

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – MAY 18, 2017 at 7:30 AM**

The meeting was called to order at 7:30 a.m. by President Hodsdon.

Trustees present: Al Hodsdon, President; Karl Dornish, Vice-President; J. Michael Talbot, Treasurer; Allan Fuller, Clerk; Jeff Earickson, Assistant Treasurer; Mark McCluskey, Trustee; Bill Boucher, Trustee; Frank Richards, Trustee; Kevin Gorman, Trustee

Trustees absent: Joan Sanzenbacher, Trustee

Bill Boucher, Trustee, joined the meeting at 7:35 a.m.

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Mike O'Brien, KWD Customer Service/Safety Manager; Sue Markatine, Recording Secretary

ITEM 1: INTRODUCTION OF GUESTS

None

ITEM 2: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF MAY 4, 2017.

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of May 4, 2017," seconded by Trustee Dornish.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. ACCOUNT WARRANT

May 18, 2017

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
China Lake Association	2016 Lakesmart Program Completed Projects	05/01/17	15,000.00
Trailer Delivery Service	Delivery of New Kaufman Trailer	05/01/17	700.00
Postmaster	Bulk Mail Postage-Billing	05/04/17	326.61
American Water Works Assoc.	Annual Membership-3 Employees	05/04/17	786.00
Bluetarp Financial Inc./Aubuchon	Fabricate Keys-M-4 & WAPS	05/04/17	5.38
Big Tex Trailer World Store #463	Parts for Wachs Trailer Maintenance/Hitches/Toolbox	05/04/17	729.68
Bromar Printing	New Rates Schedule Pamphlets	05/04/17	98.00
Central Maine Power	Monthly Electricity-Variou Locations	05/04/17	8,633.79
CMRS - FP	Postage for Postage Meter at Business Office	05/04/17	2,000.00
Constellation NewEnergy Inc.	Monthly Electricity-Variou Locations	05/04/17	7,648.54
EMSL Analytical Inc. - Products	Cryptosporidium Sampling	05/04/17	390.00
Fabian Oil Inc.	Propane-WTP	05/04/17	26.44
Fastenal Company	Drills/Rivets/Washers/Screws/Screwdriver Set/Sleeves Nuts/Taps/Mechanics Tool Set	05/04/17	569.36
GWI	Monthly Internet Service	05/04/17	284.60
Hilltop Cleaning Service	Monthly Cleaning Service	05/04/17	564.00
IDEXX Laboratories Inc.	WTP Lab Testing Supplies	05/04/17	1,226.06
K. L. Jack & Company Inc.	Tissue	05/04/17	75.39
Kennebec Auto Service	Tire Mount & Balance-Variou Tks/Repairs-Tk 8	05/04/17	905.31
Maine Municipal Association	Personnel Practices Workshop-3 Employees	05/04/17	255.00
Maine Water Utilities Association	Affordable Asset Management Seminar-1 Employee	05/04/17	35.00
Maine Water Works Supply	Tapped Saddle/Ball Valve Corp/SB Cover/SB Repair Lid	05/04/17	1,416.04
Treasurer, State of Maine	MonthlySales Tax	05/04/17	2,179.30
MainePERS	Monthly Employer Contributions	05/04/17	7,534.19
MainePERS	Monthly Group Life Premiums	05/04/17	716.38
Motor Supply Company	Chain Lube/WD40/Floor Dry/Magnets for Strobe Light	05/04/17	118.11
William Mushero Inc.	Sand-Salt Mix/Del.-Pick-Up Chg. Case Backhoe-Bangor	05/04/17	870.00
Northeast Laboratory	Total Organic Carbon Tests-Raw, Finished, Distilled Water	05/04/17	150.00
Fanado Pelotte	Tri-Axle/Wheeler/Backhoe Services	05/04/17	788.75
E. J. Prescott Inc.	Pack Joints	05/04/17	1,159.20
Protection One Alarm Monitoring	Battery Replacement	05/04/17	213.24
Quill Corporation	Copy Paper/Stamp/Rubber Bands/Chair Mat/Pencil Foam	05/04/17	655.04
Results Engineering Inc.	PLC Project-2nd Rangeway	05/04/17	1,968.50
Spring Brook Ice & Fuel	Service Garage Heater/Fuel Oil-Variou Locations	05/04/17	1,207.44
Staples Credit Plan	Chairs-2/Printer Ink/Pocket Files/Timecards/Tape	05/04/17	489.09
Super Shoe Stores Inc.	Employee Boots/Shoe Dryer	05/04/17	257.37
Verizon Wireless	Monthly Data Service	05/04/17	131.00
Verrill Dana LLP	Succession Presentation for KWD Board of Trustees	05/04/17	1,238.44
VWR International LLC	WTP Lab Testing Supplies	05/04/17	852.09
Walmart Community/GEMB	Vinegar/Distilled H2O/Storage Bags/Tissue/Frames Isopropyl Alcohol/Batteries/Sponges/Beverages Cleaning Supplies/Wall File Mount/Folders/Mouse Traps	05/04/17	220.48
Whittemore & Sons	Chainsaw/Spare Chains	05/04/17	578.71
Atwork Franchise Inc.	Flaggers-Main St Waterville-93 Hours	05/11/17	1,696.32
E S Boulous Company	Electrical Work-Variou Locations	05/11/17	1,429.84
Budget Document Technology	Ink Cartridge-Postage Machine	05/11/17	124.45

Earthlink Business	Monthly Telephone Service	05/11/17	345.89
Eastern Fire Services Inc.	Fire System Hydraulic Plate	05/11/17	200.00
Fastenal Company	Hooks/Screws/Connector/Nuts	05/11/17	87.91
FedEx	Overnight Delivery Chg-Granular Activated Carbon Samp.	05/11/17	59.77
Grainger	Gloves/Clipboards	05/11/17	177.44
Wex Bank	Monthly Vehicle Fuel Usage	05/11/17	1,527.20
Hach Company	WTP Lab Testing Supplies	05/11/17	704.57
Hussey Communications Inc.	Monthly Internet Service	05/11/17	250.00
Kennebec Water District	Monthly Petty Cash	05/11/17	48.40
M C Disposal Inc./DBA CMD	Monthly Trash Removal/Portapotty Rental	05/11/17	163.00
Maine Oxy/Spec Air Gases & Tech.	CO2 Tank Exchange	05/11/17	38.36
Maine Water Works Supply	Coupling Flare Adapter Fine & Coarse Thread/Copper Meter Adapters/Meter Spuds/Flange Kit for Meter	05/11/17	1,377.08
Treasurer, State of Maine-HETL	Water Tests	05/11/17	126.00
E. J. Prescott Inc.	Pack Joints	05/11/17	166.14
Quill Corporation	Correction Tape/Add Rolls/Erasers/Pads/Tissue/Towels Calculator Ribbons/Air Fresh/Staples/Paper	05/11/17	807.86
Waterville Sewerage District	Quarterly Sewer Bills-Various Locations	05/11/17	137.70
YSI Incorporated	Oxygen Sensor-WTP	05/11/17	197.50
NEIWPC	Motors Controls Seminar-2 Emps./Mgmt. School-1 Emp.	05/11/17	1,090.00
TOTAL WARRANT			\$73,757.96

Motion by Trustee Earickson, “to ratify the total warrant of checks released for \$73,757.96,” seconded by Trustee Talbot.

Trustee McCluskey asked for further information regarding the chainsaw bought from Whittemore & Sons. Mr. LaCasse responded that the price to repair the old chainsaw was quite costly; therefore, the decision was made to purchase a new one. Trustee Fuller questioned the age of the previous chainsaw. Mr. Longfellow estimated it was between ten and fifteen years old.

Referring to the invoice from K. L. Jack & Company Inc. for 96 rolls of toilet tissue, Trustee Earickson questioned the reason KWD does not purchase this product locally rather than ordering it and paying \$18.26 freight charges for a shipment of tissue costing \$57.13. Mr. LaCasse responded that, typically, for most KWD locations, tissue is purchased either at Staples or Walmart. This tissue was for the South Street location. Mr. LaCasse will speak to the Operations & Maintenance Manager to ensure this product is bought locally and without additional shipping charges.

Vote: Motion carried unanimously.

B. February and March Financials

As part of their packet, the Board members were provided with a copy of the February and March financial statements, and a brief review of the March financials was conducted. The March 2017 metered sales industrial revenue, of which the Huhtamaki Manufacturing Plant is the primary customer, is above March 2016 by \$7,438. This aided in lessening the net operating revenues deficit to date which is below 2016 by \$17,491.

The 2017 year-to-date operating expenses are above 2016 by \$43,808. A portion of this increase is reflected in the salaries and wages and employee pensions and benefits category. Due to

having more vehicle repairs and slightly higher fuel prices, transportation expenses for 2017 are above 2016 by \$7,832. Trustee Dornish asked for an explanation for the year-to-date decrease of \$16,662 for the materials and supplies expense category. Mr. LaCasse responded that the major reason is fewer emergency main breaks this year and less associated material costs for these types of repairs.

The 2017 year-to-date M-4 revenue is below 2016 by \$11,003. Due to the facts that M-4 has been inoperable due to mechanical failure and the high cost of these repairs, the 2017 M-4 net income is expected to be much less than in 2016.

Overall, the 2017 year-to-date net income is below 2016 by \$56,330. Going forward, there is some anticipation that the deficit will not be as extreme, as the KWD rate increase went into effect on April 1, 2017.

Regarding the cash-flow report, Mr. LaCasse stated that the interim financing for the Western Avenue Pumping Station capital project will be reflected in future statements. However, the bond for this project has been issued, and KWD will be reimbursed by the Maine Municipal Bond Bank (MMBB) for the project financing it provided to date.

C. 2016 Audit Report/Decide Auditor Invitation

As part of their packet, the Trustees were provided with the following: KWD Audited Financial Statements for fiscal year ending December 31, 2016; Runyon Kersteen Ouellette (RKO) standard representation letter in connection with the audit addressed to the Board of Trustees; KWD standard representation letter (compiled by RKO) in connection with the audit signed by Mr. LaCasse and Betty Hastings, KWD's Financial Manager, addressed to RKO; and, per Government Auditing Standards requirements, RKO's letter regarding its audit findings addressed to the Board of Trustees. Overall, RKO reported that KWD has sound accounting practices and principles.

Mr. LaCasse directed the Trustees' attention to the schedule of comments for improvement and recommendations from RKO. The first recommendation is for the District to establish a formal policy and procedures manual with the focus being on the following areas: Net Position Policy; Cash and Investment Policy; Capital Asset Policy; and Computer Maintenance and Security Policy. Mr. LaCasse stated that the majority of these policies and procedures have already been established and been employed for numerous years. However, he will incorporate this information in a more formal format as suggested by RKO. In addition to this, due to revised regulations of the Budget Uniform Guidance from the Federal Office of Management and Budget, the District is required to develop a more formal and written procurement policy. KWD presently has detailed purchasing procedure guidelines and accounts payable approval authorization and procedural functions with multiple security processes performed on a daily basis for all aspects. This documentation will reinforce these procedures including outlining the criterion for the bid and KWD Board approval process.

Another recommendation is to create and maintain a detailed depreciation schedule for each individual asset. Presently, KWD follows the Maine Public Utilities Commission (MPUC) guidelines and requirements of categorizing assets with similar characteristics and useful lives. Mr. LaCasse did mention that the MPUC regulations are somewhat antiquated, dating back to 1984, and the MPUC is in the midst of obtaining utility comments on updating these regulations. KWD does have readily available invoice copies of all assets purchased. Subsequently, during the compiling of the information for the MPUC report each asset sub account is examined to ensure the depreciation

schedule is accurate. Mr. LaCasse will discuss this comment with the RKO auditor to determine the extent of further information or changes RKO is requesting.

The last two recommendations were to have a more formal process to ensure general ledger journal data entry is accurate and to have more segregation of duties. These two comments were included in the 2015 year-end report also. Because KWD has a limited amount of staff, these additional recommendations are not practical. Trustee Richards asked if Mr. LaCasse feels that there are adequate internal controls. Mr. LaCasse responded that in addition to the fact that financial review is conducted by both Betty Hastings and Mr. LaCasse, KWD does have numerous procedures for safety checks and balances, and there is a reasonably low risk of financial fraud. Subsequently, the Trustees review the warrant at each Board meeting, and Trustee Talbot, Treasurer, reviews each individual accounts payable check processed. The auditors are aware of restrictions due to limited staff, as this is the circumstance in many municipal offices, but are still obligated to mention these recommendations.

Mr. LaCasse will compile a report and/or policies addressing each of the recommendations of RKO and will present it to the Board for review and/or approval at a future meeting.

D. Closing of SRF Bond for \$2,775,000

Mr. LaCasse informed the Board that the formal bond documents for the Western Avenue Pumping Station capital project were signed by the authorized trustees, were delivered to Verrill Dana, KWD's bond counsel, and the bond closing date was on May 12th. The interest rate for this \$3,000,000 20-year bond is one percent, and there is \$225,000 in principal forgiveness.

E. Other (Benchmark Report for Maine's Large Water Utilities, MePERS Historicals)

For informational comparison purposes, the Trustees were provided with a detailed analysis entitled "Financial Health of Maine's Larger Water Utilities for the Years of 2004 – 2014" compiled by Angel David-McBride of the Portland Water District for the Maine Water Utilities Finance Officers' group. This document contains several comparisons regarding the financial health and soundness of several water utilities including KWD. These numbers were assembled from the utilities' MPUC reports and include the following categories: Cash and Investment; Debt; Ratio Income Statement; Asset Management; and Affordability. In addition to the potential that utilities compile the numbers for the categories of the MPUC report using different means, Mr. LaCasse did explain that there are numerous variables in the configurations and operations of the utilities included in this report that need to be considered during review. For instance, there are some utilities with less expense due their exemption from the full filtration process or that use well water, with minimal treatment costs, as their source of supply. There are also variations in ratios due to different customer base numbers. The report is in the process of being updated for the year 2016. Mr. LaCasse stated he will be interested in these results, as KWD received \$1.4M in funds previously held by the Maine Public Employees Retirement System (MePERS) in 2015. With those funds included, many of the ratios, such as available cash to debt service, will illustrate an even more favorable financial picture for KWD. Under the category of main renewals, although KWD is consistent throughout the years, it is somewhat on the lower end of the chart. Mr. LaCasse explained this could potentially change after the bond for the cost to build the WTP is extinguished in 2020. At that time, KWD will have the opportunity to issue new bonds to dedicate to major capital improvements while continuing to

maintain the annual debt service close to par with the existing debt service. Overall, Mr. LaCasse was pleased with the depicted range of KWD in comparison to the other water utilities.

Because the MePERS has been discussed in previous meetings, Mr. LaCasse provided the Board with a spreadsheet with historical information data dating back to 1991. In the early 1990s KWD made additional contributions to this plan to remove all of its own unfunded liability. By 1996, these invested monies increased to the point that the KWD plan was over 100 percent funded. Going forward, the employer contribution was withdrawn from the KWD MePERS account on a monthly basis with no additional contribution necessary. This KWD account increased to over \$1.4 million dollars by 2015, and, due to new Governmental Accounting Standards Board guidelines, was transferred back to KWD in 2016.

ITEM 4: MOTION ISSUES

A. Water Treatment Plant Roof Bids

The Board was presented with the two bids which were submitted for the upgrade of the WTP roof over the administrative area, which was included in the 2017 capital budget. Bids were from G & E Roofing Company, Inc. for \$77,280 and from Hahnel Brothers Company for \$76,300. Both bids met the KWD specifications and offered a two year warranty on installation and a twenty year warranty on materials. The project consists of a green thermoplastic roof membrane and insulation installed on top of the existing roof. (Pictures of this type of project were circulated among the Trustees.) After reviewing options, it was deemed this would be an appropriate fix due to the configuration of the roof. Replacing the roof was not considered to be the best option as it would be a complex job leaving the inside of the building and equipment exposed at times during the project. Mr. LaCasse pointed out that Hahnel Brothers Company was the contractor that installed the original roof. He recommended accepting the proposal from the low bidder, Hahnel Brothers Company, for \$76,300.

Trustee Fuller asked the reason the roof is failing at this point. Trustee Hodsdon answered that it is a proprietary roof which he believes had some architectural design and material flaws. The installation was conducted per the design specifications and was guaranteed for and lasted for twenty plus years. Trustee McCluskey asked, because it is a covering process, if there is a concern of a mold or moisture issue. Mr. LaCasse answered that because there will be added insulation and a waterproof covering, there should not be promotion of mold or water condensation.

Motion by Trustee McCluskey, “to accept the low bid from Hahnel Brothers Company for the upgrade of the KWD Water Treatment Plant roof for \$76,300,” seconded by Trustee Talbot.

The Trustees discussed the motion. Trustee Talbot asked if KWD has been content with Hahnel Brothers services in the past. Mr. LaCasse replied that this company has been responsive and reliable, and KWD has been satisfied with its past service and workmanship. Trustee Hodsdon added that this company has been in business for decades and has an excellent reputation. Trustee Earickson asked if there are any side effects due to the past leakage, for instance decayed insulation inside the building. Mr. LaCasse answered that he does not believe so, but this can be checked to ensure that the insulation and structure is in decent shape in the places the water entered. Because this is such a costly project, Trustee Fuller asked if there is a guarantee this will solve the problem and halt the water leaks. Mr. LaCasse responded that based on research and available options, this is the most

viable solution for KWD to resolve the WTP roof leakage. Subsequently, Hahnel Brothers Company has excellent references as they have conducted this type of roof composition for numerous localities, including Colby College and Mid-Maine General.

Vote: Motion carried unanimously.

B. Other

None

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

Trustee Earickson commented on the most recent cyber-attack in the news which is a malware named WannaCry. He mentioned that if you have been updating the Microsoft patches from mid-March the malware should not be able to infect your computer. He also added that if you are utilizing software which is no longer supported by Microsoft, such as the XP version, your computer is not protected and at risk. Trustee Richards asked the version of Microsoft Windows the District runs. Mr. LaCasse responded that some employees are equipped with Windows 7 and others are equipped with Windows 10. As computers are upgraded, the older version of Microsoft will be updated to the newer version.

Trustee Talbot mentioned that, in the past and in remembrance of a present or former Trustee, KWD has bequeathed to the memorial designated by the family. Trustee Talbot suggested making a donation in memory of Trustee Patricia Gorman. Trustee Gorman was a dedicated member of the KWD Board of Trustees and recently passed away.

Motion by Trustee Talbot, “to authorize the General Manager to make a memorial donation of \$100 to Hospice Volunteers of Waterville on behalf of KWD and the Board in honor of Trustee Patricia Gorman,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

B. Succession Planning Committee Schedule

Several meeting ago, a Succession Planning Seminar was presented to the Board by Joanna Bowers, Esq. from Verrill Dana. After this session, the Board formed a committee to create a succession plan. The committee is as follows: Trustee Dornish from Winslow, Trustee Sanzenbacher from Waterville, Trustee McCluskey from Fairfield as well as Trustee Hodsdon from Fairfield as Board President, and Mr. LaCasse as General Manager. After some discussion, the decision was made to hold the first committee meeting on June 1st after the regularly scheduled Board meeting.

C. Open Meeting Update – Maine Municipal Association

As part of their packet, the Board was provided with an excerpt entitled “Five Common Violations of Open Meetings’ Law” from the Maine Townsman April 2017. Mr. LaCasse

commented on the unadvertised workshop bullet point using the Succession Planning Committee meeting as an example. KWD's by-laws state seven members must be present for an official quorum and to open the public meeting. In the case of the committee, there will be fewer than seven members; therefore, a formal meeting is not officially in session. Trustee Hodson pointed out that committee meetings are held to brainstorm, and no official decisions are made until the committee's recommendations are brought forth to the Board of Trustee meeting. Due to the fact that personnel jobs will be discussed at times during the Succession Planning Committee meeting, there was some conversation if this group needs to meet in executive session. Because there will be dialogue of job positions in general and not discussions of specific individuals, executive session should not be a consideration at this point in the process. If this is deemed necessary, for instance during an interview/hiring process, a meeting quorum of seven Trustees will be necessary in order to vote to enter executive session.

D. Other (Historical Charter Documents)

As part of the bond closing for the Western Avenue Pumping Station capital project, bond counsel was required to research and provide information regarding the historical background of the KWD Charter and its amendments dating back to 1899. Mr. LaCasse will e-mail this to the trustees in the event they have interest in this material. Trustee Hodsdon suggested compiling this information in a binder for recordkeeping.

ITEM 6: ENGINEER'S REPORT

A. Engineer's Report

China Lake Elevation: 171.8
Stream Flow: 154 cfs

Progress is being made on the Western Avenue Pumping Station project. All of the bypasses are now installed. The temporary pumps are scheduled for delivery on May 15th and the piping to begin being installed soon after. As of now, the work is on schedule, and the bypass pumping is to be underway after Memorial Day. After the suction side of the work was completed, KWD personnel discovered that the 20-inch main that is the planned source of water is shut off somewhere between the pumping station and the stream where there is a cross connection between the two transmission mains. Fortunately, there is time to find where the main is shut down and rectify.

The repairs to M-4 continue. The access doors have been reinforced so that workers can safely access the turbine. One set of wicket gates have been removed and the re-assemble has started. During the removal process, it was discovered that one of the wickets was broken and a second had a hole in it. Replacements or repairs will need to be made. The one spare wicket that KWD has was sent out to see if a mold can be made so that replacements can be built. Until the second half of the turbine is disassembled, we do not know how many of these wickets will need to be replaced.

The work to accommodate the building projects in downtown Waterville is underway. A fire and domestic services at 173-5 Main Street are desired, but a tapping machine will not fit between KWD's main and an existing duct bank. The only way to get water to the building will be to shut down water to the area, and then cut in two tees in the main and get under the duct bank. There is

ledge in the area that will have to be removed first before this shut down can be considered. The Appleton Street main relocation has begun but has been slowed because the first valve that was installed was defective and now a replacement will have to be installed. It has turned into very slow work.

A boundary dispute has been resolved with an abutter to KWD's property along China Lake. KWD's property lines were reviewed, mapped with the GPS units, and then compared to the deed and existing area surveys. The abutter did not have this information previously and appeared to be satisfied with KWD's boundary marking from several years ago.

Jefferson Longfellow, P. E.

In addition to the above, Mr. Longfellow reviewed the fact that as part of the Western Avenue Pumping Station (WAPS) project and due to the segregation of M-4 and WAPS electrical service, a new transformer is necessary. This transformer was recently installed by and will be owned and maintained by Central Maine Power with KWD paying a monthly fee. Mr. Longfellow stated he was slightly surprised that the transformer was a used unit.

In reference to the above report, Trustee Hodsdon asked the length of time bypass pumping will be necessary. Mr. Longfellow answered two to three months. Trustee McCluskey asked the disposition of the temporary pumps after the project has been completed. Mr. Longfellow informed him that the temporary pumps are being leased and will be returned to the rental agency. Trustee Earickson expressed concern that there was not enough fencing prohibiting the public from entering the construction area at the WAPS. Due to the fact that business is still being conducted at South Street, fencing was limited to the most pertinent areas.

In regards to M-4, Mr. Longfellow explained that the aforementioned M-4 wicket gates, which, at this point, at least one will need to be replaced, opens up to permit water to enter the turbine area and to force the turbine to spin. (Pictures of this were circulated amongst the Trustees.) KWD presently only has one spare wicket gate. Mr. Longfellow is in the process of obtaining prices to make a mold of and fabricate this wicket. After the second half of the turbine is disassembled and a determination is made of the number of wickets which will need replacement, KWD will know the amount of wickets to order and a decision will have to be made whether to have extra fabricated to keep in inventory. There are a total of 24 wickets, 12 on each side. Trustee Hodsdon asked the repair timeline to have M-4 operational again. Mr. Longfellow answered, hopefully, by the beginning of June.

Next, there was discussion regarding the above-mentioned construction necessary to supply water to 173-5 Main Street, Waterville. Because a tapping machine will not fit between KWD's main and an existing duct bank and due to the fact that there is ledge in this area, the project, which will be conducted by a contractor hired by Colby College, is more complex than normal. Because some Main Street businesses will be without water during the process to install/connect the service by the contractor, there will be an urgency to complete the project in an expeditious manner in order to resume water to these businesses. Although it is not a KWD project, KWD staff will be required to turn the water off and turn the water on during the project scope. However, it will be the contractor's responsibility to negotiate the times with and notify the businesses which will be without water. After some discussion, because of the complexities involved in this project and in order to minimize the impact of Main Street businesses being without water, it was the consensus of the Board that Mr. LaCasse and Mr. Longfellow should specify to the Colby College project leader the contractors

known to KWD which are capable of planning and executing this type of project with minimal complications.

Motion by Trustee Dornish, “to accept the Engineer’s Report as presented,” seconded by Trustee McCluskey.

Vote: Motion carried unanimously.

ITEM 7: GENERAL MANAGER’S REPORT

A. Meeting with DEP – Messalonskee Stream Sampling for LIHI

As part of the Low Impact Hydropower Institute recertification process for M-4 to be classified as a low impact hydropower facility, KWD is required to conduct water quality monitoring in the Messalonskee Stream, both upstream and downstream. This sampling will be conducted by KWD staff, and the protocol will be followed based on an agreement between KWD and Department of Environmental Protection Agency (EPA) staff. Mr. LaCasse and Mr. Zetterman met with EPA staff to discuss their expectations for sampling requirements, and a few requisites were reduced. KWD will be required to sample the water every other week throughout the summer, upstream and downstream. Secchi disc readings, which is basically lowering the disc into the water and recording the readings at the time of disappearance and reappearance, for water turbidity measurements are also being required. In order to conduct this testing, KWD will be required to buy some type of small motorized boat, one option being a Jon Boat from Dick’s Sporting Goods for approximately \$600. After the Messalonskee Stream sampling has been completed, the boat will either be sold or kept for water sampling and quality monitoring on China Lake at the end of the summer season when the water is low, and it is more difficult to launch the KWD pontoon boat.

B. Request Regarding a Proposed Fairfield Tank Site Property

At the May 4th meeting, Mr. LaCasse informed the Board that an abutter to a parcel of KWD owned land on the Upper Ridge Road, Fairfield, has expressed interest in purchasing the land. (Pictures depicting this piece of land were provided and described to the Trustees.) Mr. LaCasse explained that before the Huhtamaki Manufacturing Plant began utilizing river water for processing purposes and was using KWD water, an engineering firm advised KWD that it may need supplemental water storage capacity in addition to the four existing storage tanks and two clearwell tanks at the WTP. Based on this recommendation, KWD purchased this site in 1993. At that time, KWD was producing 8 – 10 millions of gallons of water per day, and presently, the demand is less than 3 million gallons per day.

Mr. LaCasse recommended offering the abutter an agreement, with the abutter paying for the cost to draw up this agreement and to record it in the Registry of Deeds, stating the abutter would have first refusal if this property is placed on the market. Trustee Dornish asked the reason why KWD does not just sell the property to the abutter. Mr. LaCasse responded that presently KWD is in the process of commissioning a comprehensive Facilities Master Plan, and he would like to review the results of this plan before proposing to sell this piece of property.

Motion by Trustee Talbot, “to authorize the General Manager to offer the abutter the opportunity of an agreement between said abutter and KWD which will state the abutter has first

refusal of the KWD land located at the Upper Ridge Road, Fairfield, if KWD places this parcel on the market, with the abutter paying for the costs to draw up the agreement and to record it in the Registry of Deeds,” seconded by Trustee Fuller.

Vote: Motion carried unanimously.

C. Railroad Square Fire Service Update

Mr. LaCasse reviewed that the Railroad Square complex was required to install a fire protection service at the time a portion of this building was rented as a restaurant. Unfortunately, the restaurant is no longer in business. Mr. LaCasse informed the Trustees that the pipe configuration was installed for the fire system; however, it was never made operable. Part of the reason this was never turned on was because the line place of entry was at a location where it was susceptible to freezing. The units inside the building purportedly do have sprinklers; however, the system is not ready for an active supply yet. When KWD inspected this service, it was also discovered that a double check backflow prevention device was installed instead of the required reduced pressure zone (RPZ) device as would be required for this commercial building due to the fact that it has a Siamese connection. Mr. O’Brien explained that a Siamese connection allows a direct connection of fire hoses from a pumper truck to boost flow in the sprinkler system in the event of a fire. There is a concern that this current situation of no active sprinkler system is a dangerous fire hazard, and Mr. LaCasse is hopeful that there will be a resolution shortly to ensure that the fire protection service is able to be turned on at this location.

D. Source Water Protection Grant Approval

Mr. LaCasse informed the Board that KWD’s Source-Water Protection grant has been approved for \$10,000 for funding aid for the China Lake Lakesmart program. KWD values this program as it undertakes tasks which will impede the run-off of phosphorus, one of the contributors of the promotion of algal blooms, in China Lake. KWD recently contributed \$15,000 to aid in the cost of the Lakesmart projects completed in 2016 and donated a used KWD vehicle for this program. Mr. LaCasse received a letter thanking KWD from Marie Michaud, coordinator for the program.

E. Other (China Warrant and Lake Donation, Vassalboro Property Dispute)

In previous KWD Board of Trustees’ minutes, it was stated that “the voters also reduced the funding for China Lake projects from China from its prior years’ \$30,000 contribution to \$15,000”. Mr. Daniel L’Heureux, Town Manager of China, receives a copy of the minutes, and he informed Mr. LaCasse that in addition to \$15,000 from the Town of China general funds, \$15,000 was donated from the Town of China TIF funds bringing the total to \$30,000 donated.

Motion by Trustee Dornish, “to accept the General Manager’s Report as presented,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

ITEM 8: EXECUTIVE SESSION, (If Necessary)

None

ITEM 9: PUBLIC PARTICIPATION

None

Motion by Trustee Talbot, “to adjourn the meeting,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

Meeting adjourned at 9:25 a.m.

Sue Markatine, Recording Secretary