

**KENNEBEC WATER DISTRICT  
REGULAR BOARD OF TRUSTEES MEETING  
THURSDAY – MAY 4, 2017 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; Frank Richards,, Trustee; Bill Boucher, Trustee; Mark McCluskey, Trustee

Trustees absent: None

J. Michael Talbot, Treasurer, left the meeting at 9:05 a.m.

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Betty Hastings, KWD Finance Manager; Benny LaPlante, KWD Distribution Superintendent; Mike O'Brien, KWD Customer Service/Safety Manager; Matt Zetterman, KWD Director of Water Quality; Sue Markatine, Recording Secretary

Betty Hastings joined the meeting at 8:15 a.m. and left the meeting at 8:40 a.m.

**ITEM 1: INTRODUCTION OF GUESTS**

On behalf of the Board, President Hodsdon expressed sympathy to Kevin Gorman on the loss of his mother and KWD Trustee, Pat Gorman. Pat was a valuable member of the KWD Board of Trustees, and her presence and contribution were very much appreciated and will truly be missed.

Kevin Gorman, expected Trustee appointee from the City of Waterville, was recognized and introduced to the Board members and KWD staff in attendance at today's meeting.

**ITEM 2: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF APRIL 20, 2017.**

Motion by Trustee Sanzenbacher, "to accept the minutes of the Regular Board of Trustees' Meeting of April 20, 2017," seconded by Trustee Talbot.

Vote: Motion carried unanimously.

**ITEM 3: FINANCIALS****A. ACCOUNT WARRANT**

May 4, 2017

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
O'Connor GMC/Buick	2017 GMC Truck and 2017 Chevrolet Truck	04/18/17	66,340.00
Answering Services Unlimited	Monthly Answering Service	04/20/17	99.02
Business Card/Bank of America	Google Aps for Work-Google	04/20/17	91.66
BNY Mellon Corporate Trust	2004 Bond Principal & Interest	04/20/17	38,152.08
T Buck Construction Inc.	Western Avenue Pumping Station Capital Project	04/20/17	200,960.39
Kennebec County Reg. of Deeds	Lien Filing-1 Property	04/20/17	22.00
Maine Municipal Emp. Health Trst.	Monthly Health Insurance Premiums	04/20/17	30,098.76
Maine Water Works Supply	Chlorine Test Strips (1 Pkg)-WTP	04/20/17	25.93
Somerset County Reg. of Deeds	Lien Discharges-2 Properties	04/20/17	44.00
Staples Credit Plan	Multifold Towels	04/20/17	44.98
Time Warner Cable	Monthly Internet/Phone Service	04/20/17	232.48
United States Cellular	Monthly Cell Phone Service	04/20/17	81.85
United States Cellular	Monthly Data Hot Spot Service	04/20/17	98.64
USA Blue Book	Chlorine Test Strips (2 Pkgs)-WTP	04/20/17	45.06
Walmart Community/GEMB	Beverages/Paper Goods/Trash Bags/Sugar	04/20/17	52.22
Ware-Butler Inc.	Screws	04/20/17	31.05
Winslow Supply Inc.	Auto Pump for De-Watering Lagoon-WTP	04/20/17	159.04
Postmaster	Bulk Mail Postage for Billing	04/21/17	442.13
Postmaster	Bulk Mail Postage for Billing	04/28/17	338.84
<b>TOTAL WARRANT</b>			<b>\$337,360.13</b>

Motion by Trustee Earickson, "to ratify the total warrant of checks released for \$337,360.13," seconded by Trustee Talbot.

There were no questions regarding the May 4<sup>th</sup> warrant presented at today's meeting.

Vote: Motion carried unanimously.

**B. Monthly Statement**

As part of their packets, the Trustees were provided with a copy of the January financial reports and a brief review was conducted. The 2017 metered sales industrial revenue, of which the Huhtamaki Manufacturing Plant (HMP) is the primary customer, is below 2016 by \$16,966. However, Mr. LaCasse did mention that HMP utilized a large quantity of KWD water in April which will boost the revenue for this category and hopefully bring it within the budgetary expectations. Overall, the 2017 year-to-date operating revenues are below 2016 by \$18,944.

Under the operating expenses, Trustee Dornish noted that the 2017 materials and supplies expense is below 2016 by \$11,477. Mr. LaCasse explained that in addition to various construction projects, a portion of this category is frequently influenced by emergency leak repairs in winter months and will fluctuate depending on the frequency of repairs and extent of repair components necessary.

The 2017 year-to-date M-4 revenue is below 2016 by \$8,208. Unfortunately, M-4 has been inoperable due to mechanical failure since March. The necessary repairs are being performed, and it is hopeful M-4 will begin generating again within a few weeks. Trustee Fuller mentioned that because M-4 has not been operable for a few months, and the KWD electrical cost for the WAPS is not being offset by the M-4 generation, this could be a gauge of electricity expense for the WAPS if the decision is made to sell M-4 at a future time. Trustee Hodsdon commented that although this would be a true measurement for the present configuration and equipment at the WAPS, after the upgrade has been completed there will be more electrical efficiencies. For example, the size of the replacement pumps will be smaller and utilize less power. Mr. LaCasse stated he does have available figures and is able to calculate the approximate cost of the power without the M-4 offset. However, this cost computation will be depicted more accurately after the completion of the WAPS project.

Overall, the 2017 year-to-date net income is below 2016 by \$28,791.

### **C. Review of Management Discussion and Analysis**

As part of their April 20<sup>th</sup> packet, the Trustees were provided with a copy of the 2016 Management Discussion and Analysis compiled by Mr. LaCasse, which is a review of the major financial and operational issues which faced KWD during 2016 and forecasts for 2017 and beyond. At this time, Mr. LaCasse reviewed a few items on this report and entertained questions from the Board members.

Mr. LaCasse explained that in the year 2020 a major portion of the bond debt service will be extinguished, decreasing from approximately \$1,500,000 to approximately \$257,000. At that time, KWD will have the opportunity to issue new bonds for major capital improvements which would maintain the annual debt service close to par with the existing debt service. In the interim, KWD could use the MainePERS monies to assist in funding necessary projects in order to avoid additional bond debt until 2021.

Trustee Fuller asked if KWD has a master main replacement plan. Mr. LaCasse responded that KWD is in the process of commissioning a comprehensive Facilities Master Plan to review the District's facilities and guide in the development of future capital improvements during the next 10 to 15 years. The last master plan was compiled in the year 2002. As authorized by the Board, KWD applied for a \$15,000 Capacity Development Grant from the Maine Drinking Water Program for the development of this report. Mr. LaCasse informed the Trustees that this grant has been approved. In regards to main replacements specifically, KWD does have a written Main Replacement Priority Rating System to aid in determining and scheduling replacement of the mains in the KWD system. There are many criteria relating to this ranking including but not limited to leak history, water quality problems, known poor pipe condition, number of customers affected. Scheduled street rehab projects by municipalities and Department of Transportation are also a major consideration, as in most of those situations KWD is not required to pay for the major street re-paving and is able to utilize the money saved in paving costs to fund additional projects.

Although KWD did increase its rates by five percent effective April 1, 2017, there is still a revenue shortfall predicted for 2017. Due to this and trending increases in operating expenses and the WAPS debt service cost, an additional rate increase could be warranted for 2018, most likely with a recommended effective date of April 1, 2018. Although KWD's financial fiscal year is based on the calendar year, the municipalities are on a July to June fiscal year. An April date allows for minimal impact on the municipalities current fiscal year and allows for budgeting for the following fiscal year.

Trustee Earickson mentioned that KWD's net revenue has been in the red for a few years and is inclined to hope that with the potential subsequent 2018 rate increase, KWD's bottom line would be slightly in the black or at minimum a zero balance. Mr. LaCasse confirmed that KWD has had subsequent years of revenue loss, and there was the potential that the shortfalls could get larger annually. If these losses were not addressed at this point with moderate rate increases, a larger increase would be necessary in the longer term to balance the budget. The Board has expressed in the past that smaller increases are more acceptable rather than a major increase which would have more of an impact on ratepayers.

Regarding the Western Avenue Pumping Station (WAPS) bond, Mr. LaCasse informed the Trustees that the bond closing date is scheduled for May 12<sup>th</sup>. Once the issuance has been completed, KWD will reimburse itself for the monies it has provided as interim financing from its invested checking funds for the project. These payments will be evident on the February through April financial reports. Trustee Hodsdon asked if there is a forecast for the overall cost of the WAPS project, specifically if it is expected to exceed the projected \$3,300,000. Mr. LaCasse responded that there has been and could be additional change orders, which was expected as the project progressed to full mode. To date, the dollar amounts of these have not been major. He reminded the Trustees that the bond issuance was limited to \$3,000,000, and the overall project cost is expected to be approximately \$3,300,000 and the amount over the \$3,000,000 will be subsidized by utilizing KWD invested monies.

#### **D. Review of MPUC Annual Filing Report – Betty Hastings**

This agenda item was reviewed when Betty Hastings, KWD Finance Manager, joined the meeting. The Trustees were asked if there were any questions regarding the 2016 Maine Public Utilities Commission (MPUC) annual report.

Trustee Richards asked for further background information regarding the Maine Public Employees Retirement System (MainePERS) 2016 refund for over \$1.4 million. Betty reviewed the fact that KWD is a participating member of the MainePERS, and in the 1990's KWD contributed enough funds to its plan to remove all of its own unfunded liability (at that time the entity was Maine State Retirement System – MSRS). Because of this investment, throughout the years KWD had a surplus balance in the account and was not required to make any additional monthly employer contributions to meet the expected actuarial funding need over what MEPERS deducted from the fund account. Due to new standards issued by the Governmental Account Standards Board (GASB), the MainePERS came to the conclusion that any surplus funds would be returned to each employer to be properly governed, recorded, maintained, and audited. Fortunately for KWD, under the guidance of MainePERS, the approximate additional \$250,000 KWD invested in the early 1990's increased the fund to over \$1.4 million in 2015. Trustee Hodsdon mentioned that now the MainePERS invested money is only receiving nominal interest due to present market conditions. He added that because KWD is a quasi-municipality, it is only permitted limited investment options.

The first inclination of the Board was to utilize this fund strictly for the purpose of paying for the monthly employer portion of the MainePERS obligation. However, any use of this fund for other than retirement premiums would have to be pre-approved by the MPUC. Therefore, these monies were moved to a general account, with the balance being a separate line item on the cash flow report. These funds continue to be utilized for the monthly employer MainePERS premiums obligation, but are also available as deemed appropriate by the Board for other projects. For instance, as mentioned earlier, these funds have been utilized as interim financing for the WAPS capital project to date,

which resulted in interest savings and the avoidance of financing costs as KWD did not have to secure this financing through the Maine Bond Bank. The MainePERS funds utilized for the WAPS project will be reimbursed after the bond is issued this month. Trustee McCluskey pointed out that the expense for the MainePERS employer portion is built into the KWD rates, even though there is this pool of money set aside to fund this obligation. Mr. LaCasse agreed this is the case; however, KWD rates continue to be less than necessary to balance the bottom line. In addition, Trustee Dornish mentioned that because KWD only receives minimal interest on these funds, at any point in time, the Board could decide to utilize these funds for other KWD capital projects in lieu of bonding and paying interest.

Trustee Dornish asked for a further explanation of the line item forfeited discounts under the operating revenues. Betty explained that this entails any fees including interest imposed on customers because they did not pay their bills by the due date.

Trustee Earickson asked Betty to comment on the 2016 audit, noting that this is the second year (of a three-year contract) KWD utilized the accounting firm of Runyon Kersteen Ouellette. Betty replied that overall the audit went smoother than the previous year.

On behalf of the Board, President Hodsdon thanked Betty for attending and participating in today's meeting.

#### **E. Other**

The Trustees were provided with a copy of correspondence from Jessica R. Rowe from Maine Power Options to Mr. LaCasse dated May 2<sup>nd</sup> regarding electricity pricing. Mr. LaCasse reviewed the fact that KWD has a three-year contract presently with Constellation Energy for the KWD three largest power users, the WTP, the WAPS, and the Chase Avenue Pump Station. The present contract is \$0.07426 per kWh for the generation portion, and this contract is set to expire in November 2017. According to this correspondence, there should be a significant reduction in energy expenses, potentially up to 30 percent.

In other financial news, Mr. LaCasse recently received the annual regulatory assessment fee from the Public Utilities Commission (PUC), and was happy to report this cost has decreased by \$653 for 2017. Mr. LaCasse explained that there are two primary factors involved in determining the annual PUC Assessment. One is the annual revenue of the utility as stated on the MPUC annual report. Another is a multiplier based on the amount of time spent by the PUC's staff for water-utility issues in proportion to that spent for other regulated utilities – gas, electric, and telephone.

### **ITEM 4: MOTION ISSUES**

#### **A. Motions Associated with Bond Issuance**

Because the bond closing date is scheduled for May 12<sup>th</sup>, Mr. LaCasse recommended a motion to authorize the pertinent parties to take action in order to formalize this process.

Motion by Trustee Talbot, "to authorize the KWD Board President, KWD Board Treasurer, and KWD General Manager to take any actions necessary to complete the closing process associated with the Western Avenue Pumping Station project," seconded by Trustee Earickson.

Vote: Motion carried unanimously.

**B. Other**

None

**ITEM 5: TRUSTEES**

**A. Comments, Concerns, Ideas**

Trustee Earickson informed the Trustees and KWD staff that yesterday there was a Google Drive phishing scam which was detected. He explained that an account could receive an e-mail message from what appears to be an associate with a document attached. He warned not to open this document unless you are absolutely positive it is legitimate. Otherwise, if you do open this document, the hacker has full access to your Google account including your contact list. Trustee Earickson cautioned that although changing your password is always a good idea, if you have already opened the document, the account information has already been propagated. Trustee Earickson stated that Google has already taken swift action to eliminate this scam. Mr. LaPlante mentioned that he believes he has received one of the phishing scam e-mails from the hacker pretending to be a KWD vendor, but he did not open the document. Trustee Earickson stated that he has also received a few of these scam e-mails. On behalf of the Board, President Hodsdon thanked Trustee Earickson for relaying this important information.

Trustee Talbot mentioned the fact that the Trustees received an e-mail from the wife of the KWD employee who had made the request to be reimbursed \$181.90 to cover costs of prescription payments the employee stated were made during the month of March when the employee was not covered by KWD's insurance plan. After reviewing the information and timeline provided by the General Manager during Executive Session, the Board made the decision to deny the request for reimbursement. After learning of this decision, the employee's wife is now requesting to meet with the Board.

It was the consensus of the Trustees that because the KWD Board meetings are opened to the public and always have the agenda item of "Public Participation", she is certainly entitled to attend a Board meeting. However, the Trustees also consider this to be a concern which should be disputed by the person employed by KWD. The overall sentiment of the Board was that because the employee is a member of the collective bargaining unit, he is entitled to submit a grievance to the shop steward. The Board asked Mr. LaCasse to convey this information to the employee and his wife.

**B. Other**

Mr. LaCasse provided the Trustees with a spreadsheet of and reviewed the status of terms for the present Board. Terms expiring this year are as follows: Trustee Sanzenbacher and Kevin Gorman (expected Trustee appointee) from Waterville; Trustee Boucher from Winslow; Trustee McCluskey from Fairfield; and Trustee Fuller from Benton. 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.

**ITEM 6: DEPARTMENT OPERATIONAL REPORTS****A. Operations and Maintenance Update May 4, 2017**

Tis the season for digging! We finally have some warmer weather and are taking advantage of it. We have started the maintenance work for the Upper Main Street MDOT paving project in Waterville. We have just completed upgrading and insulating two service lines, an abandonment of an old service line, and the transfer of a service line from a hydrant branch to the 16" main. We will now shift our efforts to the approximately 30 valves. Some of these valves will require digging for full maintenance, and the others will be lowered and repaired using our new Vac Unit, which is working out very well! We are still having issues with the Case Backhoe. There is an issue with the DEF system and we are taking advantage of our extended warranty already. I will be compiling a list of all issues and speaking with Beauregard about them.

On the upside, we were fortunate enough to only have one leak this month. It was a service leak at 11 High St. in Waterville. On the downside, it was a difficult repair as the concrete steps to the building had been poured right around the service box and the leak was at the valve. We had to dig to the main, shut off the corporation to stop the leak, and then remove the steps to safely repair the service line. Have a great day everyone!

**Benjamin LaPlante, Distribution Superintendent**

In addition to the above issue with the Case Backhoe, Mr. LaPlante reported there is a leak in the hydraulic line and there is an issue with the bucket. Trustee Sanzenbacher asked if, with all the on-going problems, KWD received a lemon. Mr. LaPlante replied that, unfortunately, there is no Maine Lemon Law which applies to this type of equipment. Trustee Hodsdon suggested that there were consumer laws in place that can assist purchasers.

There was also another issue discovered with the new dump truck in the area where the stack meets the body. Mr. LaPlante explained that when driving it and when the body shifts with the truck movement, it makes sounds similar to a gun shot. Mr. LaPlante has attempted to make contact with HP Fairfield to discuss this problem, but the sales person has not yet responded to his calls.

**B. Water Treatment Plant Update May 4, 2017**

The ice went out on China Lake on April 18<sup>th</sup> this year, which is more than a month later than last year. The flows into and out of the lake are much higher than last year as well because of the significant volume of snow melt. With the ice out, we plan on getting out on the lake soon to perform our first lake study of the year. We have received a conceptual design of the fish ladder for the Outlet Dam and have been asked to provide feedback to the engineer.

The granular activated carbon (GAC) exchange process at the Treatment Plant is well on its way at this point. Unlike the last time the exchange was done when the contractor used bags of carbon and a hopper system, the contractor we're using, Carbon Activated Corp., is relying solely on tanker trucks to add and remove the carbon. So far, two filters have gone through a complete exchange, and they are both performing well. It will be difficult to see the real performance of the

filters until the media has been replaced in all of the filters, and they've had a chance to be broken in. Standard Waterproofing has also finished coating the concrete in filter 1A and the coating is now curing. The Maine Drinking Water Program has been out to see the project and seemed satisfied with the operation.

Bid documents have gone out for the roofing project at the WTP, and bid documents for the pipe gallery anchor project should be going out the week of May 1<sup>st</sup>. At our Second Rangeway tank site, Results Engineering is working rehabbing our old Programmable Logic Controller (PLC) cabinet. Up until recently, Maine Water Company was sharing its PLC with us, but with the new cyber security measures its parent company put in place, they're no longer allowed to share with us.

### **Matt Zetterman, P.E., Director of Water Quality**

In addition to the above, Mr. Zetterman reported that since his report, another GAC filter has been replaced bringing the total to three with three more to replace. (Pictures of this project were circulated amongst the Trustees.) Trustee Hodsdon asked if there has been an improvement in the total organic carbon (TOC) removal percentage and asked the goal for percentage removal. Mr. Zetterman responded that he expects there has been an improvement but the real gauge will be when the project has been completed. He added that the TOC removal goal is 35 to 45 percent. Mr. LaCasse commented that when considering the TOC regulation, one sample does not provide conclusive results as a rolling, 12-month period average has to be monitored. He explained there is a ratio requirement goal between the TOC level in the raw water going into the WTP and the treated water coming out of the WTP. At different times of the year and depending upon the China Lake water quality, the incoming TOCs fluctuate substantially (less in the winter and more in the summer), so the ratio between incoming and outgoing TOCs varies and a percent reduction measurement is, in his opinion, an unreliable indicator of filter performance.

In regards to the above-mentioned roofing project, Trustee Hodsdon asked the type of material specified for this project. Mr. Zetterman answered that a green thermoplastic roof membrane and insulation will be installed on top of the existing roof.

### **C. Meter Department/Safety Update May 4, 2017**

#### **Meter**

- Service news of note:

Tim Horton's on Main Street, Waterville was disconnected for non-payment.

Sukee Arena in Winslow was metered (2") and the service reactivated.

We have approximately seventy seasonal accounts from year to year. Those activations are currently in full swing.

Due to confined space entry rules, seasonal activations in meter pits require extraordinary measures be taken to protect our employees. We've worked hard for over ten years to eliminate these pits where it makes sense to do so. Meter pits are owned by the customer, and therefore, are eliminated at their expense. Two recent seasonal activations are the rebuilt ball field on Mathews Avenue and the cemetery on Grove Street, both in Waterville. They're notable because each had a meter pit which no longer exists. The ball field ran their new service into the new utility building on

the property, and the cemetery brought the piping above ground so that the meter and backflow preventer can be serviced without taking extraordinary measures.

The house at 121 North Street, Waterville was razed.

## **Safety**

In order for employees to effectively protect their hearing from damaging noise levels, they need to know how loud their surroundings are. At our request, MDOL safety engineer Sharon Holmes came to determine noise levels of various high noise areas of the filter plant and pump stations on March 24<sup>th</sup>. She returned on April 11<sup>th</sup> to check noise levels near O&M activities such as cutting ductile iron pipe inside a trench box and using jackhammers, grinders, and impact tools. MDOL personnel are now required to cite employers for any infraction of safety rules noticed during a consultation. Her report states that no hazards were found.

An MMA safety grant application was submitted for eleven new work zone warning signs worth \$2,002. If successful, the signs will cost KWD approximately \$667. The grants provide a 2 to 1 match.

We are in the process of reviewing and updating all safety programs and procedures in the run up to June 12<sup>th</sup> when the MDOL will conduct its inspection for the Safety and Health Award for Public Employers.

## **Mike O'Brien, Customer Service Manager**

Mr. O'Brien commended the City of Waterville for aiding KWD over the past years by eliminating city owned meter pits when feasible at the cost to the city.

Trustee Earickson inquired if Tim Horton's building was just abandoned, and if the bill has been paid. As Mr. O'Brien understands it, when the past owners left, there was no request by them to shut off the water and remove the meter, and the meter remains inside the property. The parent company has paid all the past due charges except for the small final bill. Mr. LaCasse reminded the Trustees that KWD will use the lien process if this remains unpaid.

Trustee Talbot asked if more information was known regarding the reason Sukee Arena water service was reactivated. Mr. O'Brien answered that the same past owner requested the water be reactivated; however, he is unsure of the future plans for the building.

## **ITEM 7: ENGINEER'S REPORT**

### **A. Engineer's Report**

China Lake Elevation: 171.8  
Stream Flow: 210 cfs

The work at the Western Avenue Pumping Station has had its ups and downs. The first challenge is the discovery that the valves were the opposite direction of operation from what was specified. After a week of delays, the valves were replaced with a rush shipment. This was a relief

since without the valves used to isolate the transmission and distribution mains, bypass pumping could not be completed. With the valves replaced, the distribution sections are being cut in for the bypass. This work has limitations because of a reduced treatment capacity due to the granular activated carbon (GAC) replacement at the WTP. The work is limited to when the plant can be set to fill the tanks overnight to allow for the work. With the challenges that are being faced, the work is not too far behind schedule.

Work is underway at M-4 repairing the gates that allow access to the turbine. This work has a crew of five cutting away the portions of the debris racks to be able to access the underlying structure. When it is exposed, the surfaces are cleaned and the additional gussets welded into place. The work is slow and precise to get the gates structurally safe to allow entry into the turbine chamber. The next step will be to install scaffolding to have the gates be structurally redundant for the remainder of the job. As this work takes place, a machine shop is making the replacement wicket gate links and shafts so that they will all be replaced with stainless steel parts for a long life.

**Jefferson Longfellow, P.E.**

The Trustees were provided with a quote from McGee Construction to perform work to upgrade KWD water mains which is associated with the Colby College dormitory construction. Mr. Longfellow explained that this is a portion of the main in Temple Street and Appleton Street. Colby College will pay for approximately 2/3 of the project and KWD will pay for approximately 1/3 of the project. The proposal for the KWD portion is \$29,300. Mr. LaCasse stated he questioned why KWD would be responsible for some pavement costs as the area of KWD's work will be in an area where paving will be removed anyway for the Colby project. Mr. Longfellow replied Colby College will be paying for the majority of the paving costs and the road opening permits.

Although this is a reasonably small project and KWD has used McGee Construction with satisfactory in the past, Trustee McCluskey would have liked to have the material detail back up (amount and cost per pipe length, valves, etc.) which typically accompanies main replacement bids. Mr. Longfellow stated he does have the detailed engineering plans and has requested changes to ensure the job meets the KWD specifications and standards. Trustee Hodsdon asked and Mr. Longfellow confirmed KWD staff will be on site to inspect the work being conducted. Trustee McCluskey also requested the proposal add a clause stating that the materials used and the work executed are per KWD specifications.

Motion by Trustee McCluskey, "to accept the proposal from McGee Construction to upgrade the mains on a portion of Temple Street and Appleton Street for \$29,300 with the assurance that the materials used and the work executed are per KWD specifications," seconded by Trustee Sanzenbacher.

Vote: Motion carried unanimously.

In regards to M-4, the wall gates which hold back the water from entering the turbine area are now temporarily structurally sound and work to replace the wickets began on May 3<sup>rd</sup>. The expectation is that two crews will replace two wickets (one per crew) per day. Hopefully, with this timeline, M-4 will be back on-line by June. Mr. Longfellow also discussed potential plans and requesting a proposal from T Buck Construction Inc. for safety improvements at M-4, for example improving the entry structure to the trash racks and replacing the fall protection equipment.

In regards to the WAPS, Mr. Longfellow reported that when one of the butterfly valves was tested it did not hold pressure and will be replaced. The balance of the valves will also be tested. In addition, when the suction line was exposed the configuration was not as expected, and it will be necessary to order additional fittings. Even with a few delays, the project continues to be close to schedule and bypass pumping is expected to be in June.

Motion by Trustee Talbot, “to accept all Departmental Reports as presented,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

## **ITEM 8: GENERAL MANAGER’S REPORT**

### **A. May 2<sup>nd</sup> Outlet Stream Dam/ARI Meeting Update**

Before the above update, Mr. LaCasse reviewed the fact that KWD measures on a weekly basis the amount of phosphorus in China Lake. These samples have recently been taken at the Outlet Stream Dam location. As of late 2016 and during the early spring, the readings have been in the vicinity of 14 to 16 parts per billion (ppb). Based on scientific data and past experience, the capacity of phosphorus China Lake can manage without producing an algae bloom is 15 ppb or lower. Mr. LaCasse informed the Trustees that a sample taken on April 7<sup>th</sup> had a reading of 38 ppb. This high reading is attributed to the heavy snowfall, snow melt, and recent heavy precipitation which created soil run off, a chief contributor to lake phosphorus.

Mr. LaCasse, Mr. Zetterman, and Trustee Richards recently attended a meeting regarding the Outlet Stream Dam alewife fish passage project. At this meeting, a 30-percent conceptual design model was presented. (Pictures of a similar design were circulated amongst the Trustees.) Representatives from the Town of Vassalboro were also present at and participated during the meeting. It was determined in the meeting that the Town of Vassalboro owns a piece of land along the stream which will be ideal to use for access to the dam site during construction and, potentially, for public parking for observers during the alewives migration period.

Also at this meeting, there was also a Nutrient Budget of Alewives presentation by a University of Maine graduate student working on a doctorate degree. The data provided virtually supports a similar conclusion of the Potential Effects of Alewife Restoration in China Lake report commissioned by KWD and prepared by Dr. Lake who at that time was affiliated with Kleinschmidt. Based on the number of migratory alewives into the lake, with 900,000 being the target goal of the Maine Department of Marine Resources, there could be some degree of phosphorus exportation. The amount of export, however, is not expected to be high enough to reduce the phosphorus load sufficiently to totally prevent algae blooms. In addition, there are other unrelated factors that impact water quality on an annual basis. It is also very important to understand that the juvenile and adult emigration from the lake must be managed effectively. If not, there could be a detrimental effect on water quality. If the number of alewives becomes too abundant, there is the opportunity for additional harvesting for lobster bait. Added harvesting would be an increased economic benefit for the Town of Vassalboro.

Trustee Richards asserts that, based on his observations of the alewife restoration on Webber Pond, China Lake should have remarkably improved water quality in approximately ten years after passage is established and the run stabilizes.

**B. Ridge Road Secondary Tank Site Property Interest**

Mr. LaCasse informed the Board that an abutter to a parcel of KWD owned land on the Upper Ridge Road, Waterville, has expressed interest in purchasing the parcel. Mr. LaCasse reviewed the ownership history of this property. At the time the WTP was constructed and before the Huhtamaki Manufacturing Plant began utilizing river water for processing purposes instead of KWD water, an engineering firm advised KWD that it may need supplemental storage capacity in addition to the four existing storage tanks and two clearwell tanks at the WTP. KWD purchased this parcel in order to site the additional tank if necessary. The need for the additional tank, however, did not come to fruition as industrial demand dropped substantially and added storage was not needed. As a result, the KWD land on the Upper Ridge Road remains undeveloped. Mr. LaCasse explained that the abutter does not want another party to purchase this property if KWD ever decides to sell. Mr. LaCasse is prepared to recommend that KWD, at minimum, offer the abutter first refusal if this property is placed on the market. Due to time constraints, this subject will be further discussed at an upcoming meeting.

**C. Other (Railroad Square Update, Vassalboro Property Claim)**

The above items were not discussed at today's meeting.

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

Vote: Motion carried unanimously.

**ITEM 9: EXECUTIVE SESSION, (If Necessary)**

None

**ITEM 10: PUBLIC PARTICIPATION**

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:20 a.m.

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Sue Markatine, Recording Secretary