.f. facility were distributed to six Maine contractors today with the RFP "bid opening" scheduled for September 25th at 2pm. A pre-bid meeting (non-mandatory) was held at the jobsite with only PATCO, who erects Varco-Pruden buildings, in attendance. The other brands being considered are Butler, NUCOR and Package Steel Building Systems. Planning Board approval is being sought on a parallel track with the Special Exception Application package submitted for the September 24th Planning Board agenda. Construction can possibly commence by late October. The current budget for this project is \$500,000.

AMI Meters

The Treasurer reported that as of yesterday, 290 meters have been installed so far in August, bringing the YTD total to 2,487 and the cumulative total to over 6,554 (approximately 48% of all metered customers).

Treasurer's Office Renovation

The Treasurer reported that his office renovation project is just about complete. The new furniture has been installed which has allowed him to partially move back into the office.

Main Replacement – Storer Street, Kennebunk

The Assistant Superintendent reported that this main replacement project was completed last week. Kennebunk Sewer District will undertake their work in the coming weeks. Traffic control went smoothly along this busy road. He praised the Distribution crew for the great job they did in spite of the challenges they encountered. There were two properties that sustained damage during the pipe bursting component of the project as a result of their sewer lines being compromised. The Assistant Superintendent distributed pictures of a piece of tuberculated pipe (installed in 1924) that was replaced along the route.

Main Replacement – North Street, Kennebunkport

The Distribution Manager shared a timeline of work leading to the start of the installation. The Superintendent added that the project notification letter to the area residents included the fact that

the State very recently paved the road, against the advice of the Kennebunkport Public Works Director, prior to the Town and District undertaking their planned projects in the area.

Lightning Damage

The Facilities Manager detailed the damage to the Treatment Plant, Crow Hill tank and Merriland River well as a result of the recent lightning event.

Staffing Update

The Superintendent outlined recent staff changes. They included Brenda Hamilton's retirement after 30 years; Aaron Lehoux's promotion to Accounts Payable Clerk in conjunction with Cheryl Kerrick's retirement after 29 years; Billing & Customer Service Clerk Jennifer Bridges started on August 13; Billing & Customer Service Clerk Grace Jerauld will start on September 4; and an internal posting that will be distributed in September to fill the anticipated Customer Service Technician position vacancy when Mike Buzulchuck ends a 45-year career with the District in January of 2019.

Capital Budget Modification

The Assistant Superintendent reminded the Board of the difficulty in the past in finding new trucks that meet District specification after the first of the year. Therefore, he asked the Board to consider modifying the 2018 budget to allow the purchase of a 2019 4x4 truck.

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to increase the 2018 Capital Budget by \$31,000 for the purchase of the truck as requested, with the caveat that in the event the delivery of the truck is in 2019, the 2019 budget will be adjusted accordingly.

West Kennebunk Booster Station

The Assistant Superintendent began a discussion regarding the Board's interest in selling this Fletcher Street property that housed the former booster station. He distributed an aerial view of the property and a photo of the existing structure. An Opinion of Value report conducted in October 2017 valued the property at \$79,000 to \$89,000. The current Town assessment is \$49,200. Zoning would allow a single or two-unit residence with the 0.29 acre lot size.

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was voted to put this property on the market and grant abutters first refusal if requested.

Main Extension -- Emery Lane, Kennebunk

Connecting to and extending from the end of the existing 8-inch main along Emery Lane in Kennebunk at a point approximately 150 feet from the southerly edge of Port Road, install approximately 580 feet of 2-inch main southerly along Emery Lane, ending at its cul-de-sac.

Reference is made to Sheet 1 of a set of plans entitled EMERY PROPERTY, 7 EMERY LANE, KENNEBUNK, ME. – prepared for Joe Falzone – last revised 08/13/18.

The applicant, Joseph Falzone, will be required to deposit \$5,280, plus furnish *all* trench, *all* material and *all* labor to complete the installation in accordance with Water District specifications.

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to accept this main extension.

Main Extension – Windemere Place, Kennebunk

Connecting to the existing 8-inch main along Windemere Place in Kennebunkport at the intersection of Windemere Place and Sea View Avenue, install approximately 200 feet of 2-inch main along Windemere Place, ending at the perpendicular midpoint of the existing house at 21 Windemere Place along its road frontage.

The applicant, Northeast Harbor Consulting, LLC, will be required to deposit \$2,640, plus furnish *all* trench, *all* material and *all* labor to complete the installation in accordance with Water District specifications.

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

Other Business

- The Superintendent was pleased to share a complimentary email thanking Kathleen Chapin for assistance she provided to an appreciative customer.
- The Superintendent informed the Board that the Employee Appreciation Luncheon at the Pipe Yard will take place on September 14th.
- The Superintendent reported that the recent changes to the District's Terms and Conditions have been approved by MPUC.

Next Meeting

The next meeting of the Board of Trustees will be held on Wednesday, September 26, 2018 in the Conference Room, 92 Main Street, Kennebunk at 2:00 pm.

Adjournment

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to adjourn the August 29, 2018 meeting at 3:20 pm.

Wayne A. Brockway, Clerk