

MINUTES OF THE BOARD OF TRUSTEES September 26, 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, Jim Burrows and Fred Lynk attended along with Superintendent Norm Labbe, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Plant Manager Bill Snyder, Chief Operator Greg Pargellis, Accountant Cathy McLeod, District Engineer Jamie Paschal, Facilities Manager Rob Weymouth, Distribution Manager Keith Archibald and Administrative Assistant Cindy Rounds.

Minutes – August 29, 2018 Meeting

On a motion by Mr. Emmons, seconded by Mr. Lynk, it was unanimously voted to approve the Minutes of the August 29, 2018 regular meeting.

Public Comment

There was no public comment.

Treasurer's Report

The Treasurer presented the August financial report along with the actual to budget comparisons. Annual metered account revenues were \$2,311,902, indicating a 4.8% favorable variance of \$105,919. Seasonal metered account revenues totaled \$1,045,198 indicating a 2.2% favorable budget variance of \$22,573. Total metered revenues were \$3,357,100, indicating a 4.0% favorable budget variance of \$128,492 and a 9.0% increase in the year-to-date billed usage from 2017. Total operating revenues were \$4,243,183, indicating a 3.1% favorable budget variance of \$127,947. Twenty-eight SDCs were collected (\$39,228) in August.

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

Monthly Water Production Report

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

He reported that water production for August was 161.0 MG (2.7% decrease from 2017) which brings the 2018 YTD production total to 780.1 MG (5.1% increase over 2017). A look at September totals through yesterday showed production of 98.3 MG, a decrease of 0.3 MG from 2017 and 10.3 MG less than the record year of 2016. He noted that 2018 will most likely come in as the second highest year of record production.

Liquid precipitation equivalent in August was 3.16", which places the YTD total of 34.48" close to the running average of 35.75". He added that the groundwater levels remain lower than average for this time of year.

Groundwater production for August was 71.7 MG, comprised of 31.7 MG from the Merriland River well, 2.9 MG from the Harriseckett Road well, 5.1 MG from the Plant wells and 31.9 MG from the Kennebunk River well. The YTD groundwater production is 236.6 MG (32.9 MG increase over 2017) which equals approximately 30% of total water production.

The August surface water chemical cost increased to \$253.29 per MG from \$236.52 in July with the 2018 YTD monthly average cost now at \$241.29 per MG (higher than the \$208.47 per MG for the same period in 2017 due to increases in chemical costs). The groundwater chemical cost for August was \$69.98 per MG with the YTD monthly average groundwater chemical cost at \$76.60 per MG. The YTD monthly average for the blended surface water and groundwater chemical cost is \$210.49 per MG, compared to \$168.91 per MG for same period in 2017.

Kennebunk River Well

The Superintendent elaborated on the performance of the full-scale GAC filter pilot test. He reported that the filters are still operating at 1 MGD and continue to function well. Overall, the expectation is that, by around the end of October, the data collected should provide enough information to make a final determination of whether or not to move ahead with a permanent facility.

The Superintendent reported that he recently presented a talk on PFOS/PFAS at the Maine Water Environmental Association (MeWEA) Annual Convention. He reiterated some of the legal ramifications that were previously discussed. The Superintendent recently received an inquiry from the New York Association of County Commissioners, which is a statewide organization that has legal action underway on some PFAS sites in New York State. They have requested a meeting with the Superintendent to talk about the District's experiences.

Fletcher Street Booster Station

The Facilities Manager reported that the Kennebunk Light & Power District has installed the three-phase service and transformer. The three phase meter should be arriving soon. Final landscaping is underway along with some incidental items that are required to complete project.

Arundel Tank Site

The District Engineer reported that he will be attending the Planning Board meeting tomorrow to obtain the conditional use permit required to build a construction access road from Route One to the tank site. A DOT Road Opening Permit is also being pursued.

Biddeford Pool Tank

The Superintendent reported that the tank painting is underway. He distributed photos of a few of the project's components. He elaborated on the decision and the benefit of hiring a separate contractor to temporarily relocate the five cell carriers' cables and supports to enable the painting

contractor to properly prepare and paint the tank's exterior. He added that equipment updates by two of the cell carriers are also being undertaken.

AMI Meters

The Treasurer reported that as of Monday (24th), 208 meters have been installed so far in September, bringing the YTD total to 2,741 and the cumulative total to 6,908 (approximately 49% of all metered customers and 63% of annual customers). The Superintendent reported that the District has entered into a lease agreement with the South Congregational Church in Kennebunkport in order to install a gateway unit, which is expected to transmit meter readings of 500 to 1,000 customers in the area. The remaining approved 2018 capital budget for the AMI program budget will cover the installation of approximately 300 additional meters through year end. An increase in the budget may be proposed at the next meeting to maintain the rate of AMI installations through the end of the year.

Main Replacement – North Street, Kennebunkport

The District Engineer reported that progress on this project has slowed down due to the ledge that has been encountered within the project area. To date, 650' of main has been replaced.

2018 Water System Master Plan Update

The Assistant Superintendent reported that Wright-Pierce has been updating the Master Plan and is expected to deliver the final updated version tomorrow.

Pipe Yard Vehicle and Equipment Storage Building

The Assistant Superintendent reported that there has been a delay in the (Town) approval process for this 8,500 sf facility. He was recently notified by the Town Planner that the project should be reviewed by the Site Plan Review Board instead of the Planning Board as previously directed. The project has been scheduled on the October 18th Site Plan Review Board meeting agenda. Six vendors have been solicited to submit a proposal to build the steel structure. The budget for this project is \$500,000.

Fall Hydrant Inspection and Testing Program

The Assistant Superintendent summarized the hydrant inspection and testing process that commenced yesterday in place of the fall flushing program. It is anticipated that up to 100 inspections are likely to be completed a day, depending on the availability of staff resources. The Distribution Manager discussed some benefits that have come from the inspections.

West Kennebunk Booster Station

The Assistant Superintendent reported that he sent a letter to the abutters offering them first option on the sale of this property that formerly served as a booster station. He added that the abutters expressed limited interest and were informed that the property will likely be listed with

a realtor pending Board approval at their October 31st meeting. An update will be provided at the next meeting.

DOT Meeting -- Route One, Wells Bridge Replacement

The Assistant Superintendent reported that he recently attended a utility meeting regarding the DOT bridge replacement (over the Merriland River) on Route One. He outlined some concerns that were discussed in reference to the project and that area of the distribution system and potential impacts on the District's 20" transmission main. He noted that the contractor plans to request permission to begin preliminary site work in October despite the DOT's desire to commence in February.

Olde Port Village – Kennebunkport, Maine

The Superintendent informed the Board that the Kennebunkport Selectmen were recently authorized by a Town Meeting vote to offer \$10.3 million for an 85 acre property that abuts both North Street and School Street. This property had been previously slated for a large residential development. He recalled that the Trustees had previously approved the first phase of a 12" main extension for this project and that the District had anticipated the installation of approximately a mile of 12" main from North Street to School Street, to a point near the Crow Hill tank. This hydraulic loop would have significantly decreased friction loss to the Crow Hill area by approximately 75%.

SRF Project Closeouts

The Assistant Superintendent reported that he and the Treasurer recently met with the Drinking Water Program's SRF Environmental Engineer to close out the finances on three SRF projects. The projects were comprised of the four tank mixer installations, the Wildes District Road (K'port) 2,100' main replacement and the Oak/West Street 1,400' main replacement. The total cost of these projects was \$43,452 below budget.

Revised System Development Charge

The Superintendent was pleased to report that the Public Utilities Commission (PUC) approved the recent SDC revisions as proposed, which will become effective on October 1, 2018. The District will notify customers of the change via the District's website, Facebook page and in upcoming water bills.

Review and Approval of Vehicle Bids

The Assistant Superintendent reported that bid invitations were sent to six dealerships for a 2019 ½ ton 4 WD pickup. Two dealers responded; O'Connor GMC submitted a (net) \$31,362 quote for a GMC Sierra and Key Ford (formerly Starkey Ford) submitted a (net) \$25,523 quote for a Ford F-150. A recommendation was made to award the bid to Key Ford and allow an employee silent auction for the optional trade-in of Truck #16: 2008 F150 4x4 Crew Cab with a reserve minimum of \$5,250 which is the price that was quoted.

On a motion by Mr. Burrows seconded by Mr. Lynk, it was unanimously voted to award the bid to Key Ford and conduct an Employee Silent Auction for Truck #16 (2008 F150 4x4 Crew Cab).

Review Proposals for Pipeyard Vehicle and Equipment Storage Facility

Five vendors were solicited to submit a bid for a pre-engineered steel building on a concrete foundation. Only Patco Construction (Sanford) attended the pre-bid meeting and they were also the only vendor to respond with a proposal price of \$506,630. An option to include styrofoam insulation under the foundation slab for \$10,196 was also included making the total proposal \$517,520. Discussion followed.

On a motion by Mr. Lynk, seconded by Mr. Burrows, it was unanimously voted to award the bid to Patco Construction in the amount of \$517,520.

Update on the May 2, 2018 Brush Fire on the Branch Brook Watershed

The Superintendent reported that the person who accidentally started the fire recently pleaded not guilty. A trial date has been set for November. The District has been working with the State Forest Service to determine the best options for managing the affected land.

The New England Cottontail group has also contacted the District again. Since 2012 when prior discussions ended, the group developed a CCAA (Conservation Candidate Assurance Agreement). The document is intended to clarify to the landowner what rights on the property may be affected if cottontail habitat is intentionally created per their proposal. Legal counsel is reviewing the document.

Other Business

- The Superintendent informed the Board that the annual Flu Shot Clinic will be held next Wednesday (10/3) from 7 to 8:30 am in the Lunchroom.
- The Superintendent was pleased to report that Catherine McLeod and Steve Allen have recently graduated from the Joint Environmental Training Coordinating Committee (JETTC) Management Candidate School. Their success in the year-long management curriculum designed to “provide the intensive training, networking and skill-development coursework necessary to prepare the next generation of water and wastewater managers and leaders”. Eight other District employees have graduated from this course since 2014.

Next Meeting

The next meeting of the Board of Trustees will be held on Wednesday, October 31, 2018 in the Conference Room, 92 Main Street, Kennebunk at 2:00 pm.

EXECUTIVE SESSION – Officer's Performance Evaluation

On a motion by Mr. Lynk, seconded by Mr. Burrows, it was unanimously voted at 3:35pm to go into Executive Session, as authorized by State Statute Title 1, section 405.6A for discussion of a personnel matter.

On a motion by Mr. Lynk, seconded by Mr. Burrows, it was unanimously voted to come out of Executive Session at 4:12 pm with no action taken.

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to authorize a 2% wage increase for Treasurer Wayne Brockway, effective September 30, 2018.

Adjournment

On a motion by Mr. Burrows, seconded by Mr. Emmons, it was unanimously voted to adjourn the September 26, 2018 meeting at 4:13 pm.

Wayne A. Brockway, Clerk