

# MINUTES OF THE BOARD OF TRUSTEES

February 23, 2022

## EXECUTIVE SESSION

On a motion by Trustee Oliver, seconded by Trustee Emmons, it was unanimously voted to go into Executive Session at 1:01pm to discuss a real estate matter pursuant to 1 M.R.S.A. §405(6)(C) and personnel matters pursuant to 1 M.R.S.A. §405(6)(A). In attendance were Trustees Fred Lynk, Tom Oliver, Jim Burrows and Bob Emmons along with Superintendent Steve Cox.

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to come out of Executive Session at 2:05 pm with no action taken.

## REGULAR MEETING

The regular meeting of the Board of Trustees was called to order by President Fred Lynk at 2:09 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, GIS Asset Management Coordinator Justin Richardson, Distribution Manager Keith Archibald, Plant Manager Bill Snyder, Chief Operator Greg Pargellis, Facilities Manager Rob Weymouth, District Engineer Jamie Paschal, Customer Service Supervisor Kathleen Chapin and Administrative Assistant Cindy Rounds.

## MINUTES — January 26, 2022 Meeting

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to approve the Minutes of the January 26, 2022 meeting as presented.

## PUBLIC COMMENT

There was no public comment.

## TREASURER'S REPORT

### Financial Report

The Treasurer presented the January revenue analysis and comparison to budget financial report. He reported that annual metered account revenues were \$380,182 indicating a 6.6% favorable variance of \$23,641. Seasonal metered account revenues totaled \$6,730 indicating a 0.4% favorable budget variance of \$30. Total metered revenues were \$386,911 indicating a 6.5% favorable budget variance of \$23,671 and a 14.8% increase in the year-to-date billed usage from 2021. He stated that there were 5 System Development Charges in January (\$8,285) compared to 9 (\$11,599) in 2021.

February 17, 2022 (Section 6104) Rate Increase Public Hearing

The Treasurer provided an overview of the public hearing that was held in the Lunchroom. The Superintendent's presentation was very informative and included some illustrations to explain the reasons for the rate increase. The presentation included the rate comparisons with other Maine water utilities. Based on data supplied by the Maine Public Utilities Commission (as of Jan. 5<sup>th</sup>, 2022), KKW ranked 14<sup>th</sup> (lowest) out of 117 regulated water utilities with a rate of \$51.49 for 1,200 cubic feet. The average 1,200 cubic foot rate for all utilities is \$84.63; KKW is \$33.14 (39.2%) below the average 1,200 CF rate. For 2,000 cubic feet, KKW ranked 32<sup>nd</sup> (lowest) out of 117 regulated water utilities with a rate of \$93.01. The average 2,000 cubic foot rate for all utilities is \$120.34; KKW is \$27.33 (22.7%) below the average 2,000 cubic foot rate. Positive comments were received from the one customer who attended. She thanked staff for the fine job they did in compiling the information for the rate increase request. The rate increase is proposed to become effective on April 1<sup>st</sup>. Trustee Oliver reiterated his recommendation that the drivers for this rate increase be clearly defined for the customers to understand the need for it.

**Project and Operations Updates**

COVID-19 Operational Update

The Superintendent reported that the District continues a cautious return to 'normal'. Customers are currently requested to phone the office prior to coming in. He expects in the next few weeks to resume open-door office visits as long as the transmission rates continue to improve.

Water Supply & Production

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

He reported that 53.29MG of water was produced in January, down by 1.20MG (2.3%) from 2021. The supply source summary for January indicated that Branch Brook provided 31.804MG while 21.491MG of groundwater was supplied by the Kennebunk River well with no water purchased via the system interconnections.

Liquid precipitation recorded at the Filtration Plant was 2.96" (4 rain, 3 snow events) for the month of January.

He noted that the chemical cost of treating surface water for January was \$282.58 while the chemical cost to treat groundwater was \$181.53/MG. This resulted in a blended water cost of \$241.83/MG for the month of January.

### AMI Meters

The Customer Service Supervisor reported that 69 meters were installed in January, bringing the cumulative total to 14,093, representing approximately 96.6% of all customer accounts, including 88.9% of seasonal accounts and 98.6% of annual accounts. She outlined a new approach that will be used to get the remainder of the accounts transferred to AMI meters. The Superintendent explained that once all customers have an AMI meter installed, a Cost of Service Study will be conducted later this year in order to change to monthly billing.

### GAC Facility

The Assistant Superintendent reported that the latest PFAS tests were conducted on February 2<sup>nd</sup> after 431.3MG of water had been processed. The raw water PFAS level of 44.32ppt was reduced to 31.77ppt after passing through the top 25% zone of Filter #1; 27.68ppt after passing 100% through Filter #1; 22.54ppt after passing through the top 25% zone of Filter #2; and 12.71ppt after passing 100% through Filter #2. The finished water entering the system after leaving the Kimball Lane Treatment Facility showed levels of 13.64ppt which remains well below the District's self-imposed maximum goal of 15ppt and Maine's maximum allowed level of 20.0ppt. An additional chart illustrated the running percentage of PFAS removal from each of the measured zones while operating in series (lead-lag). He explained the process that will be followed to replace the GAC material in Filter #1 with the GAC in Filter #2 being replaced with a new resin product designed for enhanced PFAS removal with a much longer life span than GAC.

### Sodium Hypochlorite Conversion at the Filtration Plant

The Facilities Manager updated the Board on this project. He reported that progress is continuing. A photo showed the platform that the Facilities Department built that will be used to make chemical feed adjustments and the completion of the retaining walls that will support the liner. It was discovered that the attachment strips were not included in the liner package although they should have been. The manufacturer's supplier immediately shipped them and delivery is anticipated as soon as tomorrow.

### **Other Business**

#### Employee Recognition

The Superintendent was pleased to share a message from Michelle Dow of Camden National Bank in Kennebunk who sent a huge thank you to "Paul" for notifying her about a water leak. She subsequently discovered that the outside spigot at the bank had been left running for several days. She was appreciative of the notification that was possible with the AMI system.

#### Lead and Copper Rules

The GIS/Asset Management Coordinator gave a comprehensive report of the revised State lead and copper rules, along with the required testing and reporting of those levels. He explained that the District has always been proactive in monitoring the lead levels in area schools. The

amount of lead can be attributed to the age and type of the fixtures (faucets, water heaters, etc.). He briefly noted the timeline of lead and copper rule revisions and the 2024 deadline for compliance of recent rule changes. The Superintendent added that, in discussions with the Drinking Water Program, he learned that 15% of Maine schools (none local) have posted results. Of the 15%, 30 have identified at least one issue contributing to levels of more than 4 parts per billion (ppb). The GIS/Asset Management Coordinator added that there will be \$75m in grants available in the next couple years for remediation of high lead levels.

Trustee Lynk brought the Board's attention to a book titled *The Poisoned City* which provides a comprehensive report of lead in water.

#### Five-year CIP Master Plan Revisions

The Assistant Superintendent made the Board aware of revisions that have been made to the Plan that was last updated in 2020. The Plan has been distributed to all Sanitary Districts and municipalities within the District's service territory for soliciting their input and determining where project collaboration could be mutually beneficial.

### **WATERSHED**

#### Central Maine Power (CMP) Transmission Line Erosion

The GIS/Asset Management Coordinator provided photos that illustrated the erosion problem along the CMP transmission line. He updated the Board on the activity that CMP has conducted to improve/repair those conditions.

#### Branch Brook Watershed Coalition

The GIS/Asset Management Coordinator reported that coalition members are working toward formalizing their intention and responsibilities of protecting the watershed. A meeting to identify all the parcels along the watershed will be scheduled next. There will also be a review of the proposed subdivision located off Chicks Crossing Road (that abuts the watershed) with the developer to discuss conservation easements.

### **Administrative Updates**

#### Business Platform Discovery

The Superintendent noted that Paycom continues to attempt correcting errors that have become an issue during the implementation of the platform. He added that Paycom has finally acknowledged the issues (incorrect W2s, accruals) and they are now being addressed and corrected with a systematic approach for the resolution. Paycom has also acknowledged the accountant's value during the correction process and the mistake of not affirming the accuracy of the W2s prior to filing with the IRS. A discussion ensued when the Board questioned whether any attempt has been made by Paycom to rectify the disadvantage to employees who normally would have had their taxes filed by now. Trustee Oliver suggested that consideration be given

to offering no interest loans for those employees who were depending on a timely tax refund to pay outstanding bills. Trustee Lynk also suggested that a strongly worded letter be sent to Paycom expressing the frustration and concern that employees have experienced throughout this implementation process.

The Superintendent then reported that the other three platforms (Munilink, Elements and Sage) are in the middle of migrating data. He applauded the Customer Service team for their engagement during the integration of the MuniLink platform. The Treasurer was pleased with the productive meeting with the financial software. Meetings are scheduled to continue the progress. The Superintendent is confident that the District will successfully go live on the three platforms this year. Upon inquiry, the Superintendent stated that once the W2 issue is corrected, Paycom's focus will be the accuracy of the accrual balances.

#### Campus Evaluation Committee

The Assistant Superintendent gave a comprehensive report on the progress of this initiative to date. The project, which is officially in the initial concept design phase has spilled over into other phases, resulting in this effort being slightly over budget. He displayed photos showing a potential exterior design and site plan for the facility while explaining the details. He stated that WBRC Architects and Engineers use a third party estimator who is expected to have completed the estimate by March 4<sup>th</sup>. Following receipt of the estimate, a workshop will be scheduled with the Board to enable comprehensive review and discussion of the project. The Treasurer reported that he has researched bond opportunities outside of the Bond Bank and answered questions from the Board on different types of bonds.

#### Employee Handbook Revisions

The Superintendent presented changes proposed to the Employee Handbook. The revisions include: a change in Family Sick Leave to allow use beyond the 40-hour maximum for life events such as the birth of a child or end of life care for a family member; the deletion of the Emergency Closing section since working remotely was shown to be successful during the pandemic restrictions; an increase in the Wellness benefit from \$40 per month to \$50 per month; and an update to the wage structure to include the new Assistant Filtration Plant Manager position.

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to adopt and approve the changes.

#### Outcome of Executive Sessions

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to award a 6% COLA wage increase, effective January 1, 2022, to the Assistant Superintendent.

On a motion by Trustee Burrows, seconded by Trustee Oliver, it was unanimously voted to award a 6% COLA wage increase, effective January 1, 2022, to the Treasurer.

On a motion by Trustee Oliver, seconded by Trustee Burrows, it was unanimously voted to seek Special Counsel for guidance on the real estate matter.

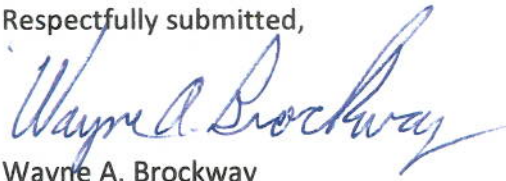
Next Regular Meeting

The next Board of Trustees meeting will be held on Wednesday, March 30, 2022 at 2:00pm in the Conference Room.

**ADJOURNMENT**

On a motion by Trustee Burrows, seconded by Trustee Emmons, it was unanimously voted to adjourn the February 23, 2022 meeting at 3:50 pm.

Respectfully submitted,

A handwritten signature in blue ink that reads "Wayne A. Brockway". The signature is written in a cursive style with a large, sweeping initial "W".

Wayne A. Brockway