

**KENNEBEC WATER DISTRICT  
REGULAR BOARD OF TRUSTEES MEETING  
THURSDAY – MAY 16, 2019, 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; Al Hodsdon, Trustee; Karl Dornish, Trustee; Frank Richards, Trustee; Amy Stabins, Trustee

Trustees absent: Alex Wild, Assistant Treasurer; Denise Bruesewitz, Trustee

Mark McCluskey, Vice-President, left the meeting at 9:25 a.m.  
J. Michael Talbot, Treasurer, left the meeting at 9:25 a.m.  
Al Hodsdon, Trustee, left the meeting at 9:25 a.m.

Also present: Roger Crouse, General Manager; Betty Hastings, KWD Finance 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 MAY 2, 2019.**

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of May 2, 2019," seconded by Trustee Dornish.

Vote: 7 in favor, Trustee Fuller abstained, motion carried.

**ITEM 3: FINANCIALS**

**A. Account Warrant**

Motion by Trustee Talbot, "to ratify the total warrant of checks released for \$164,133.84," seconded by Trustee Hodsdon.

Vote: Motion carried unanimously.

**B. 2018 Financial Reports**

The Trustees were provided with the December 2018 KWD Financial Statements. Mr. Crouse and Ms. Hastings reviewed the reports and answered questions from the Board members, primarily regarding the changes due to the transition from the Maine Public Utilities Commission accounting method to the Generally Accepted Accounting Principles accounting method.

**C. 2019 Financial Report**

A year-to-date statement summarizing the KWD operating revenues and operating expenses through April 2019 was provided to and reviewed by the Trustees.

**D. Other**

Mr. Crouse stated that the auditors from Runyon Kersteen Ouellette (RKO) will be at the Business Office this week to complete the 2018 KWD financial audit.

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

**A. M-4 Purchase and Sale Agreement**

**B. Job Offer for Candidate for Director of Water Quality position**

At 7:55 a.m., motion by Trustee Talbot, “to enter into Executive Session under MRSA Title 1, Section 405-6A, Discussion of Employment Offer (Director of Water Quality position), and MRSA Title 1, Section 405-6C, Discussion of Real Estate Transactions, (M-4 Sale and KWD Operations Center)” seconded by Trustee Hodsdon.

At 8:37 a.m., President Earickson brought the Board out of Executive Session.

**ITEM 5: MOTION ISSUES**

**A. Approval of Purchase and Sale Agreement for M-4 (pending finalization of document)**

As a result of the Executive Session, a motion was proposed.

Motion by Trustee Talbot, “to approve the sale of KWD’s M-4 hydroelectric facility to Messalonskee Stream Hydro LLC per the KWD Board of Trustees’ Resolution,” seconded by Trustee Hodsdon.

Vote: Motion carried unanimously.

**B. Approval of Maine Public Utilities Commission Annual Regulatory Assessment – \$22,597**

Mr. Crouse informed the Trustees that the Maine Public Utilities Commission (MPUC) Annual Regulatory Assessment is \$22,597. This amount is determined by annual revenues of a utility, and the amount of time spent by the MPUC’s staff for water-utility issues in proportion to that spent for other utilities.

Motion by Trustee Richards, “to authorize the payment of the Maine Public Utilities Commission Annual Regulatory Assessment of \$22,597,” seconded by Trustee Fuller.

Vote: 7 in favor, Trustee Earickson opposed, motion carried.

### **C. Other**

The Board members were provided with a document prepared by Mr. Zetterman which included four bid proposals for the cleaning and inspecting of the WTP two clear wells and the 2<sup>nd</sup> Rangeway tank.

Motion by Trustee Earickson, “to accept the low bid from Liquid Engineering Corporation for \$8,900,” seconded by Trustee Talbot.

Motion by Trustee Earickson, “to amend the motion to read “pending a satisfactory reference check, to accept the low bid from Liquid Engineering Corporation for \$8,900 for 3-inches of sediment removal and up to \$12,029 for greater than 3-inches of sediment removal”,” seconded by Trustee Talbot.

Vote: Motion carried unanimously.

### **ITEM 6: TRUSTEES**

#### **A. Comments, Concerns, Ideas**

Trustee Earickson alerted the Board members and staff that there is an e-mail scam utilizing his name as KWD Board President making bogus requests for the purchase of gift cards.

Trustee Hodsdon stated he attended the Maine Public Employees Retirement System, of which KWD is a member, public meeting regarding the percentage increase to the employer share of the monthly retirement contribution. He apprised the Trustees that effective July 1, 2019, there will be a slight increase in the employer monthly share and, depending upon hire date, a slight decrease in the employee monthly share.

### **ITEM 7: GENERAL MANAGER’S REPORT**

#### **A. Audit Status**

This agenda item was discussed earlier in the meeting. See Item 3. D.

#### **B. Agreement with the Town of Vassalboro to Operate the Outlet Dam**

Mr. Crouse updated the Board on the ongoing discussions with Mary Sabins, Vassalboro Town Manager, regarding the renewal of the China Lake Outlet Dam Operations agreement. Under the existing agreement, KWD agrees to operate the Outlet Dam in behalf of the Town of Vassalboro. The Town of Vassalboro has decided not to accept or counteroffer the KWD proposed agreement amendments, which included formal clarification of the Town’s and KWD’s respective responsibilities and an increase in the annual fee. Therefore, KWD staff recently met with the Town of Vassalboro Public Works staff at the dam site to ensure of a smooth transitioning of the operations back to the Town of Vassalboro.

Several Trustees expressed concern about the impacts on water quality if the Town of Vassalboro does not adhere to the Department of Environmental Protection’s lake level order. Mr. Crouse agreed to report back to the Board later this year on the results of the Town of Vassalboro’s

operation of the dam as well as more information on the potential impacts on KWD if the lake level order was not met and the benefits of the dam to KWD.

**C. Update on Operations Center Project**

This agenda item was discussed earlier in the meeting under Executive Session. See Item 5.

**D. Update on Filling Vacant Positions**

Mr. Crouse was pleased to announce that Mickey Furbush has accepted the position of KWD Maintenance Supervisor and will begin work on May 17, 2019.

**E. Update on Waterville Downtown Design Project Consultant Selection**

At 9:25 a.m., Trustee Hodsdon and Trustee McCluskey excused themselves from the Board meeting.

Mr. Crouse informed the Trustees that the committee consisting of Trustees and KWD Staff interviewed two engineering firms for the engineering design of the water main replacement project in downtown Waterville. Wright-Pierce Engineers has been selected, and a meeting has been scheduled to discuss the scope of design details. It is anticipated that an agreement for this project will be presented to the Board for review at the June 6<sup>th</sup> meeting.

**F. Other**

None

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

Vote: Motion carried unanimously.

**ITEM 8: PUBLIC PARTICIPATION**

**A. Other**

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:30 a.m.

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Sue Markatine, Recording Secretary