

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – APRIL 18, 2019 at 7:30 AM**

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

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

Trustees absent: Amy Stabins, Trustee

Also present: Roger Crouse, General Manager; Jeff Longfellow, KWD Engineer; Matt Zetterman, KWD Director of Water Quality/Director of Technology; 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 4, 2019.

Motion by Trustee Hodsdon, “to accept the minutes of the Regular Board of Trustees’ Meeting of April 4, 2019,” seconded by Trustee Dornish.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. Account Warrant

Motion by Trustee Wild, “to ratify the total warrant of checks released for \$109,166.38,” seconded by Trustee Talbot.

Vote: Motion carried unanimously.

B. Other

Mr. Crouse stated that the auditors from Runyon Kersteen Ouellette (RKO) will be at the Business Office beginning on April 22nd to conduct the 2018 KWD financial audit.

ITEM 4: EXECUTIVE SESSION – 1 MRS §405. EXECUTIVE SESSIONS

None

ITEM 5: MOTION ISSUES**A. Approval of Contract to Install Mixers at the Twin Tanks – Review of Additional Information**

Per the Trustees request at the April 4th meeting, Mr. Longfellow provided additional information regarding the performance projections, cost itemization, and warranty information for the two options of mixers proposed by DN Tanks. Mr. Longfellow reviewed this document for and answered questions from the Board members.

Motion by Trustee Earickson, “to enter into a contract with DN Tanks to furnish and install two GridBee GS-12 mixers in the two six-million-gallon tanks for the cost of \$81,625,” seconded by Trustee Fuller.

Vote: 8 in favor, Trustee McCluskey opposed, motion carried.

B. Approval of Interlocal Agreement with the Town of Fairfield

As part of their packet, the Board members were provided with a draft of the Interlocal Agreement between KWD and Town of Fairfield regarding the water supplied by KWD at two of the Town of Fairfield’s fire stations. Per correspondence from Michelle Flewelling, Fairfield Town Manager, she is planning to present this agreement to the Fairfield Town Council for review on April 24th. Following a lengthy deliberation including discussion of other available options, a motion was proposed.

Motion by Trustee Richards, “to authorize the Interlocal Agreement between KWD and Town of Fairfield,” seconded by Trustee Fuller.

A few minor revisions requested from the Trustees were incorporated into this document prior to the vote.

Vote: 7 in favor, Trustee Hodsdon and Trustee Wild opposed, motion carried.

C. Approval of Purchase and Sale Agreement for M-4

The Board members were informed that the specific details for the purchase and sale agreement for the sale of KWD’s hydro-station M-4 to Messalonskee Stream Hydro (MSH), LLC continue to evolve. However, in the interim, a proposal has been put forth which would permit MSH to begin and, hopefully, complete repairs to make M-4 operable in order to take advantage of the high spring water flows and prime generation time. Mr. Crouse explained the main provisions of the agreements and informed the Board that, if approved, MSH would pay to KWD a non-refundable down payment of \$50,000 at the time of the contract signings with the stipulation that the down payment would only become refundable if the Federal Energy Regulatory Commission (FERC) prevents the sale of M-4.

Motion by Trustee Richards, “to authorize the General Manager to enter into agreements to hire MSH to conduct repairs to M-4 at no cost to KWD, to allow MSH to operate and conduct maintenance to M-4 at no cost to KWD, to modify the power purchase agreement to MSH retaining 99 percent and KWD retaining 1 percent of the electricity sales and renewable energy credits (REC)

monies, and with a \$50,000 down payment due to KWD from MSH at the time of these contract signings,” seconded by Trustee McCluskey.

Motion by Trustee Fuller, “to amend the motion to allow for KWD to retain the renewable energy credits (REC) monies as specified in the existing contract until such time as M-4 is made operable by MSH and is generating”.

As there was no second for the motion to amend, the motion to amend falls to the floor.

Vote: 8 in favor, Trustee Fuller opposed, motion carried.

D. Other

None

ITEM 6: TRUSTEES

A. Review of Terms that are Expiring in 2019 and Steps for Re-Election

The Trustees were provided with a spreadsheet of and reviewed the status of terms for the present Board. The appropriate municipalities will be notified of the upcoming openings for the general election. Trustees interested in running for re-election should speak to their respective city/town officials regarding the appropriate steps necessary to be placed on the ballot.

B. Comments, Concerns, Ideas

a. Trustee Comments on the Request for Quotes from Contractors for Tank Cleaning

For their review and comments, the Trustees were provided with a draft copy of a Request for Price Quotes from Contractors for Cleaning and Inspecting the WTP Clear Wells and 2nd Rangeway Tank. Mr. Crouse answered several questions during the discussion of this project. There were no recommended changes to the RFQ proposed by the Trustees.

Trustee Fuller inquired the date in which the 2018 financial reports will be presented to the Board. Mr. Crouse answered he anticipates the second Board meeting in May.

ITEM 7: GENERAL MANAGER’S REPORT

A. Notice of Non-Compliance – Disinfection By-Product Sampling (Sample Submitted Late)

Mr. Crouse informed the Board that KWD received a notice of non-compliance from the Maine Center for Disease Control and Prevention Drinking Water Program. Mr. Crouse explained that this notice was only due to conducting required sampling and reporting in an incorrect month. KWD inadvertently took water samples in March instead of February and missed a regulatory reporting deadline. Public notification is mandated when a non-compliance incident occurs; therefore, this information will be included in the annual KWD Consumer Confidence Report. In addition, to keep customers well-informed and updated, this will also be posted on the KWD Facebook page.

B. Legislation

The Board was informed that last week Mr. Crouse, on behalf of the Maine Water Utilities Association and Maine Rural Water, testified in opposition of bills favoring moving the ownership of ground-water from landowners to State.

There was also a public hearing held for Bill LD 1041 which contains language which would repeal the provision that prohibits public employees from stopping or slowing work including the right to strike. There was testimony presented that water utilities should be exempt from this bill as providing water should be considered a public safety service, and associated employees should not be permitted to have the right to strike.

C. Update on M-4 Sale

This agenda item was discussed earlier in the meeting. See Item 5. C.

D. Update on Operations Center Project

Mr. Crouse recently met with the real estate agent to review and discuss the options of and specific steps to progress with the potential land purchase for the new KWD Operations Center.

E. Other

Mr. Crouse reminded the Board that there will be a KWD All-Staff Meeting in the morning on Friday, April 26th, and the Business Office will be closed until 12:30 or 1:00.

The Trustees were informed that interviews for the Maintenance Supervisor position are being conducted this week. Interviews for the Director of Water Quality are scheduled for the week of April 29th.

At 9:00 a.m. Trustee Hodsdon and Trustee McCluskey excused themselves from the Board meeting.

Mr. Crouse updated the Board members regarding the Statement of Qualifications received from engineering firms for the engineering design and construction management of the water main replacement project in downtown Waterville. A committee compiled of Trustees and KWD Staff will review these qualifications.

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

Vote: Motion carried unanimously.

ITEM 8: PUBLIC PARTICIPATION**A. Other**

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:10 a.m.

Sue Markatine, Recording Secretary