

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – NOVEMBER 2, 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; Mark McCluskey, Trustee; Bill Boucher, Trustee; Frank Richards, Trustee; Kevin Gorman, Trustee

Trustees absent: None

Trustee McCluskey left at 8:45 a.m.

Trustee Talbot left at 9:00 a.m.

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Benny LaPlante, KWD Distribution Superintendent; Mike O'Brien, KWD Customer Service/Safety Manager; Matt Zetterman, KWD Director of Water Quality; 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 OCTOBER 19, 2017.

Motion by Trustee Talbot "to accept the minutes of the Regular Board of Trustees' Meeting of October 19, 2017," seconded by Trustee Earickson.

Vote: Motion carried unanimously.

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

November 2, 2017

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
A Partner in Technology	Annual Server Monitor Service/Misc. Computer Services	10/19/17	928.80
A-Copi Imaging Systems	Annual Copier Maintenance Agreement	10/19/17	153.23
Agway Inc.	Batteries for PH Meter	10/19/17	7.99
Alere eScreen	Employee Random Drug Testing	10/19/17	62.00
Answering Services Unlimited	Monthly Answering Service	10/19/17	80.00
T Buck Construction Inc.	Western Avenue Pumping Station Capital Project	10/19/17	157,282.40
Constellation NewEnergy Inc.	Monthly Electricity-Variou Locations	10/19/17	3,782.07
DLT Solutions LLC	Annual Autodesk AutoCAD Maintenance	10/19/17	2,045.18
Earthlink Business 1058	Monthly Telephone Service	10/19/17	376.61
Eastern Fire	Semi-Annual Test for CO2 Clean Agents System-WTP	10/19/17	1,025.00
Wex Bank	Monthly Vehicle Fuel Usage	10/19/17	1,912.11
Hussey Communications Inc.	Monthly Internet Service	10/19/17	250.00
IDEXX Distribution Inc.	Lab Supplies-WTP	10/19/17	1,714.41
Kennebec Water District	Monthly Petty Cash	10/19/17	48.40
M C Disposal Inc./DBA CMD	Monthly Rubbish Removal/Portapotty Rental	10/19/17	163.00
Gerald MacKenzie Inc.	Pavement Patches-Variou Locations	10/19/17	1,516.30
Maine Municipal Emp. Health Trst.	Monthly Health Insurance Premiums	10/19/17	25,096.49
Maine Oxy	CO2 Exchange	10/19/17	38.36
Maine Water Utilities Association	Benchmarking Workshop-2 Employees	10/19/17	130.00
Maine Water Works Supply	Brass Cap/Brass Nipple/Fittings/Chlorine Test Strips Tubing/Emery Cloth/Couplings/Ball Valves/SS Rods Service Boxes/Adapters	10/19/17	2,849.43
Treasurer, State of Maine	Water Tests	10/19/17	1,850.00
MaineToday Media Inc.	Ad for General Manager's Position	10/19/17	182.16
Motor Supply Company	Gasket	10/19/17	11.99
Northeast Laboratory	Messalonskee Stream (M-4) Water Tests	10/19/17	80.00
David Morin	Lawn Service-Variou Locations	10/19/17	635.00
Spring Brook Ice & Fuel	Annual Boiler Cleaning-WTP	10/19/17	152.96
Time Warner Cable	Monthly Internet/Telephone Service	10/19/17	232.70
Univar USA Inc.	Sodium Hydroxide-WTP	10/19/17	3,545.52
USA Blue Book	Submersible Transmitter for Lagoon	10/19/17	714.03
Walmart Community/GEMB	Beverages/Paper Goods	10/19/17	64.04
Ware-Butler Inc.	Grass Seed	10/19/17	28.39
City of Waterville	Highway Opening Permit-W River Road	10/19/17	99.05
F. W. Webb Company	Tubing Cutter Kit/Copper Cutter/Drill Bits	10/19/17	216.68
Town of Winslow	Highway Opening Permit-Clinton Avenue	10/19/17	12,039.25
Wright-Pierce	Monthly WAPS Administration & Inspection Services	10/19/17	34,756.80
Law Calibration LLC	Annual Quality Control Testing of Lab Equipment-WTP	10/19/17	585.00
BNY Mellon Corporate Trust	2004 Bond Principal & Interest	10/19/17	37,818.76
Postmaster	Bulk Mail Postage-Billing	10/20/17	739.75
TOTAL WARRANT			\$293,213.86

Motion by Trustee Talbot, "to ratify the total warrant of checks released for \$293,213.86," seconded by Trustee Earickson.

There were no questions regarding the November 2nd warrant.

Vote: Motion carried unanimously.

B. August Financials

As part of their packet, the Board members were provided with a copy of the August financial statements and a brief review was conducted. These reports are following a similar financial trend as the previous months. With the realization of five months since the rate increase became effective, the 2017 year-to-date operating revenues are above 2016 by \$75,000. The 2017 year-to-date operations and maintenance expenses are above 2016 by \$64,974.

Overall, the 2017 year-to-date net income is below 2016 by \$196,120. Much of this is due to the fact that the M-4 hydro-generator has not been operating, and the M-4 net income is reflecting a decrease of \$192,702 as compared to 2016.

Trustee Dornish noted that the August 2017 salaries and wages category was above August 2016 by \$23,000 and asked if there was an extra pay period in August 2017. Mr. LaCasse answered affirmatively. Due to the way the calendar falls, August 2017 had five pay periods whereas August 2016 had four pay periods.

C. 2018 Health Care Impacts

The Board members were provided with correspondence between Mr. LaCasse and Anne Wright, Director of Health Trustee Services for the Maine Municipal Employees Health Trust, an analysis of the impacts of the 2018 cost increase for the present plan KWD employees are enrolled, and an analysis of the percentage increases from the years 2009 to 2018.

The notification from the Maine Municipal Association (MMA) states that the health insurance rates for the plan KWD is currently enrolled, PPO 1500, will increase by 6.00 percent in 2018. This increase is lower than anticipated as there is presently much insecurity in the national health care system. The analysis of the year-to-year increases since the District elected the PPO 1500 plan demonstrates that the increase has been as high as 11.25 percent (in 2017) and the overall average is an increase of 7.44 percent.

Mr. LaCasse explained that under the current policy, the District pays for 85 percent of the premium coverage and the employee pays the 15 percent balance. In addition, at the time KWD changed to a less expensive employee health insurance plan with a high deductible, the agreement was made that under the current conditions, KWD would fund the plan deductibles. Based on the current KWD health insurance participant census, the additional premium financial impact for KWD will be approximately \$19,448 for 2018. For an employee with single coverage, the annual increase will be approximately \$82, and for an employee with family coverage, the annual increase will be approximately \$184. The dental and vision plans are increasing 3 percent and 5 percent respectively; however, these are optional plans offered and are fully funded by the employee(s).

As had been mentioned in previous meetings, the union contract expires at the end of 2017 and collective bargaining discussions have not yet commenced. Health insurance is expected to be a major issue in the collective bargaining negotiations. Mr. LaCasse stated that, if negotiations reach

the point that mediation is requested by the union rep as it was in negotiations of the current contract, most likely there will not be time to complete the ratification process before the expiration of the contract. He also stated that he has a greater concern that the ratification of the new contract might not be complete before the deadline to inform the Maine Municipal Association of KWD's intention to participate in the 2018 health insurance plan. In that event, he would expect that union employees will have to inform management the desired path for their health insurance coverage and provide in writing if they wish to continue with the present plan or face the potential of not having a plan in place on January 1st. For the non-union employees, a decision can be made at any point before year end whether or not to proceed with the current plan.

Mr. LaCasse also informed the Board that union personnel sent him an application form to apply for coverage under a union sponsored health plan. Mr. LaCasse stated the he did not feel an obligation to complete the application as KWD has no interest in the Teamster's sponsored plan, did not have any details on the plan, and that he already supplied data on employees and the current KWD plan sufficient for the union to complete any such application on its own. Trustee Fuller asked if Mr. LaCasse has reviewed the union plan for pros and cons. Mr. LaCasse responded that he only received the application and did not receive any premium and coverage information. Trustee McCluskey made the point that if the union sponsored plan was remarkable, the information of premium and coverage choices would have been provided as proof. Mr. LaCasse stated that he has also been approached by a private insurance company with the premise that they can provide comparative coverage at a less expensive cost than the current MMA plan. He has provided details of the KWD plan, but has not had any subsequent contact from the company.

Mr. LaCasse will continue to update the Board on this subject as it will be an on-going discussion point for the next couple of months.

D. 2018 Rate Case Financials

For informational purposes, Mr. LaCasse provided the Trustees with a copy of a KWD Debt Service Analysis he prepared for the years 2016 to 2037. This analysis includes the recent bond issue for the capital project at the Western Avenue Pumping Station (WAPS). If no additional long-term debt is added, in the year 2020 a substantial amount of the present bonds will be satisfied. In the year 2021, the total debt service will decrease significantly, from \$1,672,872 to \$265,193. More funds will be available to be utilized at the Board's discretion, with one recommendation being to use these monies for additional capital improvements for components at the end of their expected life cycle and to make improvements and replacements in the KWD infrastructure. Although KWD does prioritize and upgrade a portion of its water mains annually, due to budgetary constraints, it, along with most other water utilities, has difficulty adhering to the recommended replacement of pipes on a hundred year schedule. The Comprehensive Facilities Master Plan KWD has commissioned Wright-Pierce to complete will also aid as a guidance tool in determining the direction for future projects. Trustee McCluskey also suggested, with the availability of these funds in 2021, KWD should be able to avoid a rate increase for numerous years. Mr. LaCasse suggested the potential may exist to actually reduce rates to some degree when the annual debt service expense drops, in addition to increasing the number of annual capital projects.

Also provided to the Trustees was a copy of information regarding the projected impacts on residential customers for various levels of water usage. Based on a projected 5 percent increase, the customer who uses the minimum amount of water, 300 cubic feet, will have an increase in their water bill of \$0.04 per day/\$1.07 per month/ \$3.22 per quarter. A customer who utilizes a relatively large

amount of water, 2000 cubic feet, will realize an increase of \$0.05 per day/\$1.53 per month/\$4.58 per quarter. The unit consumption portion of the bill, each 100 cubic feet, will increase from \$1.63 to \$1.71. Trustee Hodsdon inquired if KWD is changing the allowed consumption for the minimum bill. Mr. LaCasse answered that this amount will remain at 300 cubic feet of water. The minimum bill is currently \$64.45 per quarter, and if increased 5 percent, the minimum bill will be \$67.67 per quarter. The minimum bill includes water consumption of 300 cubic feet. Each 100 cubic foot of water used above the 300 cubic feet will be billed at \$1.71.

The next item reviewed was the financial impact for the municipalities if a 5 percent increase is approved. The annual increase for the public fire protection, which is based on the number of hydrants, for the municipalities will be as follows: Waterville \$17,668; Winslow \$7,611; Fairfield \$6,578; Benton \$1,685; and Vassalboro \$924.

Because there are numerous filings and multiple steps when applying for a rate increase, Mr. LaCasse recommended a motion be considered at today's meeting to begin the process. At the September 7th meeting, Mr. LaCasse reviewed the projections for the 2017 net income, and chiefly due to the unexpected cost of repairs and non-generation and low revenue of M-4, the deficit is now predicted to be much higher than anticipated earlier in the year. He proposed a 5 percent increase would aid in balancing the budget in 2018. He added that a current motion to proceed with a proposed 5 percent increase does not lock the increase at 5 percent, as the Board could decide to change the percentage or revoke the rate increase after the required public hearing as the process moves forward.

In review, several of the tasks necessary for the implementation process are as follows: 1) Develop calendar with schedules for tasks to ensure regulatory requirements are met; 2) Determine public hearing date, location, and time for the public hearing in January; 3) Compose customer and newspaper notice; 4) Compile and submit to the Maine Public Utility Commission (MPUC) and make available to KWD customers supporting material for the case; 5) Contact legal counsel for availability at the public hearing for opening legal statement; 6) Compose PowerPoint presentation for public hearing; and 7) Trustee review of the public hearing minutes, then deliberation and potentially the making of the motion for the formal filing.

Mr. LaCasse proposed holding the public hearing at the WTP on January 16th and, in the event of a storm on that day, to hold it on January 17th. At the January 18th regularly scheduled Board meeting, the Trustees will be asked to review the results of the meeting and to potentially make a motion for the formal filing of the rate increase. The formal filing to the MPUC starts the official timeline as to when the rate can become effective, with the planned effective date of April 1, 2017.

Motion by Trustee Sanzenbacher, "to begin the process of implementing an across-the-board increase of 5.0 percent effective April 1, 2018 with the recommendation that the public hearing be held at the WTP on January 16th with an alternative date of January 17th in the event of inclement weather," seconded by Trustee Fuller.

The Board discussed the motion. Trustee McCluskey asked if there is the potential to forgo this increase and utilize reserve funds until the year 2021 when there will be less bond debt. Trustee Earickson made the point that if M-4 is sold, there could be additional monies which could be utilized for shortfalls for the next few years. Trustee Hodsdon and Mr. LaCasse both stated that the financials will continue to be reviewed and a final decision to proceed or not proceed with the rate

increase will be made after the public hearing. However, because of the numerous tasks and deadlines to implement a rate increase, it is important to being the process as soon as possible. Trustee Fuller commented that KWD anticipates being in a negative cash flow for 2017 and going forward expectations are that this deficit trend will follow without a rate increase. Even with an increase in 2018, KWD could continue to have a small deficit depending on circumstances. Mr. LaCasse stated that KWD is already utilizing reserve funds, and he suggests not depleting these funds below a recommended prudent level. Although KWD continues to utilize the Maine PERS funds obtained by KWD in 2015 to pay for the monthly employer retirement obligation, KWD also does continue to have the option of using the remainder of those funds as a buffer. However, a portion of these monies are already planned to be used to pay for the cost for the WAPS project that exceeds the bond proceeds amount of \$3.0 million.

Relating to the WAPS project, Mr. LaCasse provided the Trustees with a spreadsheet of the project costs and state revolving funding totals as of September 30, 2017 and with projections for the remaining contract. Originally, the project forecast was anticipated to be just over \$3.3 million dollars, with KWD funding the \$300,000 plus above the bond proceeds. However, a few of the budgeted line items are coming under the budget. One savings comes from less project inspection and project administration costs resulting from the significantly condensed work scheduled that the project contractor has required. Although there are several segments which have not been completed as of yet, mainly for electrical work associated with the M-4 hydro-station , the WAPS capital project costs and the KWD expense portion are expected to be less than budgeted. There was some discussion as to the method and the amount KWD will be billed for bond counsel service.

Mr. LaCasse further explained that the contract work for M-4 has been delayed due to the fact that when the new power pole was set, it was unintentionally wedged through a storm drain and is now leaning at an angle against another pole and the electric line. This pole now has to be removed and reset before M-4 can be reconnected to the grid. Due to the recent wind storm, CMP is attempting to remedy thousands of power outages, and the timeline for the resetting of this pole has been delayed. Therefore, due to the lack of a link to the electric grid, M-4 is still not generating and producing revenue.

Vote: Motion carried unanimously.

E. Other

Because a couple Trustees had to leave the meeting at a particular time, Mr. LaCasse recommended entering Executive Session at this time instead of at the end of the meeting.

At 8:09 a.m., motion by Trustee Talbot, “to enter Executive Session under MRSA Title 1, Section 405-6C to discuss real estate transactions and under MRSA Title 1, Section 405-6D to discuss collective bargaining issues between KWD and Teamsters Local No. 340,” seconded by Trustee Boucher.

Vote: Motion carried unanimously.

At 8:45 a.m., President Hodsdon brought the Board out of Executive Session.

As a result of the Executive Session, motion by Trustee Earickson, “to employ a licensed appraiser from the State of Maine to value the KWD properties which are for sale in

Fairfield/Waterville (170 acres in Fairfield/3.75 in Waterville) and the less than 5 acres in Vassalboro,” seconded by Trustee Fuller.

Vote: Motion carried unanimously.

For the record, Trustee Earickson disclosed the fact that his brother-in-law is a licensed appraiser in the State of Maine.

ITEM 4: MOTION ISSUES

A. Other

None

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

Trustee Earickson noted that he saw some activity at the previous “CMP” building which is adjacent to the Hathaway building on Water Street, Waterville, and asked if the plans are known for this building. Mr. O’Brien answered that this past summer this building was scheduled for water metering and activation of service; however, the appointment was cancelled. Because KWD schedules appointments a few weeks out, he is unsure if this has been rescheduled as of yet. At the time the original appointment had been made, it was believed that a beer brewing company would be renting this space.

B. Other

None

6: ENGINEER’S REPORTS

A. Engineer’s Report

November 2, 2017

China Lake Elevation: 169.8

Stream Flow: 72.5 cfs

The unseasonably warm weather has switched the majority of the work at the Western Avenue Pumping Station to outside work. The permanent paving has now been completed. The lawn area on the east side of the Messalonskee Stream has been loamed and hydro seeded. Areas that are more likely to erode had rolled jute mulch installed to keep the soil in place. The garage has been transferred to the master electrical system for the complex. The surge control valves were recalibrated, and then the systems were checked so that they could run two pumps in tandem. The pumps were then set to run to meet a designated flow. When done, the programming worked flawlessly. Finally, the switchover to run off the generator was tested. When done, the generator was able to power two pumps working together. When the weather became wet, the work switched to the clean-up work inside the pumping station.

Now that the Clinton Avenue, Winslow, project has been completed, work has switched over to the as-built drawings and working on the backlog of geographic information system (GIS) enhancements that have built up over the past few months. Time is also being spent to get aspects of the ArcGIS online programming to automatically update.

Jefferson Longfellow, P. E.

In addition to the above, Mr. Longfellow mentioned that presently one project the WAPS contractor is focusing on is completing the electrical work at the pump station, with one more building to connect to the master circuit. When this has been completed, all three buildings will be connected to one master electrical service.

Trustee Hodsdon asked if the pumps are running as expected. Mr. Longfellow answered the pumps are working as designed. He added that currently there are computer communication issues between the pumping station and the WTP; therefore, operations are being performed manually. Mr. Zetterman stated that, at the present time, the WTP has no internet or telephone service. He further explained that when these communications are not functioning, there are no alarm alerts if there is a problem when the operations are running. To aid in monitoring the controls, a cellular modem with a laptop and a web cam aimed at the control panels has been set up.

Trustee Hodsdon noted that today's warrant had a payment made to the Town of Winslow for \$12,039.25 for the Clinton Avenue highway opening permit. He asked if a portion of these monies will be refunded to KWD. Mr. Longfellow answered that none of these monies will be returned, as it is the final amount due for the 10 percent excavation impact fee and \$75 permit fee. The KWD contractor did pave the trenches which were disturbed during the KWD portion of this project.

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

Vote: Motion carried unanimously.

ITEM 7: DEPARTMENT REPORTS

A. Operations and Maintenance Update November 2, 2017

The O+M Department has completed the bi-annual distribution system flushing, using 167 hydrants and 63 blow-offs for this process. It took approximately one month to complete, but the crew also managed to perform maintenance on 18 service valves this month using the Ditch Witch Vacuum Excavator! At times digging is required; however, it is difficult to repair more than one service per day unless they are right next to each other. Under normal conditions, we have been averaging three repairs per day with the Ditch Witch with minimal paving and road opening permit costs. I thank Jeff and the Trustees for authorizing the purchase of tools to replace valve nuts from ground level. We expect to see similar results by taking advantage of these tools also.

There seems to be an increase in requests for tours of the WTP facility and for presentations at schools which I believe is very good for public/customer relations and am very happy to be a part of.

We have had three leaks this month, one on the West River Road in Waterville and two in Fairfield, on Summit Street and Winter Street. Have a great day everyone!

Benjamin LaPlante, Distribution Superintendent

In addition to the above, Mr. LaPlante informed the Board that Lee Owens, Operations & Maintenance staff member, recently applied for and passed his Class A Commercial Driver License with Tanker Endorsement. Mr. Owens is now one of three KWD employees who can actually haul heavy items such as the Ditch Witch equipment. Mr. LaPlante gave kudos to Mr. Owens for taking the initiative to obtain this license.

Trustee Sanzenbacher noted on Mr. LaPlante's report the referral to the tours at the WTP. She commented that her grandson, who had participated in one of these tours several years ago, always asks to revisit the WTP. Mr. LaPlante mentioned that on November 1st, a tour at the WTP was provided to a group of University of Maine Orono students who are enrolled in a water treatment class. Next week, students from the Lawrence Junior High School will be visiting the WTP for a tour.

B. Water Treatment Plant and Watershed Update November 2, 2017

The drawdown of China Lake has started and is going well so far. The alewives have been exiting the lake in large groups, and we're approximately a foot away from our drawdown target. We may try to do one more lake study this year, but the numbers so far have been encouraging. The graph shows a comparison of this year's average secchi disk reading by month compared to the previous 10 years. The only month this year that wasn't above the average of the previous 10 years was October, and it was still very close (2.38 meters versus 2.49).

Regarding project updates, the roofing project is officially complete at this point, we have full functionality of the Western Avenue Pumping Station from our supervisory control and data acquisition (SCADA) system, and we're getting ready to start a small programmable logic controller (PLC) project at our intake building. The PLC project will allow us to improve security and track lake level continuously.

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

Mr. Zetterman stated that in addition to the previously mentioned communications issue, on October 27th, the WTP lost its battery back-up system for its functions, including such equipment as the PLCs, analyzers, remote control valves. This created numerous issues but has now been resolved. Mr. Zetterman explained that the battery back-up activates at the loss of power and up until the generator begins. The fluoride meter in the lab was damaged due to this incident and will be necessary to replace. Trustee Earickson asked the cost for the new fluoride meter. Mr. Zetterman replied approximately \$1,100. The battery back-up equipment is 16 years old and does need to be updated and replaced as it is outdated and not presently supported for maintenance. Mr. Zetterman believes a smaller model could be sufficient at an estimated cost in the vicinity of the \$5,000 to \$10,000 range.

Trustee Fuller asked if this recent wind storm created any stresses for the system. Mr. Zetterman answered that there were no major problems. He did mention that internet redundancy should be a future project consideration.

C. Customer Service and Safety Update November 2, 2017

Meter

- Service news of note:

Harbor Freight Tools is rehabbing a section of a building at Pine Tree Mall in Waterville that also houses Advance Auto Parts and Ming Lee Chinese Restaurant. The new fire service was recently activated.

Safety

Beginning in 2016, Electrical Controls of Maine completed an arc-flash analysis of KWD's facilities. An arc-flash analysis is a study investigating a worker's potential exposure to dangerous arc-flash energy, conducted for the purposes of injury prevention and the determinations of safe work practices, arc-flash protection boundaries, and the appropriate levels of personal protective equipment (PPE).

Mike O'Brien, Customer Service Manager

In addition to the above, Mr. O'Brien commented that the Meter Department has been and continues to be busy removing meters and shutting off water for seasonal customers.

Motion by Trustee Dornish, "to accept all Departmental Reports as presented," seconded by Trustee Fuller.

Vote: Motion carried unanimously.

ITEM 8: GENERAL MANAGER'S REPORT

A. Updates on Projects and Issues

Mr. LaCasse informed the Trustees of the terms of settlement offered to Hamelin's Furniture from T. Buck Construction and Auburn Concrete to rectify the damage to the Hamelin's parking lot and the complaint of dust on their buildings. The contractor and subcontractor proposal to Hamelin's is to seal and stripe the parking lot on the weekend after store closing hours, pay for the two buildings to be power washed, and to pay for the attorney fees. Trustee Hodsdon inquired if the offer to Hamelin's has been put in writing. Mr. Longfellow stated that he was informed that a verbal offer was extended to Mr. Hamelin who, in turn, verbally accepted the terms. Now that the contractors have the verbal acceptance from Mr. Hamelin, an agreement stating the provisions will be put in writing. Trustee Hodsdon mentioned he would be interested in reading this document.

The Board was also informed that recently the Hamelin's Furniture Store owners contacted the Waterville Code Enforcement Office with various complaints regarding KWD operations at its South Street operations center, specifically for noise and dust they claim result from those operations. The Code Enforcement Officer visited the site to evaluate the situation and deemed KWD was not violating any ordinances and no enforcement action was required by the Code Enforcement Office. He supplied a written response to John Hamelin with a copy provided to Mr. LaCasse. Mr. Hamelin

was not satisfied with this response and contacted the City Administrator who sent out the Code Enforcement Office for another inspection. Following that inspection, the Code Enforcement Director met with Mr. LaCasse to discuss Mr. Hamelin's concerns and to receive KWD's perspective. In response to the claims, Mr. LaCasse pointed out that KWD operates in the hours between 7:00 AM and 3:30 PM Monday through Friday unless it has to respond to an emergency in which some of its customers are without water due to a water main break. He also stated that KWD covers its gravel pile in the fall, winter, and spring months to aid in keeping the pile from completely freezing and that cover minimizes the potential for any airborne dust. In addition, the pile is gravel, not sand, and there is another structure between the gravel pile and the Hamelin house and store. Mr. LaCasse also said that the KWD dump truck (and those of its contractors) is, by safety regulation, required to be outfitted with a cover to prevent anything inside the bed from bouncing or blowing out during transport. At the completion of this meeting, the Code Enforcement Director indicated his satisfaction with the KWD procedures and operations. Mr. LaCasse commented that KWD attempts to maintain a cordial relationship with its neighbors, both residential and business, and these complaints have become quite frustrating.

B. Vision Statement Process Continuation

Due to time constraints, this item will be discussed at a future meeting.

C. Other

None

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

Vote: Motion carried unanimously.

ITEM 9: EXECUTIVE SESSION, (Under MRSA Title 1, Section 405-6C, Real Estate Transaction and MRSA Title 1, Section 405-6D, Collective Bargaining Discussions)

This agenda item was conducted earlier in the meeting, see Item 3. E. Other.

ITEM 10: PUBLIC PARTICIPATION

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:15 a.m.