

MINUTES OF THE BOARD OF TRUSTEES December 19, 2018

The regular meeting of the Board of Trustees, which was held in 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, Jim Burrows and Fred Lynk attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Plant Manager Bill Snyder, Chief Operator Greg Pargellis, GIS/Asset Management Coordinator Justin Richardson, Accountant Cathy McLeod, Distribution Manager Keith Archibald, District Engineer Jamie Paschal, Facilities Manager Rob Weymouth and Administrative Assistant Cindy Rounds.

Minutes – November 28, 2018 Meeting

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to approve the Minutes of the November 28, 2018 regular meeting as written.

Public Comment

There was no public comment.

Treasurer's Report

The Accountant provided a brief update on the District's financial status. She reported that at the end of October, there was a favorable total revenue variance of \$256,000 which is expected to be reduced to approximately \$76,000 by the end of 2018. The estimated end of the year net income total is projected to be \$151,000 ahead of budget. The decrease in the previously reported projection of a \$268,000 favorable budget variance was due to reduced water consumption during the last few months of 2018. Expenses that were previously projected to be \$72,000 under budget are now estimated to finish at \$46,000 under budget.

Monthly Water Production Report

The Assistant Superintendent presented the monthly precipitation, water production details and water production cost charts for November.

He reported that water production for November was 51.0 MG (1% increase from 2017) which brings the 2018 YTD production total to 1,017.7 MG (a 0.8% increase over 2017 and a 5.1% decrease from 2016, the year of record production).

The liquid precipitation equivalent for November was 11.67" (the wetter November on record), which places the YTD total of 57.17" 17% above the 16 year running average of 48.99". So far in December, there's been 3.7" of precipitation.

Groundwater production for November was 28.0 MG from the Kennebunk River well. The YTD groundwater production total is 369.9 MG, which is 36.4% of total production. Groundwater production is expected to reach 400 MG with December's totals.

The November surface water chemical cost increased to \$309.76 per MG from \$262.49 in October, due mostly to several significant precipitation events, with the 2018 YTD monthly average cost now at \$244.37 per MG. The groundwater chemical cost for November was \$71.90 per MG with the YTD monthly average groundwater chemical cost at \$73.90 per MG. The YTD monthly average for the blended surface water and groundwater chemical cost is \$195.81 per MG.

Kennebunk River Well

The Superintendent reported that the Facilities Department has been erecting the temporary enclosure to protect the filters from the wintry weather. The well is running 1 MG a day through the filters. He reported that there appears to be a trace (2.7 parts per trillion, or ppt) of PFAS in the effluent of the lag filter (the detection limit is 2 ppt). He estimated that the initial goal of treating 250 MG through the filters before replacing the carbon will be achieved.

The Facilities Manager explained the construction process that was undertaken and the challenges that were overcome. He outlined the components of the filter enclosure utilizing a slideshow presentation that illustrated the progress. The Superintendent reported that the permanent structure is being designed, with construction anticipated to commence prior to summer.

Mr. Oliver mentioned that he attended MWUA's monthly meeting last week in Wells at which the Superintendent gave a PFAS presentation. The Superintendent added that the District is the lead water utility in Maine on the PFAS issue. He will be giving another presentation in March at the annual Maine Sustainability and Water Conference.

Arundel Tank Site

The District Engineer reported that Blais Civil Engineers has been hired to design the entrance to the driveway for the access road and prepare the DEP storm water management permit for the site. He is awaiting the final design that will be used to go out to bid on the tank driveway and for the conditional use permit with the Town of Arundel.

AMI Meters

The Assistant Superintendent provided a chart illustrating the installation progress. He reported the installations so far in December were 163, reaching a year to date total of 3,007 (2,864 in 2017) and cumulative total of 7,174. He anticipates that by the end of the month, the year to date total will be approximately 3,060. The Superintendent noted that most of the additional funds relating to the recent 2018 capital budget modification will not be expended, in part due to several less costly AMI installations at a seasonal condominium complex.

Pipe Yard Vehicle and Equipment Storage Building

The Assistant Superintendent reported that the Town of Kennebunk Code Enforcement Office was experiencing a backlog since approval was granted November 8th and the building permit for this facility was just issued today. He outlined the anticipated schedule for the foundation installation. An alternative to the building lighting that was quoted is being considered for a \$7,000 savings.

Maine Drinking Water Program's Annual SRF Intended Use Plan

The Assistant Superintendent reported that although he expected the release of the SRF list on December 7th, he was just notified that the release is now scheduled for January 10th.

Preliminary 2019 Operating Budget

The Accountant distributed and presented the preliminary 2019 Operating budget. She reviewed the primary assumptions that went into the preparation of the budget, including the completion of the painting of the Biddeford Pool tank

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to approve the preliminary 2019 Operating budget as presented.

Review and Approval of Updated Bylaws for the SMRWC

The Superintendent distributed a copy of and summarized the modifications being proposed to the SMRWC (Southern Maine Regional Water Council) bylaws. He added that the proposed modifications were primarily procedural and administrative in nature. He noted that the bylaws can only be modified by the full members, which are the governing Boards of the seven member utilities.

On a motion by Mr. Burrows, seconded by Mr. Lynk, it was unanimously voted to approve the proposed modified SMRWC bylaws as presented.

Review and Approval of an Updated Fish Ladder MOU with the WNERR

The Superintendent outlined the mutually-agreed to five-year renewal and update to the Fish Ladder Memorandum of Understanding (MOU) with the WNERR (Wells National Estuarine Research Reserve). The original MOU was created in 2013 for the rebuilding and operation of the fish ladder behind the Filtration Plant.

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to authorize the Superintendent to execute the amended MOU.

Branch Brook Watershed Coalition

The Superintendent reported that he and the GIS/Asset Management Coordinator recently met with the group of local and regional conservancy stakeholders interested in protecting Branch Brook. Represented at the meeting were the Kennebunk and Wells Conservation Commissions, the Wells Reserve (WNERR), the Maine Coast Heritage Trust and the Great Works Regional Land Trust. The organizational meeting was very productive and included an overview of the Sebago Clean Waters Working Principles Agreement, which is similar to a memorandum of understanding. The group agreed that it was a good model from which to develop a local agreement from. Representatives from the Sebago Clean Waters group are invited to the next meeting to discuss the details of how their coalition was formed and operates. Currently, mapping of District land is being shared with

the Wells Reserve. An environmental review will help prioritize the properties for importance of conservation.

On a related note, as a result of having a good working relationship with the Wells Reserve, a dialogue has begun to replace and relocate the old 10" transite main that currently goes through the Rachel Carson marsh to a location through WNERR land to Island Beach Road on Drakes Island.

Other Business

- The Assistant Superintendent was pleased to report that the District's experience modification factor is .60 (the industry average is 1.0), which is a reduction of the already remarkably low rate of .61 last year. This low mod rate reduces workers compensation insurance premiums by 40%, saving the District around \$25,000 each year. Mr. Oliver asked that the Superintendent communicate the Board's appreciation to the employees for their high safety awareness level.
- A draft of the Winter 2019 newsletter is being developed.
- The Superintendent informed the Board that the annual employee holiday luncheon will be on Friday, December 21st beginning at 11:30.
- The Superintendent reminded the Board that Mike Buzulchuck's retirement party is Saturday, January 5th at Dutch Elm Golf Course starting at 5:30 pm.
- The Assistant Superintendent reported that there has been some activity and interest in purchasing the former West Kennebunk booster property.

Next Meeting

The next meeting of the Board of Trustees will be held on Wednesday, January 30, 2019 in the Conference Room, 92 Main Street, Kennebunk at 2:00 pm.

Adjournment

On a motion by Mr. Lynk, seconded by Mr. Burrows, it was unanimously voted to adjourn the December 19, 2018 meeting at 3:05 pm.

Respectfully submitted,

Normand R. Labbe, Clerk Pro Tem