

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – MAY 2, 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; Alex Wild, Assistant Treasurer; Al Hodsdon, Trustee; Karl Dornish, Trustee; Frank Richards, Trustee; Amy Stabins, Trustee; Denise Bruesewitz, Trustee

Trustees absent: Allan Fuller, Clerk

J. Michael Talbot, Treasurer, left the meeting at 9:15 a.m.

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 18, 2019.

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of April 18, 2019," seconded by Trustee Richards.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. Account Warrant

Motion by Trustee Wild, "to ratify the total warrant of checks released for \$131,428.53," seconded by Trustee Talbot.

Because KWD's hydro-station is in the process of being sold, Trustee McCluskey questioned if KWD should be fully responsible for paying the \$1,000 low-impact hydropower 2019 annual fee.

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

B. Other

Trustee Hodsdon asked for a status update regarding the timeframe in which the financial reports will be presented to the Board. Mr. Crouse responded that he anticipates the year-end 2018 financial reports will be available for review at the May 16th Board meeting. Trustee Hodsdon conveyed that at the minimum, the January and February 2019 financial statements should also be presented. Trustee Earickson suggested that, even if the 2019 financials have not been officially

finalized for the month, the income statement with the information available could be provided to the Board.

Motion by Trustee Hodsdon, “to direct the KWD staff to bring the 2019 monthly financial reports up-to-date or as current as possible for the next meeting,” seconded by Trustee Talbot.

Vote: Motion carried unanimously.

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

Executive session was entered into later in the meeting. See Agenda Item 7. C.

ITEM 5: MOTION ISSUES

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

The M-4 Purchase and Sale Agreement has not been finalized as of yet; therefore, this document will be presented at a future meeting.

B. Approval of Purchase of GPS Receiver

As part of their packet, the Board members were provided with a document prepared by Mr. Zetterman requesting approval for the purchase of an Eos Arrow Gold Global Navigation Satellite System (GNSS) receiver. Mr. Zetterman explained the benefits of this system and answered questions from the Trustees.

Motion by Trustee Dornish, “to authorize the purchase of an Eos Arrow Gold GNSS receiver from Fondriest Environmental Products for \$8,220,” seconded by Trustee Richards.

Vote: Motion carried unanimously.

C. Other

None

ITEM 6: TRUSTEES

A. Comments, Concerns, Ideas

Trustee Earickson mentioned that, at the request of KWD’s auditing firm, Runyon Kersteen Ouellette (RKO) and as President of the Board, he and Mr. Crouse met with the auditors. Trustee Earickson and Mr. Crouse reviewed this discussion which included such subjects as KWD’s smooth transition from Maine Public Utilities Association accounting method to the Generally Accepted Accounting Principles accounting method; upcoming technological changes; and the challenges of segregation of duties and job redundancy in a small office.

The auditor’s will be returning to the Business Office May 8th, to complete the audit, and they will attend a KWD Board meeting to answer any questions if requested by the Trustees. After the

Board members have reviewed the 2018 financial and audit information, they will decide if they would like RKO staff to address the Board.

Trustee Hodsdon pointed out that the Maine Public Employees Retirement System (MainePERS) is holding a public meeting, which he plans on attending, regarding a percentage increase to the employer share of the monthly retirement contribution which would have a direct effect on the KWD expense.

Trustee Dornish noted that there have been numerous news articles regarding municipalities and the State reducing the number of construction projects due to increased costs and asked if this is also having an effect on KWD projects. Mr. Crouse answered affirmatively, stating the reasons being material cost increases, wage increases, and contractor availability. For example, the cost for the main replacement scheduled for Fairfield came in 30 percent over projections.

ITEM 7: GENERAL MANAGER'S REPORT

A. Audit Status

This agenda item was discussed earlier in the meeting. See Item 6. A.

B. Legislation

The Board was informed that three of the legislative bills favoring moving the ownership of ground-water from landowners to the State were defeated in committee, and one was referred to the Energy, Utilities, and Technology Committee.

There was also a bill recently signed by Governor Mills which prohibits employers from asking job applicants for their salary history.

C. Update on Operations Center Project

Mr. Crouse informed the Board that an initial offer is being proposed for a land site for the new KWD Operations Center. The Operations Center Committee will be meeting with SMRT Architects and Engineers to review the first draft of the floor plan design for the center.

At 8:17 a.m., motion by Trustee Richards, "to enter into Executive Session under MRSA Title 1, Section 405-6C, Real Estate Transactions," seconded by Trustee Earickson.

Vote: Motion carried unanimously.

At 8:51 a.m., President Earickson brought the Board out of Executive Session.

D. Update on Filling Vacant Positions

Mr. Crouse reported that a candidate has been offered and accepted employment for the KWD Maintenance Supervisor position. There have been two interviews conducted for the Director of Water Quality position.

E. Other

The Maine Water Utilities Association (MWUA) has asked if KWD would host the bi-monthly meeting scheduled for December 5th. The Trustees agreed to this, moving the regularly scheduled KWD Board meeting from Thursday, December 5th, to Wednesday, December 4th.

Trustee Hodsdon broached the subject, and there was a general discussion concerning the ratified Interlocal Agreement between the Town of Fairfield and KWD for the water supplied by KWD at two of the Town of Fairfield's fire stations. There was also a conversation regarding the outstanding lien KWD has on a piece of property owned by the Town of Fairfield.

Motion by Trustee Hodsdon, "to waive the registry of deeds filing fees associated with the lien KWD has on a piece of property owned by the Town of Fairfield, if the Town of Fairfield pays the outstanding bill".

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

Motion by Trustee Talbot, "to accept the General Manager's Report as presented," seconded by Trustee McCluskey.

Vote: Motion carried unanimously.

ITEM 8: DEPARTMENT REPORTS

As part of their Board packet, the Trustees were provided with the Monthly Department Reports prepared by the respective managers. Mr. Bragdon highlighted the success of and improved efficiencies due to KWD being a member of the Dig-Safe Program. In addition, he informed the Board members KWD will begin the spring hydrant flushing the second week in May.

ITEM 9: PUBLIC PARTICIPATION

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:21 a.m.

Sue Markatine, Recording Secretary