

## MINUTES OF THE BOARD OF TRUSTEES

July 29, 2020

The meeting of the Board of Trustees, which was remotely held via Zoom, was called to order by President Bob Emmons at 12:50 pm. Trustees Jim Burrows, Tom Oliver and Fred Lynk attended along with Superintendent Steve Cox.

### **12:50 -- EXECUTIVE SESSION – Officer Performance Evaluations**

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

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to come out of Executive Session at 1:53 pm with no action taken.

### **2:00 pm -- REGULAR MEETING via Zoom**

The regular meeting of the Board of Trustees 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, 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 – June 24, 2020 Meeting**

On a motion by Trustee Burrows, seconded by Trustee Lynk, it was unanimously voted to approve the Minutes of the June 24, 2020 meeting as presented.

### **Public Comment**

There was no public comment.

### **Action from Executive Session**

On a motion by Trustee Lynk, seconded by Trustee Oliver, it was unanimously voted to increase the Superintendent's salary by 3% retroactive to March 1, 2020. 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.

### **Treasurer's Report**

#### June 2020 Financial Report

The Treasurer reported that annual metered account revenues were \$1,628,260, indicating a 1.2% unfavorable variance of \$20,166. Seasonal metered account revenues totaled \$670,964.

indicating an 8.7% unfavorable budget variance of \$64,090. Total metered revenues were \$2,299,224, indicating a 3.5% unfavorable budget variance of \$84,256 and a 0.6% decrease in the year-to-date billed usage from 2019. Total operating revenues were \$2,968,984, indicating a 3.0% unfavorable budget variance of \$91,563. There were 46 System Development Charges collected in June (\$75,214) which included 25 for seasonal cottages. A total of 88 SDCs (\$145,714.50) have been collected through June compared to 85 (\$127,890) in 2019. The Treasurer further elaborated on the revenue trends.

On a motion by Trustee Lynk, seconded by Trustee Burrows, it was unanimously voted to approve the June financial report.

#### Extension of Short-Term Note for GAC Project

The Treasurer summarized the purpose of this amendment to the short term note for the GAC project.

On a motion by Trustee Oliver, seconded by Trustee Lynk, it was unanimously voted to amend the \$1,319,060 Revenue Obligation Note dated August 28, 2019, and issued to the Maine Municipal Bond Bank, by changing the maturity date from August 27, 2020 to a date no later than October 28, 2020, and further to authorize the Treasurer and President of the Board of Trustees to execute an Allonge accomplishing this amendment and all other documents necessary to complete said amendment. All other terms and conditions as stated in said Revenue Obligation Note will remain the same.

#### Bond Application Status

The Treasurer reported that since the last meeting the District has closed on the short-term note related to 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 at a 1% fixed interest rate. The District has subsequently received two reimbursements.

#### **Project and Operations Updates**

##### COVID-19 Operational Update

The Superintendent reported that a District account has been set up with Convenient MD (Saco) to administer COVID testing for employees when needed, whether the employee is symptomatic or asymptomatic. He elaborated on the payment terms and insurance guidelines that are entailed with the testing. The cost for the testing of symptomatic employees will be paid by health insurance. The District will cover the cost of testing for asymptomatic who are suspected of being exposed to contributing factors leading to a potential positive result. Upon inquiry, the Superintendent confirmed that the Trustees are included in the arrangement.

##### Monthly Water Production Report

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

He reported that water production for June was a record-setting 142.05MG which is 32.26MG (29.43%) ahead of 2019. A preview of July production indicates that production will be slightly below 2019 (152.91MG) levels.

The liquid precipitation equivalent for June was 1.92" and included six days of recorded precipitation. The 2020 YTD precipitation totals 20.70" which is notably lower than the 17-year group average of 27.02". He displayed the map illustrating drought conditions in Maine which indicated that the District's entire service territory is in the moderate drought classification.

Groundwater production in June was 51.96MG which included 38.85MG from the Merriland River well, 0.01MG from Harriseckett Road well, 0.03MG from the Plant wells and 13.07MG from the Kennebunk River well. There was a 79.04MG (55.88%) decrease YTD from 2019.

The surface water versus groundwater production and chemical cost comparison chart revealed the cost of treating surface water increased to \$224.02/MG in June while the combined groundwater chemical cost from all sources was \$137.23/MG. This resulted in a YTD blended surface and groundwater chemical cost of \$201.88/MG. He further elaborated on the individual chemical costs from each groundwater source which now includes the estimated GAC cost for the Kennebunk River well.

The Assistant Superintendent then brought the Board's attention to the monthly water production versus revenue comparison chart. It indicated that June (2020) revenues were slightly below those in 2018 and ahead of 2019.

On behalf of the Board, Trustee Oliver expressed his gratitude to the Plant management and operations staff who have stayed on top of things during a record production month in light of the restrictions and added responsibility associated with the COVID-19 virus.

#### AMI Meters

The Treasurer reported that another 112 installations have been completed in June bringing the 2020 year-to-date total to 956 and the cumulative total to 11,092 representing approximately 78% of all accounts, which includes 26% of seasonal accounts and 93% of annual accounts.

#### Galvanized pipe letter to customers

The Superintendent reported that a letter has been 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. It was further reiterated that galvanized pipe is both prone to failure and can generate aesthetic (color, taste and odor) water quality issues due to its propensity for internal and external corrosion (rusting). The discovery of these lines was primarily made while documenting the service line material entering the building at the water meter during the AMI installation project. The intent of the letter is to inform each customer of our finding so they can plan accordingly for future service line repairs or replacement.

### GAC Facility Project

The Assistant Superintendent and Facilities Manager provided status reports. The facility was put on line June 16<sup>th</sup>. The Assistant Superintendent shared the preliminary results of PFAS tests conducted. The Facilities Manager gave an overview of progress since the last meeting which included the addition of sodium hypochlorite prior to the sand filters to sequester iron in order to prolong GAC filter life expectancy. A minor issue involving the formation of condensation within the facility is being addressed.

The Superintendent suggested that a future meeting could be held at the facility for the Trustees to get a firsthand look at this project that was designed in-house and also substantially constructed by District staff. He added that a few outside consultants who have visited the facility were very impressed with the facility.

### Sodium Aluminate Project

The Facilities Manager described how the chemical tanks will be installed. He added that the top coat of paint is due to be applied this week and completion of the project is anticipated to be in September.

### Arundel 1.5MG Tank Construction Project

The District Engineer indicated a drone video of the construction progress is updated. He elaborated on the components involved in constructing the tank and described the method utilized in placement of the concrete walls around the concrete foundation base and erection of the scaffolding that will temporarily hold the dome of the structure during construction. The tank will be in-service before the cold weather. Final completion of the exterior coating will be done in the spring.

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

The Assistant Superintendent provided an overview of the progress. He was pleased to report that he received many compliments on the crew's accommodation of residents during the main replacement project. He also elaborated on the benefits of working collaboratively with the Town of Kennebunkport, paying special tribute to Public Works Director Mike Claus. The Distribution Manager described the collaboration between the District crew and Shaw Brothers crew (working for the Town of Kennebunkport) as they helped each other throughout the project.

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

The Distribution Manager was pleased to report that the remaining services have been completed and loam has been spread and seeded in the affected areas of the pipe installation. Trustee Lynk added his compliments to the Distribution crew for a job well done.

### Main Replacement Project – Fletcher Street (Kennebunk)

The Assistant Superintendent brought the Board's attention to the updated Distribution Department CIP calendar that illustrates recent changes to the construction schedule and summarized the reasons for the changes to the schedule. The Fletcher Street project has been moved up to the beginning of September. The District Engineer elaborated on other changes to the Fletcher Street project which included installing additional hydrants.

### Main Replacement Project – Island Beach Road (Wells)

The Assistant Superintendent reported that Phase I (Island Beach Road) has been moved to next year. He also noted that Phase II (Old Farm Lane and Laudholm Farm Road) will still begin near the end of this year and continue throughout the winter months and into the spring so long as conditions remain favorable.

### New Vehicles

The Assistant Superintendent informed the Board that one of the vehicle acquisitions approved in August 2019 (Truck #3) finally arrived in June and is outside in the parking lot if they were interested in taking a look at it.

### **Watershed**

#### KKW, The Nature Conservancy & State Officials Partnership with Watershed Parcels

The Superintendent reported that no action/decisions have come out of discussions since the last meeting.

### **Other Business**

#### Superintendent Report

The Superintendent summarized a Board of Trustees meeting he attended at the Ogunquit Sewer District. He was pleased to re-introduced the District to them and shared topics of mutual interest with them which included how the District was conducting business during the COVID virus:

#### Employee Recognition

The Superintendent shared some emails he received complimenting staff. **Tyler Doyon** was commended in one of them for his outstanding customer service during a service call. **Eddie Thyng and his crew** were thanked for work and clean up on the Ocean Avenue project. The Superintendent added a shout out to the Plant Manager/Operators and Facility Manager for the managing the pressure throughout the system while water wasn't available from the Maine Water interconnection during a few recent nights.

### Workers' Comp Mod Factor

The Assistant Superintendent reported that the District continues to work safely and it is reflected in the preliminary calculation of the 0.59 Workers Compensation mod factor for 2021 (same as 2020). This exceptionally low mod factor was once again the result of no lost time work-related injuries or illnesses and reflects the commitment to safety exhibited by all District employees. The Distribution Manager, Plant Manager and Facilities Manager were asked to pass along the District's gratitude to their staff for working safely.

### Rollout of the new Personnel Handbook and Administrative Procedures Manual

The Superintendent reported that the Handbook/Manual orientation meeting with staff will be held in conjunction with the Annual Employee Appreciation Luncheon as an all-day event.

### Trustee Involvement on Technology Initiative

Trustee Lynk has accepted an invitation to become involved with the Technology Committee with their decisions on bringing in new platforms and enhancing IT capabilities.

### PFAS Issue

Trustee Lynk brought the Board's attention to a newspaper article regarding the PFAS issue with a farm located in Central Maine and included mention of the Stone property and the District's involvement. The Superintendent agreed to review the article and contact the author.

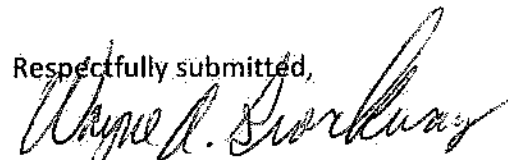
### Next Regular Meeting

The next regular meeting of the Board of Trustees will be held on Wednesday, August 26, 2020 at 2:00 pm (possible remote via Zoom).

### **ADJOURNMENT**

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to adjourn the July 29, 2020 meeting at 3:11 pm. The Annual Meeting immediately followed the adjournment.

Respectfully submitted,



Wayne A. Brockway, Clerk