

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – MARCH 17, 2016 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; Joan Sanzenbacher, Trustee; Gary Coull, Trustee; Mark McCluskey, Trustee; Bill Boucher, Trustee; Patricia Gorman, Trustee

Trustees absent: None

Trustee Talbot left the meeting at 8:52 a.m.
Trustee Coull left the meeting at 8:52 a.m.

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Matt Zetterman, KWD Director of Water Quality; Benny LaPlante, KWD Distribution Superintendent; David Folsom, KWD Distribution Crew Supervisor; 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 MARCH 3, 2016.

Motion by Trustee Sanzenbacher, "to accept the minutes of the Regular Board of Trustees' Meeting of March 3, 2016," seconded by Trustee Gorman.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. ACCOUNT WARRANT

March 17, 2016

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
Central Maine Power	Monthly Electricity-Variou Locations	03/04/16	6,883.37
Town of China	Semiannual Real Estate Taxes	03/04/16	9,037.86
Constellation NewEnergy Inc.	Monthly Electricity-Variou Locations	03/04/16	4,109.13
Fabian Oil Inc.	Propane	03/04/16	188.79
Galeton Gloves	Thinsulate Gloves	03/04/16	80.65
GWI	Monthly Internet Service	03/04/16	224.82
Home Depot Credit Services	Door Stop/Vacuum Cleaner	03/04/16	201.37
K. L. Jack & Company Inc.	Various Size Screws/Nuts/Galv. Punch Clamp/Towels	03/04/16	514.35
Kennebec County Reg. of Deeds	Lien Filing Fees-5 Properties	03/04/16	110.00
Kennebec Electric Inc.	Light Bulbs	03/04/16	60.90
Kennebec Water District	Monthly Petty Cash	03/04/16	184.16
M C Disposal Inc./DBA CMD	Monthly Portapotty Rental	03/04/16	75.00
Maine Municipal Bond Bank	2009 ARRA Loan Principal & Admin. Fee	03/04/16	7,527.15
Maine Water Works Supply	Service Boxes/SS Rods/B/F Kits/Extenders/Valve Box Cov.	03/04/16	1,213.92
Treasurer, State of Maine	Water Tests	03/04/16	1,116.00
Matheson Tri-Gas Inc.	Welder Ext. Cord Replacement	03/04/16	77.71
Motor Supply Company	Wiper Blades-Tk. 8 & Tk. 22	03/04/16	25.96
Phenova	Water Supply Micro Presence/Absence-WTP	03/04/16	280.40
Quill Corporation	Kimwipes/Towels/Time Clock Cartridges-WTP	03/04/16	674.13
Spiller's	Blue & White Marking Construction Grade Paint	03/04/16	441.00
Spring Brook Ice & Fuel	Propane	03/04/16	535.10
Staples Credit Plan	Abode Acrobat Software/File Jackets/Flash Drive	03/04/16	647.46
United States Cellular	Monthly Cell Phone Service	03/04/16	99.62
Verizon Wireless	Monthly Data Plan & Cell Phone	03/04/16	124.62
Walmart Community/GEMB	Legal Pads/Felt Pads/Cups/Beverages/Blinds	03/04/16	39.94
Wiswell Electric Inc.	Chase Avenue Exterior Lighting Repair	03/04/16	325.46
Bard Paving/Construction	Mill & Repave Main Street Due to Service Repair	03/08/16	8,453.69
Postmaster	Bulk Mail Postage-Billing	03/09/16	280.72
Answering Services Unlimited	Monthly Answering Service	03/11/16	129.92
BNY Mellon Corporate Trust	2004 Bond Principal & Interest	03/11/16	38,150.55
Beauregard Equipment Inc.	Loader Backhoe	03/11/16	80,200.00
Brown's Welding & Steel	Steel Plate for FF Booster Hatch	03/11/16	158.08
Creative Print Services	Water Billing Paper	03/11/16	684.38
Critical Alert	Paging Service-2 Months	03/11/16	112.11
Earthlink Business	Monthly Telephone Service	03/11/16	318.44
Fabian Oil Inc.	Propane	03/11/16	75.13
General Alum N. E. Corp.	Alum-WTP	03/11/16	4,442.20
Wex Bank	Monthly Vehicle Fuel	03/11/16	672.43
Harcross Chemicals Inc.	Sodium Hypochlorite-WTP	03/11/16	3,080.70
HD Supply Waterworks LTD	Aquaphalt Patch Material/Safety Vests	03/11/16	277.00
Hussey Communications Inc.	Monthly Internet Service	03/11/16	212.00
J & S Oil Company Inc.	Diesel Fuel	03/11/16	139.52
K L Jack & Company Inc.	Clear Face Shields	03/11/16	22.60
Kennebec Equipment-Fairfield	Saw Repair/Pump Repair	03/11/16	412.56
M C Disposal Inc./DBA CMD	Monthly Rubbish Removal/Portapotty Rental	03/11/16	313.00
Maine Public Emps. Retirement	Monthly Employer Contribution	03/11/16	7,115.32

Maine Water Works Supply	Coupler/Couplings/Wraparound	03/11/16	2,670.03
Treasurer, State of Maine	Monthly Sales Tax	03/11/16	2,365.62
William Mushero Inc.	Dump Truck Services-Taylor Ave, Winslow	03/11/16	210.00
Fanado Pelotte	Excavator/Backhoe/Wheelers-Various Locations	03/11/16	2,950.00
Pike Industries Inc.	Washed Ledge	03/11/16	263.84
Spiller's	Ink Cartridge	03/11/16	70.00
Staples Credit Plan	Ink Cartridges	03/11/16	115.56
Thayer Corporation	Quarterly Service Agreement	03/11/16	305.68
University of Maine Orono	Maine Sustainability Water Conference-5 Employees	03/11/16	225.00
Ware-Butler Inc.	Bar & Chain Oil	03/11/16	11.09
Winslow Supply Inc.	Expansion Tank	03/11/16	36.86
TOTAL WARRANT			\$189,272.90

Motion by Trustee Talbot, “to ratify the total warrant of checks released for \$189,272.90”, seconded by Trustee Earickson.

Trustee Boucher questioned the payment for real estate taxes made to the Town of China, as he was under the impression KWD was exempt for tax purposes. Mr. LaCasse explained that according to the KWD Charter, only the City of Waterville and the Towns of Winslow and Fairfield are corporate members of the District; therefore, exempting KWD from real estate taxes (except for the M-4 property) in these municipalities. Vassalboro and Benton are considered service communities, and KWD is required to pay taxes on its land but is exempt from paying taxes on its buildings and structures in these towns. In addition to the land surrounding the WTP, KWD owns substantial land in Vassalboro and China with the majority of it bordering the West Basin of China Lake in order to protect the source of water supply and is required to pay real estate taxes on this land. Trustee McCluskey asked the means in which the corporate members were determined. Mr. LaCasse replied that this was established by the Legislature many years ago and is in both the original charter and the statute. In order to amend this, it would be necessary to gain both Board and legislative approval. Trustee Fuller asked the amount of taxes KWD pays to the Town of Benton. Mr. LaCasse replied that because KWD does not own land or facilities in Benton except for water mains, it does not pay any real estate taxes.

Vote: Motion carried unanimously.

B. Year-End Financials

Mr. LaCasse stated the 2015 financials are still in the progress of being finalized and are not available for today’s meeting. Recently and due to the Governmental Accounting Standards Board (GASB) Statement No. 68, there are new methods to recognize and account for liabilities for pension plans, and accounting firms and utilities across the state have been grappling to understand the exact requirements to account for this. KWD still awaits figures from the MainePERS to finalize the accounting entries. This new accounting standard emerged to ensure accountability for an entity’s pension financial obligation as there has been concern regarding state and local governments throughout the country underfunding their pension liabilities.

Mr. LaCasse further reviewed that in 2015, MainePERS returned pension plan funds to any utility which had a surplus, with KWD’s being approximately \$1.4 million. With the guidance of the Maine Public Utilities Commission (MPUC) and consent from the Board, the monies were placed in a reserve account to be utilized to aid in financing the KWD pension liability going forward. Mr.

LaCasse indicated that now it will be necessary to reallocate the surplus monies from the reserve account to an “extraordinary income account” which will skew the financial reports for comparison purposes for the next few years. He will update the Trustees regarding this item during his 2015 year-end financial review.

C. Audit in Progress – Review/Issues

Mr. LaCasse informed the Board that the auditors from Runyon Kersteen Ouellette are on site at the Business Office this week. At the request of the auditors, President Hodsdon met with them to review the Board’s protocols and any concerns. President Hodsdon commented that the auditors were impressed that the minutes were very detailed. In addition, during his review with the auditors, President Hodsdon informed them that the KWD Treasurer reviews each individual accounts payable invoice on the warrant before the start of the Board meetings and brings to the attention of the Trustees any anomaly item.

D. Other

At the previous meeting, Trustee Fuller had observed that net income deficits were anticipated for 2015 and 2016, and had questioned if this was a similar circumstance in 2014. At that meeting, it was explained that the 2014 net income was \$183,743. At today’s meeting, Mr. LaCasse provided a spreadsheet with the actual year-end 2014 figures and the 2016 budgeted projections. The 2015 actual figures were not included in this comparison, as they continue to be finalized. This spreadsheet demonstrates the major contributing factors for the positive net income in 2014. One was the uncharacteristically higher industrial water usage and associated revenue, chiefly from the Huhtamaki Manufacturing Plant, \$355,828 in 2014 and \$200,000 projected for 2016. Second was the non-utility income which is mainly the M-4 hydro generation and associated sales revenue including the renewable energy credit sales, \$299,864 for 2014 and \$150,000 projected for 2016. Third was the residential water usage and associated revenue, \$2,689,501 in 2014 and \$2,600,000 projected for 2016. As has been discussed in previous meetings, water utilities throughout the state have been experiencing consistent declines in their annual residential revenue. In answer to Trustee McCluskey’s question, Mr. LaCasse stated the amount of budgeted net income for 2014 was a negative \$172,409.

Overall, KWD has controlled and kept the expense level fairly stable. However, one reason the expenses have been relatively consistent is that a couple of staff positions were not filled when an employee retired, one case being from the meter department after the installation and due to the efficiency of the networked meter reading system. Mr. LaCasse stated that additional employee reduction is not an option, as at the present time, KWD is at the minimum staffing level in order to meet the District’s business and construction obligations.

Trustee Earickson asked for an explanation of the 2016 projected bad debt expense for \$5,000. Mr. LaCasse explained that the bad debt is from unrecoverable customer bills primarily due to a Tri-Party Agreement on Liens with the City of Waterville and the Waterville Sewerage District. In review of the agreement, upon sales of tax-acquired properties “with structures” by the City any proceeds will first be retained by the City for accrued taxes and associated lien costs, second to Waterville Sewerage District for accrued charges and associated lien costs, and third to KWD for accrued charges and associated lien costs. If there are funds remaining, the interest on the aforementioned charges will be distributed respectively. The agreement also states that upon sale of tax acquired properties whereas the City has demolished the structure, any proceeds from the land

sale will first be retained by the City to recoup its demolition cost and legal fees and then distributed accordingly. Per the agreement and in order to clear the property title, if KWD does not receive proceeds from the property sale, KWD abates the monies owed and releases the lien. The \$5,000 is a projected figure. In 2015, the expected bad debt amount is \$3,495, however, in some years it could be a zero dollar amount.

ITEM 4: MOTION ISSUES

A. Intake Building Rehabilitation Bids

The first proposed motion issue was in regards to the KWD Intake Building upgrade. The solicitations were mailed and three contractors, Sheridan Construction, Fairfield Drafting & Construction, and Peachey Builders, expressed interest in bidding for this project. The bid openings had been scheduled for March 15th, with the expectation of presenting the bid tabulations to the Trustees at today's meeting. Mr. LaCasse explained that Peachey Builders experienced the recent death of one of its primary operatives and KWD has not received a bid from this company to date. Sheridan Construction desires to bid on this project but requested additional time to compile the bid. Therefore, in order to receive at the minimum two bids for comparative purposes, the bid opening did not occur. Mr. LaCasse recommended extending the time for the contractors to complete their bid plans and the bid opening date. He will also contact Peachey Builders to ask them if they still desire to bid.

Motion by Trustee Fuller, "with the expectation that the bid tabulations for the WTP Intake Building will be presented to the Board at the April 7th meeting, to extend the date of the bid openings and communicate this to all interested bidders," seconded by Trustee Gorman.

Vote: Motion carried unanimously.

B. Other

None

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

Trustee Fuller asked if customers can view their real time water usage on line, for instance in case they would like to check for leaks, and if not, does KWD have plans to add this feature at a future date. Mr. LaCasse replied that KWD does not have the module which allows customers to track their water usage on line. To integrate this software would be quite costly, and there are not many customers who have expressed interest in this service. Mr. LaCasse explained that on a daily basis a master list of customers' water spikes over a continuous 24-hour period is reviewed by Meter Department Staff. After an initial investigation to gauge if there is a true leak or just a one-time spike, this information is conveyed to the Billing Administrative Assistant at the Business Office. The affected customers are notified by either a courtesy call (if KWD has a working telephone number) or a letter. If it appears to be a catastrophic case, even if KWD cannot reach the customer, the Meter Department Staff will immediately visit the location to investigate and, if necessary, shut

off the water. They will leave a letter explaining this action at the location. Mr. LaCasse added that the majority of the customers are grateful that the issue is brought to their attention. However, there are some customers who choose to ignore these warnings or are not pleased as the end result could be the customer having to call a plumber.

B. April 7th Meeting Plan

Mr. LaCasse informed the Board that he will not be in attendance for the April 7th meeting. The agenda for that meeting will include reports from the individual KWD Department Managers regarding present and upcoming activities for their respective departments.

C. Other

None

ITEM 6: ENGINEER'S REPORT

A. Engineer's Report

March 17, 2016

China Lake Elevation: 170.8

Stream Flow: 170 cfs

Operations

The Google forms creation for safety items is working out well. Mike O'Brien and Ben LaPlante attended a safety forum which featured a representative from the Maine Department of Labor. During the session, it was discovered that a signature is not necessary on the forms, and all that would be needed was an output form which could be produced on demand. Signatures will still be necessary for training records but not needing a digital signature for safety documentation is a relief.

The first try with the monthly safety checking using the tablets has been completed and was a success. The personnel who did the checks felt it was much easier and faster. We have also purchased additional tablets, and now we have much better access to all of the forms. We are continuing to make refinements to the forms and their accessibility.

The crew has tried to get a complete shutdown on the discharge side of the Western Avenue Pump Station, but the efforts were ineffective since one of the needed valves started to come apart when it was being forced closed. This valve will now have to be added to the work scope to be replaced for the bypassing. The shut-down testing has begun for the suction side, but the valves that can be confirmed to work properly are too far away from the station, so an additional valve will have to be added. This valve can be installed where a flow meter had been installed years ago but is not currently in use. Removing the flow meters that are not being used on both the high and low pressure sides of the pump station will eliminate the minor restrictions and potential for future problems.

The main projects designs are underway, but KWD will have to manage the gasoline and lead contaminated soil around Union Street, Waterville. A series of proposals have been received to quantify the contamination, and then KWD can have a plan in place instead of taking a wait and see approach that may cost more in money and delays.

Jefferson Longfellow, P.E.

Mr. Longfellow reviewed the fact that the City of Waterville is planning to reclaim and repave Union Street. The KWD water main in Union Street is over a hundred years old and the plan is to replace it before the City of Waterville project. As stated above and which has been discussed in previous meetings, this project is complicated due to known gasoline soil contamination from abandoned gas stations which were once in the area. Because KWD will be digging the trench, the City and Department of Environmental Protection (DEP) intends to make KWD responsible to contend with this contaminated soil. Mr. Longfellow has received a quote not to exceed \$19,600 from Environmental Projects Incorporated (EPI) for both drilling equipment and to have a geologist on site to probe and quantify the severity of the contamination of both gasoline and lead. The analysis itself would be conducted by CES, Inc. If this information is known beforehand, a plan can be formulated based on the results to cope with the contaminated soil, rather than waiting until the contractor is on site which could cause costly delays during the construction. Mr. Longfellow did add that from his conversation with DEP staff, it appears they believe the soil will be eligible to be recycled and retrenched. Trustee Hodsdon strongly recommended that Mr. Longfellow receive this information in writing.

The Trustees discussed the proposal from EPI. Trustee McCluskey commented that there could be several scenarios encountered and no matter which circumstance, KWD will have to manage the outcome. He added that an expense of up to \$19,600 just to quantify the issue or potentially non-issue is quite high. Mr. Longfellow pointed out that if the results and the solution are known beforehand, he can add this to the specifications when soliciting bids from contractors. In addition, if it does appear the soil needs to be disposed of at a landfill, an analysis of the elements will be necessary before a landfill will accept the product. There was some discussion of soliciting additional bids from firms other than EPI, perhaps a quote from S. W. Cole Engineering, Inc. Trustee Fuller inquired the timing of the main replacement. Mr. Longfellow replied that bids will need to be solicited for summer construction, and he would like to have the details of the means the soil will be managed included with the specifications. Furthermore, the main will need to be replaced before the City begins its work. Mr. LaCasse added that the contractors might bid higher for the project if there is an unknown regarding the soil. Because it is inevitable that no matter which scenario, including the possibility of reusing the soil, Trustee Coull stated that he feels there is not an advantage to knowing the contamination levels before hand at this amount of cost. Mr. Longfellow stated that if the contractor is delayed because of this problem, it could result in a change order and a higher price than the original bid for the project. Overall and at this time, it was the consensus of the Board not to expend up to \$19,600 to quantify the contamination beforehand. Instead, they recommended that Mr. Longfellow compile action plans to follow for the several possible different situations during the time of the main replacement. The Trustees are aware that a geologist and detector probe will have to be at the site during some of the construction. Trustee Fuller mentioned that it might be beneficial for Mr. Longfellow to communicate with the lab which will be evaluating the soil to find out the turn-around time to obtain the results of the analysis and to ask if, due to the circumstances, the process could be expedited. Trustee Hodsdon added that if Mr. Longfellow receives pricing for the one scenario entailing the cost to dispose of and replace the soil, he can add this information when soliciting bids from the contractors.

Motion by Trustee Talbot, "to accept the Engineer's Report as presented," seconded by Trustee Sanzenbacher.

Vote: Motion carried unanimously.

ITEM 7: GENERAL MANAGER'S REPORT**A. Update on Lead Issues – National, State, and Local**

Mr. LaCasse informed the Board that recently he and Mr. Zetterman met with Commissioner Mary Mayhew from the Maine Department of Health and Human Services (DHHS) and gave her a tour of the WTP. Commissioner Mayhew had not previously toured many WTP, and was impressed with the KWD facility and treatment processes.

Due to the recent lead problem events in Flint, Michigan, her department has received directives from the U. S. Environmental Protection Agency to ensure that states are taking action to demonstrate that the Lead and Copper Rule is being properly implemented and appropriate actions are taken to address lead action level exceedances. In addition, the U.S. EPA has asked that the public is assured that federal and state agencies are committed to addressing any lead risks. During this meeting, there was much discussion regarding lead, and Commissioner Mayhew was very appreciative to receive additional information regarding this subject from the perspective of a water utility. A portion of this conversation relayed the fact that there is no maximum contaminant level standard for lead, just an action level, but the goal is to have no lead in the drinking water.

Mr. LaCasse mentioned that a couple of years ago, KWD had a leak and replaced a lead gooseneck connection and still has this piping. This lead gooseneck was one that was missed in KWD's undertaking to remove all lead goosenecks several decades ago. As an experiment to gather data on the impacts of residence time on lead leaching, Mr. Zetterman and the WTP staff are going to measure the lead content of water in the pipe (some tests with KWD's treated water and some with untreated water) over different periods of residence time (6 hours, 24 hours, etc.). This experiment will be a "worst case scenario". In the KWD system, household plumbing, especially plumbing with lead solder, is the primary potential source of lead in water. Mr. LaCasse added that KWD, unlike the utilities around the country that are having issues with high lead levels, does not have lead service lines in its system. The existence of lead service lines is the primary factor in high lead levels.

As had been discussed at previous meetings, in order to assure the KWD customer base that lead is monitored and is not an issue in the KWD drinking water, Mr. LaCasse plans to add information to the KWD website and to compile a customer newsletter which will include articles addressing lead concerns. Furthermore, when Mr. LaCasse mentioned to Commissioner Mayhew the Board's discussions regarding conducting additional lead testing above and beyond the present requirements, she agreed that this is an admirable idea. The Board members expressed that they were more than willing to be part of this additional testing, but there was a concern that this could appear to be a type of conflict of interest. Trustee Talbot was asked his opinion, and he conveyed that providing other KWD customers were included in the random testing, which they will be, he feels this would be acceptable. Mr. Zetterman and Mr. LaCasse will work to establish protocols and procedures for additional lead testing and will present it to the Board at a future meeting.

B. CRLA Update

At the request of Trustee Dornish, Mr. LaCasse gave a brief background of the origin of the China Region Lakes Alliance (CRLA). The CRLA was founded in 1995 by the Lake Associations of China Lake, Three Mile Pond, and Webber Pond, along with the Towns of Vassalboro, Windsor, and

China, and the Kennebec Water District. Former KWD Director of Water Quality Jon Van Bourg and Attorney Dan Dubord were instrumental in spearheading the establishment of the CRLA which was the first regional lake alliance in the State of Maine. With the collaboration and pooling of these resources, state grants through the EPA 319 Grant Program were more easily obtainable and CRLA received tens of thousands dollars of grants for watershed protection projects. Over the past several years, more regional lake alliances have been founded and with less grant monies available, obtaining grant monies is now more competitive. Mr. LaCasse stated there is presently an appointed six-member CRLA Board of Directors comprised of the representatives from the area lake associations and other interested stakeholders. For most of the history of CRLA, the KWD representative on the board has been very actively involved with the planning, direction and funding of the annual improvement projects, either with the CRLA executive director or with other board members.

The Trustees were provided with a copy of a letter from Maine Rivers addressed to the CRLA Board of Directors regarding the endeavor to restore alewife fish passage into China Lake. Maine Rivers has been and continues to be committed to this project; however, it is requesting some answers to its concerns regarding two aspects related to the Masse Dam and sawmill and the Lombard Dam. Mr. LaCasse reiterated the fact that CRLA hired Attorney Dan Dubord to examine the liability of the dam purchase agreements by CRLA and to investigate the best means to separate the liability from the CRLA and to pass it on to the Alewife Restoration Initiative (ARI) group. KWD feels the primary focus of CRLA in the past couple years has been advocating for the ARI project, including monetary support. As KWD views this project as a fish passage project rather than a water quality project, there is a difference of views with CRLA regarding the direction and financial obligations, including property purchase obligations by CRLA. In view of this, Mr. LaCasse recommended severing member ties with the CRLA at the present time but with a plan to review this separation on a periodic basis to determine if the CRLA has reverted back to its original mission of water quality improvement projects including phosphorus control endeavors. He stated that, even without an affiliation with CRLA, KWD would continue to invest source water protection funds to projects around the lake most likely in coordination with consultants who have already developed project proposals and apply for available Source Water Protection grants through the Maine Drinking Water Program to assist in watershed project costs.

Motion by Trustee Sanzenbacher, “that KWD disassociate itself at the present time from the CRLA,” seconded by Trustee McCluskey.

The Board discussed the motion. Trustee Earickson asked if the fact that KWD has been a member and has contributed to the CRLA in the past, it has any financial liability for the CRLA property purchase agreements. Mr. LaCasse replied that the KWD donation in the past has been on a voluntary basis, and, to his knowledge, KWD should not be liable for any of the CRLA financial commitments although a legal determination would be necessary to verify that assumption. In addition, Mr. Zetterman, KWD’s representative on the CRLA Board, had not been notified of some meeting dates when some of these CRLA decisions were made, nor received copies of minutes or e-mail correspondence. Some of the decisions regarding the dams were made when Mr. Hart, former KWD employee and current CRLA President, was representing KWD on the CRLA board. It was suggested, but not legally verified, that if the CRLA cannot meet its financial agreements regarding the dam purchases, the transactions may dissolve with the property owners retaining funds received to date.

If the Trustees do decide that KWD should not remain an official CRLA member, Mr. LaCasse suggested that the Board could still vote to monetarily support such curriculums as the

Courtesy Boat Inspection Program like it did in 2015. Mr. LaCasse commented that although this program is for all three lakes, he feels that it is important to impede invasive plants such as milfoil throughout the region as it could easily be transferred from lake to lake.

Trustee Dornish remarked that as its source of supply, the water quality of China Lake is quite important to KWD. Bearing this in mind, he questioned if KWD does continue to participate as a member or leader in the CRLA could it revert the CRLA back to its original focus of lake projects such as erosion control issues, etc. Mr. LaCasse stated that the CRLA focus is on three watersheds, and KWD's main concern is China Lake. As has been discussed at previous meetings and stated earlier, KWD can, either on its own or in conjunction with other organizations (such as the Kennebec County Soil and Water Conservation District and the China Lake Association), dedicate funds and in-kind services to China Lake projects such as remediation of culverts and roads which have nutrient run-off and are contributing to the phosphorus in the lake. He said there are no guarantees that funding for CRLA by KWD will be used specifically for China Lake watershed protection projects as the past couple years have shown and the most prudent use of KWD water protection funds is for projects directly related to China Lake. As mentioned earlier, if KWD does continue to be a member, there is also the concern of potential liability KWD (and its ratepayers) has for the financial obligations due to the CRLA making long-term financial commitments including installment purchases of property for the alewife restoration.

Vote: 9 in favor, 1 opposed, motion carried.

Trustee Hodsdon suggested that Trustee Coull could attend the next CRLA meeting with Mr. Zetterman to convey the Board's decision. Trustee Coull stated he would be happy to oblige if Mr. Zetterman so preferred.

C. Other

For the last item of business, Mr. LaCasse began by giving some background information. Several years ago, the Town of Fairfield had a group who requested and was allowed to paint the KWD hydrants in Fairfield as colorful characters. A few years later this paint faded, the painting program was inactive, and KWD, as it does every so many years, repainted the hydrants with the standard colors. Recently, a gentleman approached Mr. LaCasse with the idea to paint the hydrants in downtown Waterville in some type of colorful design. Mr. LaCasse stated that even if KWD allows this, the gentleman would have to receive permission from the Waterville Fire Department. He further explained that there is a standard code which dictates that different color caps on the hydrants indicate the available flow from the particular hydrant. That said, the hydrants in the downtown area are all in the same available flow category and the caps are all painted the same color. Mr. LaCasse stated that the paint utilized by the group would have to meet the KWD specifications. With a lot of focus on the redevelopment of downtown Waterville, Mr. LaCasse commented that this is a suitable concept and will not interfere with the hydrant operations. The gentleman who originally contacted Mr. LaCasse is planning to conduct and gather additional information and, if approved, present the idea to the Waterville Creates group to gauge its interest in undertaking the painting program. There was no necessity for Board action on this subject today. However, Trustee Earickson did state he wanted to go on record for being opposed to this idea. His reason being is that the hydrants are a public safety item and should have a standard color for visibility purposes for the fire department.

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

Vote: Motion carried unanimously.

ITEM 8: EXECUTIVE SESSION (IF NECESSARY)

None

ITEM 9: PUBLIC PARTICIPATION

None

ITEM 10: TOUR OF SOUTH STREET FACILITIES INCLUDING POTENTIAL PROPERTY, O & M GARAGE, NEW BACKHOE, WESTERN AVENUE PUMP STATION, AND O & M HEADQUARTERS

Due to time constraints, this tour was postponed and will be held at a future date.

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

Vote: Motion carried unanimously.

Meeting adjourned at 8:56 a.m.

Sue Markatine, Recording Secretary