

MINUTES OF THE BOARD OF TRUSTEES October 30, 2019

The regular meeting of the Board of Trustees, which was held in the Conference Room, 92 Main Street, Kennebunk, was called to order by President Bob Emmons at 2:00 pm. Trustees Jim Burrows, Tom Oliver and Fred Lynk attended along with Superintendent Steve Cox, Assistant Superintendent Scott Minor, GIS/Asset Management Coordinator Justin Richardson, Plant Manager Bill Snyder, Chief Operator Greg Pargellis, Accountant Cathy McLeod, District Engineer Jamie Paschal, Facilities Manager Rob Weymouth and Administrative Assistant Cindy Rounds. Treasurer Wayne Brockway was absent.

Minutes – September 25, 2019 Meetings

On a motion by Trustee Burrows, seconded by Trustee Lynk, it was unanimously voted to approve the Minutes of the September 25, 2019 meetings as written.

Public Comment

There was no comment.

Treasurer's Report

The Accountant presented the September financial reports (Statement of Income) and the related actual to budget comparison for the income statement.

Year to date metered annual account revenues through September were \$3,056,001, indicating a 6.6% unfavorable variance of \$216,914. Seasonal metered account revenues totaled \$962,612 indicating a 9.3% unfavorable budget variance of \$99,241. Total metered revenues were \$4,018,613, indicating a 7.3% unfavorable budget variance of \$316,155. Total operating revenues were \$5,069,646, indicating a 5.8% unfavorable budget variance of \$314,352. There were 24 new SDCs collected in September (\$35,654) with 143 collections on a year to date basis compared to 112 in 2018.

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to approve the September financial reports as presented.

May 2019 Rate Comparison

The Assistant Superintendent displayed a chart of current (May 2019) water rates filed with the PUC for all Maine Public Water Utilities. The District is shown as the 8th lowest (of 101 utilities) for consumption of 1,200 cubic feet and 2nd lowest among the seven Southern Maine Regional Water Council (SMRWC) utilities. In the 2,000 cubic feet category, the District is shown as 23rd (of 101 utilities) and 5th among the SMRWC utilities.

Monthly Water Production Report

The Assistant Superintendent presented the monthly precipitation, water production statistics and water production cost charts for September.

He reported that water production for September was 129.2MG (representing at 12.7MG or 10.9% increase from 2018). Year to date water production through September stands at 854.3MG which is 41.8MG (4.7%) lower than 2018 and 70.4MG (7.6%) lower than 2016 (year of record water production). Looking ahead at October (through October 28th) water production for the month is 95.0MG, an increase of 29.5MG (45%) compared to October 2018. However, a large leak on Western Avenue in Kennebunk is estimated to account for approximately 21MG of October's production total.

The liquid precipitation equivalent for September was a record low 0.36" and included only three days of recorded precipitation. The 2019 YTD precipitation total of 34.11" is trailing below the group average of 39.39".

The supply source summary for September indicated that groundwater sources provided 79.68MG (62%) while Branch Brook contributed 49.16MG (38%) with a de minimis 0.38MG purchased from Maine Water Company.

Groundwater production in September (49.16MG) consisted of 13.08MG from the Kennebunk River well, 2.06MG from the Plant wells, 0.23MG from the Harriseckett Road wells and 33.79MG from the Merriland River wells. The 2019 YTD groundwater production was 374.0MG and was comprised of 188.1MG from the Kennebunk River well, 27.2MG from the Plant wells, 9.5MG from the Harriseckett wells and 149.2MG from the Merriland River well. There was a year to date increase of 88.4MG in 2019 compared to 2018. The 2019 YTD surface water production was 478.7MG.

The surface water versus groundwater production and chemical cost comparison chart revealed a significant decrease in the cost of treating surface water (\$202.99/MG in September compared to \$251.14/MG in August) which is directly related to the lack of precipitation resulting in low color and turbidity in Branch Brook. The 2019 YTD blended surface water and groundwater chemical cost was \$170.97/MG versus \$201.53/MG for the same period in 2018. This is attributed to the higher percentage of lower cost groundwater used in 2019 compared with 2018. The 2019 YTD average monthly surface water cost of \$246.20/MG is slightly higher than 2018 (\$240.90/MG). 2019 YTD average monthly groundwater chemical cost of \$79.49/MG is tracking higher than 2018 (\$70.16/MG).

AMI Meters

The Accountant reported the installations to date for the month of September totaled 286, bringing the cumulative total to 9,690 as of 09/30/19. She thanked the Assistant Superintendent for the tracking chart that illustrated the installation progress since the project began in 2015.

Arundel Tank Site

The District Engineer reported that the bid package for the tank construction was sent to two contractors, DN Tanks and Preload. Those bids are due on November 19th. A pre-bid meeting was held yesterday on-site. It produced some great questions and conversation. He also noted that the tank site clearing and grubbing bid package was sent to four local contractors. Only one bid from Beaulieu Logging LLC, was returned in the amount of \$9,300.00. They will be awarded the contract to complete the preparation for the tank contractor.

Kennebunk River Well

The Assistant Superintendent reported that he recently met with Steve Dumont, TPD Construction President to review the progress to date and update the project schedule which calls for a project completion date of February 20, 2020. He also stated that the first payment requisition for \$167,248.77 has been approved for work related to completed foundation elements (footings, walls and partial floor slabs). The Assistant Superintendent distributed and reviewed a series of project photos to illustrate the work done to date. He also reported the very favorable 7-day concrete test results of 4300 and 4930psi, respectively, exceeding the required the 4000psi design value. He indicated that the precast concrete floor planks are scheduled to be set over the 72,000 gallon holding tank chamber on November 5th after which the District's crews will need several days to cut-in a valve/fitting complex and run the influent and effluent lines for the pressure filters before the Contractor can continue placing the remaining concrete floor slabs.

Enhanced Groundwater Recharge

The District Engineer illustrated the project with the assistance of an aerial photo taken with the drone. He explained that the infiltration rate of the soil in the bermed area is not as good as was anticipated, so the bermed area has been expanded and the rate has been decreased to avoid washing out the berm. The goals of this large-scale experiment have shifted. He stated that the original plan was to study the ability of the aquifer to recharge at a steady state while pumping from the Plant wells at the same rate, but the data is showing this does not seem to be a practical approach. Instead he will study how much water can be loaded into the aquifer and how much of that can be pull back out through the wells. Next week Wright-Pierce plans to dig some additional test pits and perform infiltrometer tests to find the best soils in the area for getting the most water possible into the aquifer.

MUNIS Upgrade

The Accountant reported that the MUNIS upgrade will most likely not take place until February or March and elaborated on the timeline and other specifics that need to be accomplished prior to an update in order for the update to be undertaken.

Arundel Interconnection Metering Project

The Assistant Superintendent reported that the meter pit vault has been cast by the George Roberts Company and is ready for deliver. He also stated that all of the pipe, valves and fittings

and accessories have been delivered and are ready for installation. The only items yet to be procured are the Rotork 12" valve and the 12" Ultrasonic meter. The District's crew is scheduled to install the meter pit in early December.

Solar Power Purchase Agreement

The GIS/Asset Management Coordinator reported that Revision Energy is working on two proposals for the District. A proposal for a rooftop mount solar system on the new equipment storage building will be delivered as soon as next week. The proposal for a ground mount solar system is still being developed. He added that he is working with Project Manager Nick Sampson to help them prepare the proposals for our solar options. They expect to present the proposals in the next week or two.

Main Replacement – Agamenticus Road, Ogunquit

The District Engineer reported that the low bidder for materials was Core & Main for \$25,526.78. He added that Pine Hill Excavation was awarded the bid for aggregates supply for \$44,550.00. They will stockpile materials at their property in very close proximity to our project as well as having a loader available to load the materials into our trucks. This will result in cost savings for the District and it develops a relationship with an additional supplier in the southern end of the system. The plan is to start construction the week of November 4th; however other pressing projects and the ability of the pipe supplier to provide pipe may shift this start date.

Award of Vehicle Bids

Excavator -- The Assistant Superintendent reminded the Trustees that at the last meeting they agreed to allow staff to assess (demo) the two excavators (CAT 307.5 and John Deere 75G) before awarding the bid. The Board had also authorized \$92,000 for the purchase. He reported that staff has evaluated the excavators and favors the John Deere 75G. The Assistant Superintendent summarized the options of the John Deere and then requested the Board's consideration to modify their approval to \$94,150, an increase of \$2,150, in order to adapt the lower boom of the new excavator to accept the District's existing hoe ram to improve the machines operational versatility.

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to authorize \$94,150 for the purchase of the John Deere 75G excavator and award the bid to Nortrax Equipment.

Ford F450 Super Crew Cab & Ford Transit Connect -- The Assistant Superintendent reviewed the bids that were submitted by Key Ford, LLC (York) and Arundel Ford. He summarized the details of the bids and recommended that both vehicles be awarded to Key Ford for the 2020 Ford F450 (\$45,310 – [\$8,135 less than Arundel Ford]) and the 2020 Ford Transit (\$24,250 – [\$710 less than Arundel Ford]). He noted that he wasn't aware of any staff interested in either of the vehicles to be traded in and therefore recommended that the purchase will include both of the trade-in allowances.

The Superintendent applauded the attention to detail that was provided in developing the bid by the Assistant Superintendent and Mechanic Mark Lank.

A discussion ensued regarding District vehicle colors. Both the F450 and the Transit will be silver.

On a motion by Trustee Lynk, seconded by Trustee Oliver, it was unanimously voted to authorize the award to Key Ford.

Generator Purchase

The Facilities Manager reported that the budgeted portable generator purchase in collaboration with York Water District and Kittery Water District was originally planned as a 150-kW. We recently found a 200-kW unit with 300 hrs, available from a recent hospital renovation, and a site visit with YWD and KWD led to its purchase. Coincidentally, a trailer designed for a similar Genset was also purchased and they will be matched and available later in the year. The generator will be stored at York Water District and a maintenance plan and priority use agreement will be executed by the three Districts.

Main Extension – Binnacle Hill, Kennebunkport

The District Engineer reported that the installation of this water main extension has been completed. He added there are a few services that need to be tied over to the new main and then once a couple old ones are cut and capped, the water portion of the project will be finished entirely.

Watershed Land

The Superintendent reported that discussions with landowners continue regarding the consideration to purchase the Wells/Sanford/Kennebunk lot or the Jefferds Way property and noted that no substantial advancement has occurred since the last meeting.

Phone System Upgrade

The GIS/Asset Management Coordinator reported that the contract has been signed. He explained that prior to installing the phones, new network switches that support power over ethernet will need to be installed. The switches are currently in the possession of our IT consultants (Fortress Network Solutions) in order for them to configure the ports prior to installing. Another upgrade needed is installation of new network cables to the Mechanic's Garage and Meter Shop. We'll run fiber to the Meter Shop and from there, run CAT5 cables to the computers. The Facilities Department has installed the conduit for the fiber. It's anticipated that the phone system will be in service by year end.

HR Maine – Employee Handbook

The Superintendent briefly outlined the progress that is being made on the update of Personnel policies with assistance from HR Maine. He doesn't anticipate that the revisions will be

completed in time for the usual annual Trustees' review in January and hopes it will be ready for presentation to the Board by Q1 2020.

FMLA

The Superintendent reported that two employees are currently out on leave due to medical procedures that they have undergone. The Treasurer and a Billing and Customer Service Clerk are expected to be on leave for approximately four to six weeks. The Superintendent praised the Office/Finance staff for stepping up and maintaining outstanding service in their absence.

OTHER BUSINESS

MWUA Trustee Session

The Superintendent reported that he and Trustee Lynk attended a MWUA training session in South Portland. Atty. Bill Harwood from the law firm Verrill & Dana presented on the legal responsibilities and obligations of a Board of Trustees. They elaborated on some of the concerns and questions that were addressed during the training. Both agreed that the training was very helpful.

Atlantic Avenue (Wells) Main Break/Response/Insurance Discussion

The Superintendent summarized the District's response to the recent main break on Atlantic Avenue (Wells) in which two residences were flooded and the clean-up assistance that was provided to two homeowners. A brief discussion ensued relating to Maine Tort Law and the limit of insurance liability that is afforded to the utility in such cases as this main break. He asked for consensus from the Board in confirming that the initial clean-up assistance provided to the homeowners was appropriate.

Fish Hatchery Property Cleanup

With the assistance of an aerial photograph, the Superintendent reported on the condition of the Sanford Road 'Marsh' property. He noted that it was recently discovered that most of the hatchery equipment from the previous owner had not been removed and could pose a threat since it is within the watershed in the rear of the property. He outlined the scope of the clean-up and stated that a quote in the amount of \$12,500.00 had been obtained. He asked the Board's consideration to authorize the funds to undertake the clean-up be taken from the Watershed Protection Fund.

On a motion by Trustee Oliver, seconded by Mr. Burrows, it was unanimously voted to authorize a \$12,500.00 allocation from the Watershed Protection Funds be used to undertake the clean-up.

KKW100 (100-Year Anniversary/Logo Initiative)

The Superintendent reported on the committee's progress to date. He used a PowerPoint presentation to briefly summarize the process the committee used to establishing a District Vision Statement and set of values to accompany our Mission Statement.

It was suggested by Trustee Lynk that the committee consider a District "tag line" or slogan.

Shout Outs

The Superintendent acknowledged staff:

- Assistant Superintendent for keeping up with the accelerated construction of the GAC building;
- District Engineer for the comprehensive bid package and thorough pre-bid meeting for the Arundel Tank;
- Distribution Manager and Foreman Eddie Thyng who located and shut off the recent Western Road main break.
- Plant Manager and Chief Operator for keeping the Plant running at the capacity needed as a result of the main break.
- Accountant for stepping up in the Treasurer's absence.
- Paul Dolewa and Peter Jewett for their collaboration in providing feedback following their assessment of potential acoustical leak locating equipment.

Trustee Lynk gave a shout-out to the Superintendent and thanked him for attending the Ogunquit Residents' Alliance meeting. The Alliance appreciated his participation.

Next Regular Meeting

The next regular meeting of the Board of Trustees will be held on Wednesday, November 20, 2019 in the Conference Room at the Office Complex, 92 Main Street, Kennebunk, Maine at 2:00 pm.

Adjournment

On a motion by Trustee Oliver, seconded by Trustee Lynk, it was unanimously voted to adjourn the October 30th meeting at 3:57 pm.

Respectfully submitted,



Stephen P. Cox, Clerk Pro Tem

