

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – MAY 3, 2018 at 7:30 AM**

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

Trustees present: Al Hodsdon, President; J. Michael Talbot, Treasurer; Allan Fuller, Clerk; Jeff Earickson, Assistant Treasurer; Mark McCluskey, Trustee; Frank Richards, Trustee; Denise Bruesewitz, Trustee; Alex Wild, Trustee

Trustees absent: Karl Dornish, Vice-President; William Boucher, Trustee

Allan Fuller, Clerk, joined the meeting at 7:35 a.m.
Denise Bruesewitz, Trustee, left the meeting at 8:30 a.m.

Also present: Roger Crouse, General Manager; Jefferson Longfellow, KWD Engineer; Matt Zetterman, KWD Director of Water Quality; Benny LaPlante, KWD Customer Service Manager/Safety Coordinator; Jared Bragdon, KWD Operations Superintendent; 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 APRIL 19, 2018.

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of April 19, 2018," seconded by Trustee McCluskey.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. ACCOUNT WARRANT

May 3, 2018

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
A Partner in Technology	Professional Technology/Computer Services & Rental	4/12/2018	1,608.75
Atwork Franchise Inc.	Flaggers-Variou Locations-30.75 Hours	4/12/2018	584.25
Dennis K. Burke Inc.	Heating Oil-WTP-2000 Gals.	4/12/2018	4,106.79
Earthlink Business 1058	Monthly Telephone Service	4/12/2018	374.15
Fastenal Company	Cap Screws/Washers	4/12/2018	5.00
Wex Bank	Monthly Vehicle Fuel Usage	4/12/2018	2,138.30
Kennebec Equipment - Fairfield	Floor Sander Rental/Sandpaper	4/12/2018	93.82
M C Disposal Inc./DBA CMD	Monthly Rubbish Removal/Portapotty Rental	4/12/2018	163.00
Maine Water Works Supply	4-6" Hymax Couplings	4/12/2018	894.36
Treasurer State of Maine	WTP Lab Certification Renewal-2 Years	4/12/2018	650.00
Motor Supply Company	55 Gallons Diesel Exhaust Fluid	4/12/2018	158.33
Northeast Laboratory	Water Tests	4/12/2018	232.05
Fanado Pelotte	Wheeler-Waterville & Fairfield	4/12/2018	275.63
Staples Credit Plan	11 x 17 Copy Paper	4/12/2018	39.98
C H Stevenson Inc.	Cold Patch	4/12/2018	2,940.20
Super Shoe Stores Inc.	Employee Boots/Clothing	4/12/2018	202.47
Walmart Community/GEMB	Water Jugs/Paper Goods	4/12/2018	54.52
Kennebec County Reg. of Deeds	Water Lien Discharge-1 Property	4/19/2018	22.00
Postmaster	Bulk Mail Postage-Billing	4/20/2018	460.29
A Partner in Technology	Professional Technology/Computer Services	4/20/2018	1,773.75
Answering Services Unlimited	Monthly Answering Service	4/20/2018	87.67
BNY Mellon Corporate Trust	2004 Bond Principal & Interest	4/20/2018	38,062.08
Eastern Fire	Annual Sprinkler System Testing-WTP	4/20/2018	557.00
Fastenal Company	Clips/Nuts/Washers	4/20/2018	18.96
FedEx	Shipment Charge for Water Tests	4/20/2018	57.76
Hammond Lumber Company	Flooring/Saw Blade/Aquaphalt Patch Material	4/20/2018	590.09
Hussey Communications Inc.	Monthly Internet Service	4/20/2018	250.00
Kennebec Auto Service	Tire Repair/Tire Changeover	4/20/2018	41.97
Kennebec Equipment - Fairfield	Service Pressure Washer	4/20/2018	85.00
Maine Municipal Emp. Health Trst.	Monthly Health Insurance	4/20/2018	25,026.23
Maine Oxy	CO2 Exchange	4/20/2018	38.36
Maine Water Utilities Association	Bi-Monthly Meeting-1 Employee	4/20/2018	45.00
Maine Water Works Supply	Galvanized Band for Fire Service Valve	4/20/2018	46.18
Treasurer State of Maine	Water Tests	4/20/2018	75.00
Motor Supply Company	Gas Cap/Spray Gear Lube	4/20/2018	34.71
William Mushero Inc.	Sand/Salt Mix-Winter 2018	4/20/2018	1,537.50
E. J. Prescott Inc.	Meter Test/Backflow Prev. Devices/Meter Readers-MXU	4/20/2018	8,158.26
Quill Corporation	Copy Paper/Paper Goods/Office Supplies	4/20/2018	504.51
Time Warner Cable	Monthly Internet Service	4/20/2018	232.39
Walmart Community/GEMB	Post-It Notes/Batteries/Brakekleen/Vinegar	4/20/2018	91.26
Ware-Butler Inc.	Sealant	4/20/2018	16.18
Westech Engineering Inc.	Media Retaining Strainer/Gaskets-WTP Clarifier	4/20/2018	3,046.80
Winslow Supply Inc.	4" PVC Conduit	4/20/2018	86.25
A Partner in Technology	Professional Technology/Computer Services	4/27/2018	1,320.00
Business Card-Bank of America	Finance Charge-BOA/Construction Waste-Pine Tree Waste		
	Monthly Google Cloud Fee-Google	4/27/2018	150.57

E S Boulos Company	Upgrade Network Connections-Business Office & South St	04/27/18	8,990.00
Eurofins Eaton Analytical Inc.	Eurofins Chlorate Sampling	04/27/18	50.00
Fastenal Company	Cable/Pipe	04/27/18	208.85
Hamilton Marine	Service Boat	04/27/18	374.64
Home Depot Credit Service	Wooden Tape Measure for China Lake Level	04/27/18	26.94
Moncure & Barnicle	Professional Services-Contract Negotiations	04/27/18	822.50
N. E. Battery Distributors Inc.	Battery for Pallet Jack	04/27/18	304.08
Northeast Laboratory	Water Tests	04/27/18	567.05
Quill Corporation	Beverages/Copy Paper/Office Supplies	04/27/18	314.36
Roki Repair Shop	Repair-Tk 1	04/27/18	236.34
United States Cellular	Monthly Cell Phone Service	04/27/18	97.29
United States Cellular	Monthly Data Service	04/27/18	99.56
Verizon Wireless	Monthly Tablet & Intake Building Service	04/27/18	222.08
Ware-Butler Inc.	Concrete Mix	04/27/18	65.90
Postmaster	Bulk Mail Postage-Billing	04/27/18	324.26
TOTAL WARRANT			\$109,641.22

Motion by Trustee Talbot, “to ratify the total warrant of checks released for \$109,641.22,” seconded by Trustee Earickson.

There were no questions regarding today’s account warrant.

Vote: Motion carried unanimously.

B. Other

None

ITEM 4: MOTION ISSUES

A. Review Bids for Water Treatment Plant Roofing Project and Approve Recommendation for Contract Award

The Trustees were informed that bids from three vendors were solicited for the WTP roof replacement project. Two responded with bids. This item was included in the 2018 capital budget at an estimated cost of \$110,000. Trustee Hodsdon recalled that the administrative portion of the KWD roof was refurbished in 2017 and inquired if the same repair method will be used for this section of the roof. Mr. Zetterman answered the same technique will be applied. The project will consist of a green thermoplastic roof membrane with insulation on top of the existing roof. Trustee Hodsdon asked the reason C. O. Beck & Sons Roofing & Sheet Metal were not one of the companies on the bid list. Mr. Zetterman answered this company was considered but chose not to be included for this bid quote. Trustee McCluskey stated that he does not believe C. O. Beck & Sons performs this method of roof restoration.

Mr. Crouse explained that the 2017 capital budget figure, which was based on a cost estimate provided by Hahnel Brothers in 2015, and the cost for the 2017 roof project were close in proximity. Therefore, the 2018 capital budget cost for this project was also based on the 2015 quote and the 2017 actual cost per square footage. Unfortunately, both bid prices submitted were much higher than the anticipated cost. Mr. Crouse recommended awarding this contract to the low bidder, G&E

Roofing, for a total cost of \$133,791 contingent upon G&E Roofing providing favorable references per the KWD specifications. The cost per square footage submitted by G&E Roofing aligned closely with G&E Roofing's bid for the first phase of this project. Although Hahnel Brothers submitted the low bid in 2017, G&E Roofing was less than \$1,000 higher. Trustee Talbot asked if there should be consideration of disregarding the bid submitted by G&E Roofing as they did not include references with their bid. After some discussion, the Board decided that because G&E Roofing is a reputable company which has been in business for numerous years, the bid should be considered. Mr. Zetterman added that the G&E Roofing staff were at the WTP for almost a full day inspecting the roof in preparation of their bid.

Motion by Trustee McCluskey, "to award the WTP roof replacement capital project to the low bidder, G&E Roofing, for \$133,791 contingent upon G&E Roofing providing KWD with favorable references," seconded by Trustee Richards.

The Trustees discussed the motion. Trustee Fuller was curious if snow slides easily off the administrative section of the roof which was sealed and coated in 2017. Mr. Zetterman answered affirmatively. Due to the difference in the budget projected cost and bid price, Trustee Earickson inquired the effect these additional monies will have on the capital budget. Mr. Crouse explained that due to the nature of the industry, budget priorities can change throughout the year. For instance, an event could occur which will cause a project/equipment to be added to the capital budget, whereas other less urgent projects could be postponed offsetting the additional monies necessary for these unexpected and unplanned projects.

Vote: Motion carried unanimously.

B. Other

None

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

None

B. Other

None

ITEM 6: MONTHLY DEPARTMENT REPORTS

Departments: Operations & Maintenance (OM)

Engineering (EN)

Customer Service (CS)

Water Quality (WQ)

1. Ongoing or Upcoming Projects/ Items of Significance

a. (OM) The new crew truck was ordered after meeting with representatives from Daigle & Houghton and Hews Truck Bodies to finalize details. Delivery of the truck will occur before December 31, 2018.

b. (OM) On April 24th, a substantial main break occurred on Savage Street near the intersection with West Street in Fairfield. The water main was a 12-inch cast iron pipe installed in 1905. An estimated 350,000 gallons of water was lost. Because of the depth of the water line (approximately 9 feet), KWD hired Pelotte Construction to use an excavator. The work on this main break took approximately 12 hours from the time of notification until all work was completed.

c. (OM) On April 6th a main break occurred on Whipple Street in Winslow. The broken water main is 8-inch and was installed in 1966. Approximately, 10,000 gallons of water were lost.

d. (OM) Distribution system flushing will begin in May

e. (EN) M-4 has been running continuously since the repair work. KWD will have taken full advantage of the spring run-off to generate power this year.

f. (EN) The main replacement for Hollowell Street has been designed, with the bid package combined with the Town of Winslow's storm drain and sewer replacement project. Because the Town of Winslow is paving the street after the project is completed, KWD will not incur costs associated with paving. KWD will be responsible for one-third of the base gravel replacement.

g. (EN) The first draft of the comprehensive system plan has been reviewed by KWD staff. Comments have been shared with Wright-Pierce. Due to the size of the hole in the pipe (approximately eight inches by four and a half feet), the volume of storm water entering the excavated trench, and the number of connections that were without water (approximately 63 homes), KWD staff determined that a Boil Water Order was necessary. The Boil Water Order was issued on the afternoon of the 24th and was lifted approximately 24 hours later.

h. (EN) With the buildings wired for expanded data traffic, cable with DSL backup has been completed and new switching installed. When Consolidated Communications (formerly Fairpoint) can port new numbers to the VOIP, the new phone system will be activated.

i. (CS) The annual Fire Extinguisher Inspections have been completed. Jeff with Maine Fire Equipment was gracious enough to walk through the WAPS to show us where to mount the extinguishers that had been removed for the upgrade project.

j. (CS) Benny LaPlante and Jared Bragdon made a presentation of KWD's history, treatment process, and distribution system to the fifth graders at Benton Elementary School. The five fifth grade classes were studying how humans effect the environment.

k. (CS) KWD has applied for a Safety Enhancement grant from Maine Municipal Association to purchase three chemical spill kits for the treatment plant.

l. (WQ) Rehabilitating air system in Clarifier #3 – The concrete inside of the clarifier has been coated with an epoxy coating to prevent water from breaking down the concrete, new air diffusers have been installed, and are currently waiting on the results of a volatile organic compound (VOC) test to make sure there is nothing leaching into the water before putting the clarifier back on-line.

m. (WQ) Uninterruptable Power Supply (UPS) at WTP – KWD has accepted ES Boulos' cost proposal to install a new UPS. There is currently no timeline on the installation.

n. (WQ) Roofing project – Bid opening scheduled for May 1st.

o. (WQ) China Lake (Lake Elevation: 171.95 feet, Outlet Flow: 142 cubic feet per second) – Per the BEP Lake Level Order for China Lake, KWD began raising the lake level on April 1st. As of April 27th, the lake level is 0.45 feet above spillway. From this point until September 3rd the KWD will work to keep the lake level between the elevation of the spillway and 0.5 feet above spillway. Ice out occurred on April 24th. The first lake study sampling for the year is anticipated during the week

of April 30th. KWD will be installing a permanent mooring buoy in the West Basin to ensure a more consistent anchoring point.

2. Personnel

a. (OM) We will be interviewing 6 applicants for the vacant Utility Technician position on May 1st and May 2nd.

b. (WQ) Only one viable candidate applied for the water treatment operator. KWD has reopened the application period to seek additional candidates.

Trustee Hodsdon asked if there were any additional comments from KWD management staff. Mr. Zetterman mentioned that, after some initial concern due to some early snow melt, refilling China Lake to the spring/summer target level was easily attained. Today, WTP staff will be conducting the first lake study of the year. Trustee Hodsdon asked if the date of April 24th is late for ice out. Mr. Zetterman answered that although ice out has been as early as late March, ice out is typically the middle to the end of April.

Regarding the WTP clarifier project, Trustee Fuller inquired if KWD has received the water test results. Mr. Zetterman responded that, as of today, the results have not been received. He added that these were cautionary tests and no traces of VOC are expected to be found. Mr. Crouse informed the Board that this project went very smoothly much in part to the WTP staff's preparation for this job and reassembling of the equipment when completed. Mr. LaPlante added that for this project, he addressed the WTP staff regarding safety procedures. He was pleased to report that the WTP staff also suggested additional safety measures. Mr. Zetterman commented that the contractor who applied the epoxy coating also adhered to solid safety practices.

Referring to the aforementioned Savage Street, Fairfield, main break, Mr. Bragdon added that there was a substantial amount of road damage associated with the break. Trustee McCluskey asked if the boil-water order was in an isolated area, as he lives in this proximity and did not receive an order. Mr. Bragdon answered that there were approximately 63 homes affected including Savage Street, Valley Farms Road, and Robinson Street. Trustee Hodsdon inquired if there was any indication that there was a problem with this pipe before the incident occurred. Mr. Bragdon responded that there was no advanced warning of this pipe bursting. Mr. Crouse added that excavation was difficult due to a drainage issue because of a culvert crossing above a portion of this main. Trustee Fuller asked if there was any indication of the reason for this rupture, for instance a pressure surge. Mr. Longfellow stated that this cast-iron main was installed during a system-wide expansion in 1905 when thousands of feet were added. The 12 and 14-inch mains which were put in during this period have a history of breaking catastrophically when they do fail. Mr. Longfellow added that the pipe in Savage Street is one which is listed on the main replacement priority list. Mr. Crouse, Mr. Bragdon, and Mr. LaPlante all gave kudos to the teamwork displayed by KWD staff to complete this challenging repair which affected many homes. The leak was discovered at approximately 7:00 a.m. and was completed at approximately 7:00 p.m. Mr. LaPlante commended the WTP staff also, as they first became aware of the issue when there was a low-pressure indicator. They then contacted Mr. Folsom, KWD's Distribution Crew Supervisor, who immediately went to the site, accessed the problem, and mobilized the crew. On behalf of the Board, Trustee Hodsdon thanked the KWD staff for the quick response and repair of this break.

Mr. LaPlante stated that during the annual fire extinguisher inspection, a few units were found faulty, and loaners were provided while these are being repaired. Jeff with Maine Fire Equipment explained the areas the fire extinguishers should be installed in the newly upgraded Western Avenue Pump Station, and this equipment has now been mounted. Mr. Couture, KWD's Assistant Engineer, has updated the worksheet for the monthly safety checks to reflect any changes and additions.

Regarding the above-mentioned Benton Elementary School presentation, Mr. LaPlante commented that two presentations were conducted and both school staff and students provided positive feedback. Trustee McCluskey mentioned that many schools tour the KWD WTP and asked if this school staff and students might also be interested. Mr. LaPlante answered that they did express a desire for a tour, but the tour was in part contingent upon the school field trip coordinator approving the trip.

Trustee McCluskey asked for an update of the status of the meter replacement program for the approximate 8,800 KWD customers which began in 2010. This is an upgrade to replace the older brass meters with the updated lead-free IPERL meters which is battery operated and guaranteed for accuracy for an estimated 20 years. Mr. LaPlante answered he believes KWD still has in the range of two to three thousand yet to be replaced. As in some past years, after construction season, staff from the O&M Crew might be utilized to aid in this project. He added that it is a benefit for KWD that this replacement project has been undertaken over several years as exchanging the batteries for these units should not be as monumental a task in any given year. Trustee McCluskey also inquired if KWD buys the IPERL meters in bulk annually or on an as needed basis and if KWD has a contract price for the meters. Mr. LaPlante replied that KWD does not purchase the annual allotment all at once as the guarantee begins when KWD receives the meter not when the meter is installed in a customer's structure. KWD does not have a contract price for the meters, and the price does increase marginally each year.

Mr. Longfellow reported that on Wednesday, May 2nd, the new voice over internet protocol (VOIP) telephone system was activated at the Business Office and at South Street. Mr. Crouse added that in the near future, the WTP will also be equipped and connected to the VOIP system.

As reported, M-4 has been generating nearly continuously. Mr. Longfellow reported that due to a problem with one of the other hydro stations on the stream, earlier this week there was a brief halt in operations. In addition, depending upon precipitation, the stream flow is expected to begin to slowdown which will decrease generation.

Motion by Trustee Talbot, "to accept all Departmental Reports as presented," seconded by Trustee Fuller.

Vote: Motion carried unanimously.

ITEM 7: GENERAL MANAGER'S REPORT

A. Project Updates/Other

Mr. Crouse stated that with the VOIP system now activated, except for the WTP, the final stage of the information technology/computer/telephone project upgrades have been completed. Referring to the fact that KWD in-house applications are now cloud-based and the MUNIS, KWD's financial and accounting software, is being hosted offsite, Trustee Fuller asked the precautions KWD has in place to prevent a hacking incident. Mr. Crouse answered that the information stored in the Microsoft cloud is basic in-house and vendor correspondence related and is not confidential. The MUNIS cloud-based offsite server, which does comprise of some customer information, is secured by Tyler Technologies which is a national organization and has expertise in securing data. Although KWD did in the past request customer's social security numbers, this is no longer a practice, and past numbers collected will be expunged from the system. Otherwise, the information stored for customers is non-sensitive and utilized exclusively for billing purposes such as collecting data related to water consumption information. Mr. Crouse also pointed out that KWD does not retain any customer credit card information on file. Overall, although hackers are quite capable of infiltrating any company, KWD has limited exposure.

Trustee Earickson inquired if KWD has a data retention policy. For instance, if a customer moves and has not been in the District's territory for several years does his/her information continue to be on file. Mr. Crouse answered that he is unsure if KWD has a formal written record retention policy. This is one of the numerous policies Mr. Crouse plans on reviewing, updating, and/or establishing. For water quality data record retention, KWD is required to abide by some federal record retention policies.

Trustee Hodsdon stated that having a list of all District policies would be beneficial to the Board. The Trustees could then review and discuss this information to determine if changes, eliminations, or new policies are warranted. Trustee Richards commented that since he has been a Trustee, a little over a year, no formal policies have been presented to the Board. He is in favor of the proposal of reviewing the KWD policies over an extended period of time.

Mr. Crouse commented that generally policies are higher level documents, many of which the Board will review and approve. Procedures describe the administrative tasks necessary to complete certain functions. Procedures would not typically come before the Board for approval. The KWD management team and staff are and will continue to be responsible for the administrative details to implement and execute the policies. Mr. Crouse informed the Trustees that one policy which he has been currently composing is a procurement policy. The draft is expected to be available for Board review at an upcoming meeting.

Next, Mr. Crouse updated the Board on the status of the two vacancies at KWD, the water treatment plant operator and operations and maintenance utility technician. There were numerous applications for the utility technician position, and six viable candidates were interviewed. Mr. Bragdon, Mr. LaPlante, and Mr. Folsom plan to discuss the candidates today and present a recommendation to Mr. Crouse. For the water treatment plant operator, there were a few applicants but only one viable candidate. Mr. Crouse indicated that KWD will continue to recruit for this job opening with the expectation of receiving additional applicants.

Recently, KWD's management team met with Wright-Pierce staff to review the draft of KWD's Comprehensive Facilities Master Plan. At this meeting, KWD managers provided feedback

and requested numerous modifications. Wright-Pierce will incorporate this information and provide a new draft for review.

Mr. Crouse reviewed the fact that KWD has land for sale, 171 acres in Fairfield and less than 5 acres in Vassalboro. Mr. Crouse recently met with an appraiser, Mr. Mike McGuan, to discuss these properties. This appraiser is confident with providing a fair market price for the Vassalboro property but will be conducting some additional market research before providing this information for the Fairfield property. Trustee Fuller asked if there is a strategic reason for KWD to retain the Fairfield property. Mr. Crouse answered that KWD will keep the approximate 30 acres with the two six-million-gallon tanks, and the balance of this land is no longer needed for water district purposes or for additional water storage. Trustee Fuller further asked that if there was a terrorist event and China Lake was no longer available as a source, if this land and pond would then become useful. Mr. Longfellow replied that this land and pond would not be considered as an alternative source to supply drinking water. In past years, KWD has received some revenue from timber harvesting on this land. Therefore, Mr. Crouse does plan to discuss with a forester future potential revenue from the harvesting of the trees if KWD did retain this property. The Board was reminded that because Fairfield is a corporate member of the District, KWD is exempt from paying taxes on this land.

Mr. Crouse informed the Board that the annual audit is in the final stages. At the Trustees request, a representative from the auditing firm, Runyon Kersteen and Ouellette (RKO), will attend a Board meeting to discuss the findings of the audit. After some discussion, the Trustees decided this would be appropriate. Mr. Crouse will arrange for the auditors to attend a future Board meeting.

There were two recommendations for improvement provided by RKO. These are suggested changes and can be incorporated in full or in part as deemed appropriate and applicable to KWD and the Trustees. The first is regarding the KWD practice of following accounting standards governed by the Maine Public Utilities Commission (MPUC) rather than the Generally Accepted Accounting Principles (GAAP). At the time of the annual audit, the financial information is reorganized to the GAAP format. Mr. Crouse explained that the MPUC accounting standards and methods were written more than 30 years ago and have not been updated or refined. Whereas the GAAP accounting standards are reviewed and updated on a consistent basis. The majority of utilities follow the GAAP accounting standards.

Mr. Crouse recommended to the Board that KWD modernize its accounting practice and change from the MPUC method to the GAAP method. The monthly financial reports would then be aligned with the annual audit information. Subsequently, the annual audit should not be as cumbersome, time consuming, and costly. In addition, this will also aid when conducting comparative analysis to other utilities which are utilizing the GAAP standards. Although KWD will still be obligated to complete the MPUC annual report in the required format, this report is not as significant of a document as the financial audit report. Trustee Wild commented that he is fully in support of changing from an antiquated accounting system to the GAAP standards.

Motion by Trustee Richards, "to authorize the General Manager to standardize the KWD financial accounting process according to the GAAP method," seconded by Trustee Fuller.

Mr. Crouse added that if approved to move forward with this goal, a consultant would be hired to aid in the process of converting from the MPUC accounting rules to the GAAP accounting rules. More details, including the potential consultants and cost, would be provided to the Board as they become available.

Vote: Motion carried unanimously.

The second item recommended by RKO is change the KWD billing cycle to improve efficiencies. Presently, KWD is consistently reading meters and billing according to a set billing schedule with the different municipalities reading and invoicing staggered throughout the year on a rotation basis. This system of billing was developed years ago when a KWD employee had to visit each structure to read the meter. Several years ago, KWD updated its meter-reading system to radio-read technology which allows the Business Office to directly upload this information. Although the logistics of transitioning to this change have not been devised, following the advice of RKO, there are plans to standardize the quarterly billing cycle. Trustee Talbot noted that, historically, due to the billing cycle established years ago, KWD does not bill during the month of December. He asked if billing during this month would be incorporated as part of the change. Mr. Crouse answered that as of this year, KWD will begin billing in December when the meters are actually read rather than withholding the bills until January.

On a different subject, Trustee Earickson asked if there is an update regarding the potential sale of M-4. Mr. Crouse answered that at a prior meeting, the Board requested a cost-benefit analysis, with a goal completion date of June, for retaining the hydro station. After this analysis is reviewed, the Board can then deliberate the fate of M-4. As stated in the above department report, M-4 has been generating continuously. The Board commended Mr. Longfellow for his time and labor to get M-4 operational in order to take full advantage of the generation and associated revenue during the high river flow due to the spring melt.

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

Vote: Motion carried unanimously.

ITEM 8: PUBLIC PARTICIPATION

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 8:45 a.m.

Sue Markatine, Recording Secretary