

## MINUTES OF THE BOARD OF TRUSTEES

June 24, 2020

The meeting of the Board of Trustees, which was remotely held via Zoom, was called to order by President Bob Emmons at 12:00 noon. Trustees Jim Burrows, Tom Oliver and Fred Lynk attended along with Superintendent Steve Cox,

### **12:00 -- EXECUTIVE SESSION – Officers' Performance Evaluations**

On a motion by Trustee Oliver, seconded by Trustee Lynk, it was unanimously voted to go into Executive Session to review and conduct Officers' performance evaluation.

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to come out of Executive Session at 2:10 pm with no action taken.

### **2:15 pm -- REGULAR MEETING**

The regular meeting of the Board of Trustees was called to order by President Bob Emmons at 2:15 pm. Trustees Jim Burrows, Tom Oliver and Fred Lynk attended along with Superintendent Steve Cox, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, GIS/Asset Management Coordinator Justin Richardson, Distribution Manager Keith Archibald, Accountant Cathy McLeod, Plant Manager Bill Snyder, Facilities Manager Rob Weymouth, District Engineer Jamie Paschal, and Administrative Assistant Cindy Rounds.

### **Minutes – May 27, 2020 Meeting**

On a motion by Trustee Burrows, seconded by Trustee Lynk, it was unanimously voted to approve the Minutes of the May 27, 2020 meeting as presented.

### **Public Comment**

There was no public comment.

### **Action from Executive Session**

On a motion by Trustee Oliver, seconded by Trustee Lynk, it was unanimously voted to increase the Assistant Superintendent's salary to the maximum of his wage range (~0.8%). In addition, the Board agreed to consider an additional merit award in December to reflect his solid performance review. The December consideration will be largely dependent on District finances at year end.

On a motion by Trustee Oliver, seconded by Trustee Lynk, it was unanimously voted to award the Treasurer a 1.5% wage increase.

## **Treasurer's Report**

### February, March, April and May 2020 Financial Reports

Prior to his presentation, the Treasurer took the opportunity to recognize and thank the Accountant for the outstanding job of compiling the February, March, April and May financial reports upon the completion and acceptance of the Audit. He then proceeded to give a brief overview of the February, March and April reports and focused on the May financial report and budget comparison.

He reported that annual metered account revenues were \$1,255,458, indicating a 1.7% unfavorable variance of \$21,453. Seasonal metered account revenues totaled \$572,216 indicating a 17.8% unfavorable budget variance of \$124,121. Total metered revenues were \$1,827,675, indicating a 7.4% unfavorable budget variance of \$145,555 and a 0.3% decrease in the year-to-date billed usage from 2019. Total operating revenues were \$2,399,937, indicating an 5.9% unfavorable budget variance of \$151,332. A total of 42 SDCs (\$70,500.50) were collected since January compared to 52 (\$74,120) in 2019.

On a motion by Trustee Lynk, seconded by Trustee Oliver, it was unanimously voted to approve the February, March, April and May financial reports.

Upon inquiry, the Treasurer reported that a comparison of 2020 and 2019 accounts shows the number of delinquent accounts is close in comparison. He added that the PUC has been consulted and promotes "soft" calls as reminders to customers with overdue accounts. The intent is to make them aware and encourage some payment so that customers don't find themselves too far in the hole when disconnections are allowed to resume.

### Bond Application Status

The Treasurer reported that the \$3.5 million SRF 20-year bond application for the Arundel Tank, Laudholm Farm Road/Old Farm Lane/Island Beach Road and Fletcher Street projects was recently approved by the Maine Bond Bank at a 1% fixed interest rate.

The Assistant Superintendent brought the Board's attention to the monthly water production versus revenue comparison chart for 2018 through 2020. He explained the purpose of the chart was to better illustrate the correlation between monthly water production and metered revenue given the natural lag associated with the District's current quarterly billing practice. In summary, the majority of metered revenue is received during the last five months of the year even though water production begins to significantly drop in October with even greater declines typically experienced in November and December. The District's desire to implement monthly billing will eliminate the lag and better align monthly production and meter revenue.

## **Project and Operations Updates**

### COVID-19 Operational Update

The Superintendent reported the Health and Safety Committee has been working with MEMIC and HR Maine to develop a policy to protect employees during the COVID 19 pandemic. He asked the Board's consideration to incorporate the COVID-19 Exposure and Return to Work Policy into the Health & Safety Manual. He added that Alexis Flink (MEMIC Safety Management Consultant) has conducted remote sessions of COVID-19 Pandemic Training with employees.

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to incorporate the COVID-19 Exposure and Return to Work Policy into the Health & Safety Manual.

### Monthly Water Production Report

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

He reported that water production for May was 86.05MG which is 1.63MG (1.93%) ahead of 2019. However, the 2020 YTD water production of 274.77Mg is the second lowest production over the past 17 years. A preview of June production indicates that production is on pace to possibly exceed 2016 (record) levels.

The liquid precipitation equivalent for May was 2.73" and included seven days (during the first two weeks of the month) of recorded precipitation. The 2020 YTD precipitation totals 18.78" which is notably lower than the 17-year group average of 22.40". He displayed the map illustrating drought conditions in Maine which indicated that the District's entire service territory is classified as abnormally dry.

Groundwater production in May was 10.27MG from the Merriland River well and indicated a 107.93MG (215.4%) decrease from 2019. He reported that the GAC facility began operating June 16<sup>th</sup> which will notably increase groundwater production throughout the rest of summer.

The surface water versus groundwater production and chemical cost comparison chart revealed the cost of treating surface water was \$206.48/MG in May while the groundwater chemical cost was \$103.86/MG. This resulted in a YTD blended surface and groundwater chemical cost of \$206.92/MG.

The Assistant Superintendent then brought the Board's attention to the water production cost analysis chart that indicated the composite (both surface water and ground water) water treatment cost for 2019 was \$1,375.12 per MG. This represents an increase of \$102.87 per MG over 2018. The 17-year running average stands at \$1,079.17 per MG.

### Water Accountability Report

The Superintendent displayed and elaborated on the water accountability report that has been developed. Data is indicating we are tracking consistent with last year; however, our

consumption lag from both annual and seasonal accounts makes it difficult to predict. The report from the third quarter should provide a more accurate indication of unaccounted for water.

#### 2020 Capital Budget Progress Report

The Accountant presented the 2020 Capital Project Budget & Spending report through 5/31/2020. She explained the components of the report and elaborated on the modifications she made since the last meeting. The Assistant Superintendent applauded the Accountant for developing the report and outlined the benefits of having an up-to-date accounting of all the capital projects.

#### AMI Meters

The Treasurer reported that the final installation total for the month of May was 85. As of yesterday, another 92 installations have been completed in June bringing the 2020 year-to-date total to 937 and the cumulative total to 11,073 representing 78% of all (14,166) accounts, 25% of seasonal and 93% of annual accounts.

#### Galvanized pipe letter to customers

The Superintendent reported that the Assistant Superintendent composed a letter that will be sent to approximately 137 customers whose service line (privately owned portion) has been identified to be galvanized pipe, which is no longer recognized as a suitable service line material. The discovery of these lines was primarily made during the AMI installation project. The letter is being provided as a service to inform each customer of our finding so they can plan accordingly for future service line repairs or replacement.

#### GAC Facility Project

The Superintendent was pleased to report that the GAC Facility was put on-line June 16<sup>th</sup>. The Assistant Superintendent acknowledged and thanked the Plant Manager and Facilities Department for their contribution to the project and its successful completion.

The Facilities Manager described the smooth start as the facility was put on-line. His staff is finishing up the remaining loose ends of the project. The Plant Manager acknowledged that Facilities Department did a tremendous job putting the anthracite (GAC) into the tanks. He elaborated on the procedure that was followed for the backwash component. He noted that this project was designed with the District's in-house talent.

The Assistant Superintendent was pleased to announce that this project has been nominated for EPA's DWSRF *Aquarius Award*. Bill Dawson, Chief Engineer and SRF Manager for the Drinking Water Program submitted the nomination. Out of the 50 applicants (one from each state), five are chosen as finalists for one of five respective categories. The District's GAC Facility was Maine's nomination for this prestigious award. An announcement of the winner is expected later this summer.

### Sodium Aluminate Project

The Plant Manager reported some challenges with the sodium Aluminate project. There have been delays in scheduling a contractor to prepare the walls and floor for the required containment coating. He explained that he is vigilant in making sure that any outside contractors working on this project follow the protocols outlined by MEMIC for District employees. The Facilities Manager indicated, upon his return from his medical leave, that his department will be ready to complete the project.

### Arundel 1.5MG Tank Construction Project

The District Engineer reported that project is about a week behind schedule because of a situation that occurred due to over-blasting of ledge beneath the tank's foundation and the subsequent additional excavation and structural backfill that was required. Once the issue was resolved, construction resumed. All the concrete placement for the foundation was expected to be completed today. Other prep work includes erection of scaffolding that will temporarily hold the dome of the structure. He extended an invitation to the Board to join him in visiting the site to watch as the structure is assembled.

Upon inquiry, he explained that drone video is taken every few days. A complete video will be compiled to illustrate all the phases of the construction progress.

### Hydrant/Main Spring Flushing Program

The Distribution Manager reported that the hydrant/main flushing project has been completed with only a few minor complaints. He explained that the flushing, which commenced later than usual, was undertaken by a new team of employees this year and was well done.

### Main Replacement Project – Ocean Avenue (Kennebunkport)

The Distribution Manager reported that only 350' remains to be installed before the tie-ins are started. He noted the great collaboration with Shaw Brothers (who was undertaking the Town's seawall and box drainage culvert projects concurrently) as various valve and fitting complexes were installed. A greater amount of ledge was encountered during the project. He explained another collaborative effort that will be undertaken with the Town as far as the paving plan.

### Main Replacement Project – Agamenticus Road (Ogunquit)

The District Engineer reported that the service tie-overs to the new main will resume once the Ocean Avenue project is complete. He expects the District's remaining work to take approximately three weeks to complete, followed by the Town's completion of the drainage work, sidewalk construction and pavement overlay. The Assistant Superintendent brought the Board's attention to the updated CIP calendar that illustrates the timeline of Distribution Department's capital related work.

## **Watershed**

### KKW, The Nature Conservancy & State Officials Site Walk of Watershed Parcels

The Superintendent summarized the site walk he, the GIS/Asset Management Coordinator and Chief Plant Operator attended to evaluate a ±123-acre parcel that is within our watershed and is currently on the market. The owner will retain approximately 20 acres (with a pond) to develop into his personal residential compound. He stated that discussions are on-going with The Nature Conservancy and Maine Department of Inland Fisheries and Wildlife to determine if the District would join them in the purchase of the property or acquisition of an easement for watershed protection.

## **Other Business**

### Employee Recognition

The Superintendent recognized the fact that more compliments are being bestowed between departments; an outcome he intended when he initiated the practice. Trustee Lynk noted that he enjoyed the video the Superintendent had compiled a few months ago of District staff as they worked.

### Southern Maine Regional Water Counsel (SMRWC) Director Appointment

On a motion by Trustee Lynk, seconded by Trustee Burrows, it was unanimously voted to appoint Assistant Superintendent Scott Minor as the KKWWD representative to the SMRWC Board of Directors.

### Proposed schedule to rollout the new Personnel Handbook and Administrative Procedures Manual

The Superintendent reported that the earliest date that the rollout of the new Personnel Handbook and Administrative Procedure Manual will occur will be after July 29<sup>th</sup>, which is the first date that the District's MEMIC representation will be allowed to attend on-site customer meetings. The Superintendent is proposing that the Handbook/Manual orientation meeting with staff be held in conjunction with the Annual Employee Appreciation Luncheon as an all-day event.

### Summer 2020 *What's on Tap* Newsletter

A copy of the recently printed, yet to be mailed, copy of the newsletter was distributed to the Board. The summer issue contains the annual Consumer Confidence Report (CCR) that is mailed to customers prior to July 1<sup>st</sup>. The Board was complimentary of the article by the Administrative Assistant featuring employee selfies along with the District's gratitude for their hard work during the COVID-19 pandemic period.

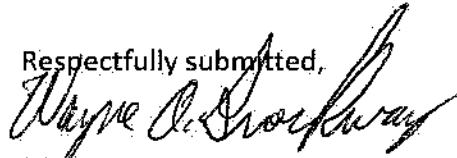
Next Regular & Annual Meeting

The next regular meeting and Annual Meeting of the Board of Trustees will be held on Wednesday, July 29, 2020 at 2:00 pm (possible remote via Zoom). The Annual Meeting was postponed to July since local elections were postponed until July 14<sup>th</sup> and a Trustee is designated for reelection.

**ADJOURNMENT**

On a motion by Trustee Oliver, seconded by Trustee Lynk, it was unanimously voted to adjourn the June 24, 2020 meeting at 3:44 pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Wayne A. Brockway". The signature is written in a cursive style with a large, prominent initial "W".

Wayne A. Brockway, Clerk