

MINUTES OF THE BOARD OF TRUSTEES  
January 29, 2020

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, Distribution Manager Keith Archibald, Accountant Cathy McLeod, District Engineer Jamie Paschal, Plant Manager Bill Snyder, Chief Operator Greg Pargellis, and Administrative Assistant Cindy Rounds. Treasurer Wayne Brockway was absent.

Minutes – December 18, 2019 Meeting

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to approve the Minutes of the December 18, 2019 meetings as corrected.

Public Comment

There was no public comment.

Treasurer's Report

The Accountant presented the actual to budget comparison for the month of December. Year to date metered annual account revenues through December were \$4,495,885 indicating a 4.8% unfavorable variance of \$226,153. Seasonal metered account revenues totaled \$1,467,014 indicating a 3.5% unfavorable budget variance of \$53,800. Total metered revenues were \$5,962,899, indicating a 4.5% unfavorable budget variance of \$279,953. Total operating revenues were \$7,379,991, indicating a 3.6% unfavorable budget variance of \$272,807.

SDC Summary for 2019

The Accountant reported there were six new SDCs collected in December (\$8,934) with 169 collections in 2019 for a net total \$397,409.19 which is derived from \$356,671.00 in total fees collected, \$40,734.86 in billed three-year adjustments and \$3.33 in interest earned. This compares to 145 collections in 2018 with a net total \$237,964.64 which is derived from \$223,443.00 in total fees collected, \$14,518.31 in billed three-year adjustments and \$3.33 in interest earned.

AMI Meters

The Accountant reported that AMI installations for 2019 totaled 10,136. As of today, January installations totaled 212, bringing the cumulative total to 10,248, which represents 73.3% of all accounts

Proposed Water Rate Adjustment

The Superintendent provided an overview of the timeline regarding the proposed 6% rate adjustment that has been filed with PUC. A notification letter outlining the adjustment and February 13<sup>th</sup> public hearing information has been mailed to customers and published in two newspapers as required. Due to his expected (medical) absence at the public hearing, the Superintendent collaborated with the Assistant Superintendent who will preside over the public hearing. Upon inquiry, the Assistant Superintendent reported that a PowerPoint presentation has been prepared and will be used to provide a detailed explanation for the increase.

#### Monthly Water Production Report

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

He reported that water production for December was 50.40MG. Year ending water production through December was 1,058.4BG which is 9.6MG (0.9%) lower than 2018 and 66.4MG (5.9%) lower than 2016 (year of record water production). A projection for January 2020 indicated to be on par with the previous year.

The liquid precipitation equivalent for December was 9.46" (the wettest December in the last 17 years) and included 11 days of recorded precipitation. 2019 ended with a precipitation of 55.25" which was slightly above the past 17-year average of 54.63".

The supply source summary for December indicated that the Branch Brook surface water supply provided 50.28MG (99.8%) with 0.12MG (0.2%) being purchased from the Maine Water Company.

There wasn't any groundwater production in December since the wells were shut down to allow for aquifer recharge. The 2019 YTD groundwater production total was 406.1MG which is comprised of 188.1MG from the Kennebunk River well, 34.5MG from the Plant wells, 9.5MG from the Harriseckett wells and 174.0MG from the Merriland River well. 2019 ended with 6.7MG more groundwater produced than in 2018. The 2019 surface water production was 653.4.1MG, accounting for 62% of the total water supplied to the system.

The surface water versus groundwater production and chemical cost comparison chart revealed 38% of the total production was from groundwater and 62% from surface water. It showed there was a large decrease in the cost of treating surface water (209.13/MG in December compared to \$267.04/MG in November). The 2019 blended surface water and groundwater chemical cost ended the year at \$181.94/MG versus \$180.27/MG for 2018. The 2019 average monthly surface water chemical cost ended the year at \$244.66/MG which was minimally higher than 2018 (\$244.41/MG). The 2019 average monthly groundwater chemical cost ended the year at \$81.02/MG which was higher than 2018 (\$72.89/MG).

The Assistant Superintendent then summarized the (2016-2020) tabulation of the chemical bid that was undertaken by Southern Maine Regional Water Council (SMRWC). It illustrated the comparison of costs from 2016 and 2020 and the benefit of buying in bulk. The 2020 estimated annual chemical costs (based on 2019 quantities) will be \$194,156, which is a \$1,172 (.61%) net increase over 2019 (\$192,984).

The Assistant Superintendent then provided an overview of the Water Main Renewal Program analysis (1994-2019). It showed that in 2019, 5,752 feet of watermain was retired, well below the 1% goal of 11,602 feet. In addition, a total of 10,189 feet of new water main was installed in 2019.

He then presented a chart showing the history of water main leaks from 1994 through 2019. He reported that only 10 leaks occurred in 2019 generating an estimated total of 22.21MG of lost water (19MG was lost in the leak on Western Avenue, Kennebunk). The 26-year annual average is 11.8 leaks with 5.78MG of lost water.

#### Water Accountability Production Report

The Superintendent presented the Water Accountability Report. The report was developed by Engineering Services Technician Gerry Goulden from a concept initiated by the Superintendent. The Superintendent elaborated on each of the components of the comprehensive report that were illustrated in a slideshow. The report was broken down to show production, sales, use by District facility, municipal (fire stations) use, and all other known water uses. The water losses could include water main breaks, service line leaks, theft of service and metering and billing inaccuracies, etc. The District has recently purchased an acoustical leak locating device that will identify potential leaks more accurately and should assist in reducing unaccounted-for water. In addition, once the AMI installations are complete, there will be a more accurate and timely account of water consumption for quicker response to potential water losses. The Board asked that the Superintendent thank Gerry for developing such a comprehensive tool for tracking water accountability.

#### Kennebunk River Well/GAC Building

The Assistant Superintendent presented a slideshow of the latest construction progress of this facility. The slideshow illustrated different phases of construction including completion of the roof, the interior of the building before and after the (blown-in and foam) insulation was applied and the exterior siding. He elaborated on the new type of material (NUDO Utilite NP400 interlocking laminated vinyl panels) that was installed as finish to the interior walls and ceiling. The final walk-through with the contractor will be conducted next week. The Facility crew will then begin work on the plumbing, electrical and HVAC components of the project. He anticipates that the facility will be online by the middle of May. Upon inquiry, the Assistant Superintendent stated that the project is under budget at this point although it may come in slightly over budget since the pilot study was extended from the originally planned six months to seventeen months. The Superintendent emphasized that should Federal or State funds become available for remediation of PFAS, the District should seek reimbursement.

#### Arundel Tank Site

The District Engineer reported that the District was approved for SRF funding for the tank. The preconstruction meeting will be scheduled in the next month or so. A meeting will be scheduled with the Facility Manager, Superintendent and Assistant Superintendent to work out details for the new valve vault and what will happen with the existing booster station.

### Arundel Interconnection Metering Project

The Assistant Superintendent reported that the new Biddeford/Arundel Flow Control and Meter Vault has been installed, including isolation valves and piping, and should be fully functional within a few weeks once the Facilities Department activates the Solar Power System and installs the small AMI meters and related SCADA controls and equipment. Upon inquiry, the Assistant Superintendent reported that this project is anticipated to be over budget. He provided a general explanation for the overage and indicated that a final summary will be provided after the project is closed out.

### Main Replacement – Agamenticus Road, Ogunquit

The District Engineer reported that work on this project is expected to resume in mid-April and anticipates that it will be complete in advance of the Town's road reconstruction project. The Assistant Superintendent brought the Board's attention to the construction calendar that was developed for 2020 which outlines the timeframe of each project that is planned.

### Capital Budget Modification Request

The Assistant Superintendent reported on the status of SRF funding for the projects submitted by the District and outlined the project changes that comprise the proposed 2020 Capital budget modification of \$11,500.

On a motion by Trustee Lynk, seconded by Trustee Burrows, it was unanimously voted to approve a net \$11,500 increase to the 2020 Capital budget. Trustee Lynk also requested that a cost analysis be provided for the Fletcher Street main replacement project which is unlikely to receive SRF funding (currently on the SRF Backup List).

### Phone System/Computer Upgrades

The GIS/Asset Management Coordinator reported that the installation of the new phone system and computer upgrades that were undertaken over the weekend were successful. Although the District's main phone number remained the same, the 'backdoor' phone number has been disconnected. Staff in the Office complex each have a new individual (direct) phone number now. The Superintendent elaborated on some of the features of the new system. A list of the new numbers will be shared with the Trustees.

### HR Maine – Employee Handbook

The Superintendent reported that the update of Personnel Handbook with assistance from HR Maine continues. The Trustees are scheduled for a Workshop meeting for February 11, 2020 to review the proposed changes.

### Employee Recognition

The Superintendent recognized:

**Peter Jewett** for the outstanding job tracking inventory. The Accountant added her compliments and elaborated on the detail that he puts into maintaining strict guidelines for inventory. She added that the configuration of the shelving and organization of inventory at the new Cold Storage building will further assist him to sustain the level of accuracy he has achieved. The Assistant Superintendent noted that in past years there has been up to \$32,000 in unaccounted-for inventory. At the close of 2019, that figure was under \$1,000 for \$400,000 worth of inventory. He added that Peter has made constructive suggestions for changes to increase efficiency and organization of the inventory and other areas of his responsibilities.

**Justin Richardson** and **Gerry Goulden** for the tremendous organization and implementation of the new phone system and computer upgrades.

**Justin Richardson** for his hard work on MWUA Program Committee putting together an interesting course selection for the upcoming Trade Show in Augusta (next week).

**Gerry Goulden** for the Water Accountability Report that was presented earlier in the meeting.

**KKWWD** for their generous support of the Sussman House where the Superintendent's mother received her hospice care.

Upon inquiry related to CMP's recent criticism, the Superintendent responded that water utilities must follow strict guidelines as dictated by the Maine Public Utilities Commission prior to shutting off a customer's service due to non-payment.

#### Next Regular Meeting

The next regular meeting of the Board of Trustees will be held on Wednesday, February 26, 2020 in the Conference Room at the Office Complex, 92 Main Street, Kennebunk, Maine at 2:00 pm.

#### Adjournment

On a motion by Trustee Lynk, seconded by Trustee Burrows, it was unanimously voted to adjourn the January 29<sup>th</sup> meeting at 3:16 pm.

Respectfully submitted,



Stephen P. Cox, Clerk Pro Tem