

MINUTES OF THE BOARD OF TRUSTEES

November 17, 2021

The regular meeting of the Board of Trustees was called to order by President Fred Lynk at 2:00 pm. Trustees Tom Oliver, Jim Burrows and Bob Emmons attended along with Superintendent Steve Cox, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Accountant Cathy McLeod, Distribution Manager Keith Archibald, GIS/Asset Management Coordinator Justin Richardson, Plant Manager Bill Snyder, District Engineer Jamie Paschal, Front Office Supervisor Kathleen Chapin and Administrative Assistant Cindy Rounds.

MINUTES — October 27, 2021 Meeting

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to approve the Minutes of the September 29, 2021 meeting as amended.

PUBLIC COMMENT

There was no public comment.

TREASURER'S REPORT

Financial Update

The Treasurer presented the October revenue analysis and comparison to budget financial report. He reported that annual metered account revenues were \$4,295,454 indicating a 6.3% favorable variance of \$256,235. Seasonal metered account revenues totaled \$1,282,741 indicating a 5.5% favorable budget variance of \$67,237. Total metered revenues were \$5,578,194 indicating a 6.2% favorable budget variance of \$323,471 and a 6.8% increase in the year-to-date billed usage from 2020. There were four System Development Charges (SDC) collected in October (\$6,622). The year-to-date total of 119 (\$219,845 Net of Adjs) compared to 133 (\$206,703 Net of Adjs) in 2020 is about \$20,000 above the full year 2021 budget through October.

The Treasurer gave a preview of financial items he will be bringing to the Board at the next meeting. Along with the October financial statements, the Treasurer will summarize the proposed 2022 rate increase. He also expects to present the proposed 2022 Operating budget. Following that will be the Board's consideration of a cost of living wage increase for employees that will be effective January 1, 2022. Typically, the Board considers the Consumer Price Index (CPI) as a criterion during their deliberations of the cost of living increase. In the past several years, the CPI averaged 2% but is currently between 5% and 6%. Insurance premium increases are also contemplated in the deliberations. Upon inquiry, the Accountant stated that 2022 insurance premiums are expected to increase; medical by 2% and dental by 1%.

The Treasurer then reported that the Investment Committee met earlier, prior to the Board meeting. The meeting was attended by the Treasurer, Superintendent, Trustee Oliver and a

bank representative. He and Trustee Oliver gave an brief overview of the investment accounts concurring that they are solvent and meeting all the benchmarks.

PROJECTS AND OPERATIONS UPDATE

COVID-19 Operational Update

The Superintendent reported that monitoring COVID events continues through the collaboration of the Kennebunk Task Force

The Assistant Superintendent reported that the vaccination clinic site at the former Marshall's store in Sanford has resumed operations and is now offering the COVID booster shot along with flu shots. He described his experience saying that there was not a long wait when he attended the previous evening. The clinic will be open Tuesdays and Thursday (1-7p) and on Saturdays (8a-4p).

Water Supply & Production

The Assistant Superintendent presented a report that included monthly precipitation, water production statistics and water production cost charts:

He reported that 83.31 MG of water was produced in October, down by 9.75MG (11.1%) from 2020. Production through November 15th is 28.4MG, down from the 29.7MG produced for the same period in 2020.

The YTD total of 1,008.25MG for 2021 was 4.09MG, (0.41%) higher than 2020 and 12.10MG (1.19%) lower than 2016 (year of record). Looking at the annual water production rankings, 2021 is tracking to finish as either #2 or #3 with 2016 to remain the year of record.

The supply source summary for October indicated that Branch Brook provided 42.828MG 51.4% while 39.855MG of groundwater 47.8% was supplied by the Kennebunk River well and the Merriland River well, with the remaining 0.625MG (0.8%) supplied from system interconnections.

Liquid precipitation equivalent recorded at the Filtration Plant was 9.50" (9 rain events) for the month of October. The monthly average in October over the last 18 years is 5.64". He pointed out that the 18-year group YTD average was 44.45", which is 1.76" 3.8% below the current 2021 YTD total of 46.21". He brought the Board's attention to the USGS Branch Brook gauge charts which illustrated the effects of the October 26th Nor'easter that brought 2.65" of rain and the October 30th storm that brought an additional 5.80" of rain. The combination of these rain events produced an all-time high of 324cfs (145,411gpm or 209.4mgd) on the USGS Branch Brook stream gauge which was installed 12 years ago. Despite the record flow rate, no flooding was experienced at the Plant which was attributed to widening of the Route 1 bridge that took place several years ago.

The Assistant Superintendent reported that 39.86MG of groundwater was comprised of 20.47MG from the Kennebunk River well and 19.39MG from the Harriseckett Road well. YTD groundwater totals stand at 328.07MG compared with 359.56MG in 2020. The Merriland River well was shut down October 21st due to decreasing demand. The aquifer levels for all groundwater supplies are not a concern at this time.

He noted that the chemical cost of treating surface water for October increased significantly to \$276.50/MG (September was \$218.92/MG) due to the previously mentioned significant rain events, while groundwater experienced a modest increase to \$146.60/MG (September was \$120.90). This resulted in a blended water cost of \$213.88/MG for the month. Year to date, the surface water cost increased slightly to \$245.45/MG while the groundwater cost is \$140.55, resulting in a blended water cost of \$204.51/MG which is tracking about \$10/MG more than last year. He concluded his report with a shout out to the Filtration Plant staff for meeting demand needs while minimizing the hours of plant operations during periods of high color and turbidity associated with the significant rain events.

He brought the Board's attention to the (2019-2021) monthly water production versus metered revenue comparison chart that indicated that October's \$575,618 metered revenue was \$236,503 lower than 2020 and \$170,353 lower than 2019. The 2021 YTD metered revenue total of \$5,578,196 indicated gains of \$287,743 over 2020 and \$813,612 over 2019, respectively.

AMI Meters

The Front Office Supervisor reported that 38 meters were installed in October, bringing the cumulative total to 13,887 (year to date 2,057), representing approximately 95.5% of all customer accounts, including 87.8% of seasonal accounts and 97.5% of annual accounts.

GAC Facility

The Assistant Superintendent reported that it was a week too early for PFAS results. He added that he had contacted Bill Dawson, Drinking Water SRF Program Coordinator inquiring about the status of Sorbix resin media replacement grant request. Bill indicated that if awarded, the DWP grant would cover 80% of the requested amount or \$144,000 of the quoted \$180,000 total replacement cost. Bill further indicated that the District's request had been passed along to his supervisor who is expected to make a decision within a few weeks.

Sodium Hypochlorite Conversion at the Filtration Plant

The Superintendent reported that this project will likely be delayed as a result of the Facilities Manager's absence. The Plant Manager indicated that the Facilities crew has remained productive to date.

Drakes Island Road (Wells) Main Replacement

The Distribution Manager reported that this project has been hampered daily by a combination of runny sand and lots of groundwater having to be pumped out of the trenches before any work is undertaken. He noted that the crew is still averaging about 80 feet per day and anticipates installation to the intersection of Eaton Ave could be completed by Thanksgiving. Following the completion of this initial installation, the new main will be pressure tested, disinfected, flushed and sampled prior to relaying all customer services to the new main. Once the services have been relayed, the final connections at the intersection of Drakes Island Road and Eaton Avenue will be completed to close out the project.

In reply to an inquiry, the Distribution Manager stated that once the Drakes Island Road water main installation is complete, the District will be repaving its trench portion which is approximately half the roadway width.

Interconnection Use and Planning

The Superintendent reported that little progress had been made on regular use on interconnections; however, the Assistant Superintendent has scheduled a meeting with Maine Water and a December meeting with York has also been established.

Annual Seasonal Line turn-offs

The Distribution Manager reported that all but two seasonal lines have been turned off for the winter and that these would be turned off after Thanksgiving.

Annual System Hydrant Winterization

The Distribution Manager reported that testing and winterization of the District's 1,026 hydrants is complete.

DBP Tests

The Assistant Superintendent brought the Boards attention to the District's Disinfection Byproducts (DBP) results following the October 19th quarterly testing, which completed the annual testing for 2020. He led off the presentation by explaining that DBPs are cancer-causing agents that are formed when disinfectants used in water treatment, such as chlorine, react with naturally occurring organic matter present in the source water (Branch Brook). He further stated that the two primary DPBs are Total Trihalomethanes (TTHM) and Haloacetic Acids (HAA5), which carry maximum allowed contaminant levels (MCLs) of 80ppb and 60ppb, respectively. He stated the District's annual quarterly running average was substantially below these MCLs at 14.93ppt (TTHM) and 20.66 (HAA5) which allows the District to qualify for reduced monitoring (lower sampling frequency and/or reduced number of sample sites) based on EPA guidelines. He went on to say that nearly 34% of community water system violations are related to DBPs and indicated that surface water supplies and consecutive systems (the District is both) have the highest violation rates. This makes the District's DPB results even that

much more impressive and applauded the Treatment Plant staff for achieving such good results.

OTHER BUSINESS

Employee Recognition

The Superintendent was pleased to recognize the Facilities staff who have continued the department's work during the absence of the Facilities Manager. He thanked Administrative Assistant Cindy Rounds for assembling the proposed 2022 Board of Trustees' meeting schedule and the 2022 Holiday schedule.

Year-end Pay Supplement

A discussion was held in which the Board contemplated the year-end pay supplement awarded to employees. The Superintendent was generous in his praise of staff, noting they have gone above and beyond their typical duties on many areas without hesitation this year. Trustee Lynk supported the compliment noting that he has seen the dedication of staff during his involvement with District initiatives.

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to award a 2% year-end pay supplement to all employees.

Maine Rural Water Association Annual Conference & Trade Show

The Superintendent announced that he will be attending this event being held December 8th and 9th in Rockport during which he will be present a session on regulatory updates surrounding PFAS and a case study on the KKW experience. He is also presenting at another session on Best Practices for Management.

Kennebunk Task Force

The Superintendent reported that the latest development from the group is that the annual tree lighting will be done virtually. He shared a video of holiday greetings that highlighted the District, Kennebunk Light & Power and Kennebunk Sewer District.

WATERSHED

Central Maine Power (CMP) Transmission Line Erosion

The Superintendent reported on a meeting that was held with CMP, District staff and the District's watershed manager Rick Jones. He was pleased to report that CMP is committed to collaborating with the District to repair the erosion problem along their transmission lines within the watershed. Timing of those activities has not been defined but the District is hopeful that CMP will follow through.

ADMINISTRATIVE UPDATES

Business Platform Discovery

The Superintendent reported that he has executed three agreements toward the implementation of new business platforms. PayCom will be the first to be implemented and that will occur in December. Sage, Elements and Muni-Link will follow in the first half of next year.

Campus Evaluation Committee

The Assistant Superintendent reported that a Letter of Agreement has been executed with WBRC Architects and Engineers. A virtual meeting will be held tomorrow to talk about the logistics of the Concept Design phase. Tentatively, November 29th will be the kick-off meeting with the entire Committee which will be held in person to tour the District's existing facilities as well as the planned site at the Pipe Yard. He anticipates that by the beginning of February, a concept design with cost estimates will be available for consideration.

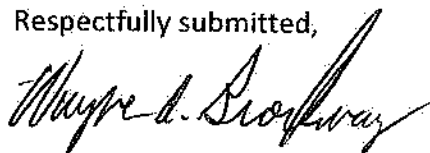
Next Regular Meeting

There was no objection to a request to commence the next meeting at 1:00pm instead of 2:00pm to allow ample time to go through the proposed 2022 Operating budget. Therefore, the next Board of Trustees meeting will be held on Wednesday, December 22, 2021 at 1:00pm in the Conference Room.

ADJOURNMENT

On a motion by Trustee Oliver, seconded by Trustee Emmons, it was unanimously voted to adjourn the November 17, 2021 meeting at 3:06 pm.

Respectfully submitted,



Wayne A. Brockway