

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – DECEMBER 2, 2021 at 7:30 AM**

Note: KWD Trustees held this meeting at the KWD Water Treatment Plant. Notice of this meeting was posted on the KWD Facebook and Webpage.

The meeting was called to order at 7:30 a.m. by Vice-President Stabins

Trustees present: Amy Stabins, Vice-President; J. Michael Talbot, Treasurer (Remote Access); Jeff Earickson, Assistant Treasurer; Sarah Whateley, Clerk (Remote Access); Karl Dornish, Trustee; Allan Fuller, Trustee (Remote Access); Frank Richards, Trustee; Bruce Williams, Trustee (Remote Access); Denise Bruesewitz, Trustee (Remote Access)

Trustees absent: Al Hodsdon, President

Bruce Williams, Trustee, left the meeting at 8:45 a.m.
J. Michael Talbot, Treasurer, left the meeting at 9:10 a.m.

Also present: Roger Crouse, KWD General Manager; Amy Dyer, KWD Finance Manager; Jeff Longfellow, KWD Engineering Manager (Remote Access); Matt Zetterman, KWD Technology Manager (Remote Access); Benny LaPlante, KWD Service Manager (Remote Access); Jared Bragdon, KWD Distribution Manager (Remote Access); Robbie Bickford, KWD Water Quality Manager (Remote Access); Sue Markatine, KWD Recording Secretary

ITEM 1: INTRODUCTION OF GUESTS

None

ITEM 2: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF NOVEMBER 18, 2021.

Motion by Trustee Richards, "to accept the minutes of the Regular Board of Trustees' meeting of November 18, 2021," seconded by Trustee Earickson.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried unanimously.

ITEM 3: REVIEW AND APPROVAL OF ACCOUNT WARRANT

Motion by Trustee Talbot, "to ratify the December 2, 2021 total warrant of checks released for \$173,908.82," seconded by Trustee Earickson.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried unanimously.

ITEM 4: REVIEW AND APPROVAL OF 2022 OPERATING, CAPITAL, AND CASH BUDGETS

The Trustees were provided with the following documents: 1) Proposed 2022 Capital Budget; 2) Proposed 2022 Operating Budget; 3) Proposed 2022 Uncommitted Cash Reserves Budget; and 4) Operating Budget Category Descriptions. The Proposed 2022 Capital Budget was previously reviewed at the October 21, 2021 meeting. At today's meeting, Mr. Crouse reviewed the Proposed 2022 Operating Budget and Proposed 2022 Uncommitted Cash Reserves Budget and answered questions from the Board members.

Motion by Trustee Earickson, "to approve the 2022 Capital Budget, 2022 Operating Budget, and 2022 Uncommitted Cash Reserves Budget," seconded by Trustee Dornish.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Nay. Motion carried.

ITEM 5: APPROVALS/MOTIONS NEEDED

A. Sophos Endpoint Protection Annual Renewal

The Board members were provided with a request for authorization memo outlining the reasons for requesting approval of sole sourcing the purchase of licenses for two years of endpoint protection through A Partner in Technology (API).

Motion by Trustee Richards, "to authorize the payment to A Partner in Technology for \$7,023.47 for two years of endpoint protection," seconded by Trustee Earickson.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Abstained, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried.

B. Approval of Bond Resolution Regarding Spending for the New Facility

In order to comply with an Internal Revenue Service (IRS) regulation, an "Intent to Borrow" resolution must be approved by the Board due to the fact that the new KWD Operations Center project may be financed through the issuance of tax-exempt bonds or notes. Mr. Crouse pointed out that this resolution does not actually authorize a borrowing or an issuance of bonds. It will be necessary for the Board to take further future action to authorize the actual borrowing. (See full resolution following conclusion of minutes.)

Motion by Trustee Richards, "to move and resolve that the Board hereby declares its intent to issue tax-exempt debt to reimburse costs incurred by the District for the improvements described in the attached Declaration of Official Intent. The full form of the Declaration of Official Intent attached hereto is incorporated into this resolution herein by reference and is so stated at the conclusion of the minutes," seconded by Trustee Earickson.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried unanimously.

ITEM 6: GENERAL MANAGER'S REPORT

The Trustees were provided with the General Manager's report, and a brief review was conducted by Mr. Crouse.

In addition to his report, Mr. Crouse informed the Trustees that KWD is reviewing solar panel options to aid in offsetting energy costs at the new KWD Operations Center. A representative from ReVision Energy will give a presentation to review the benefits of this project, which will have limited cost to KWD, at the next Board meeting.

Mr. Crouse, Mr. Bickford, Trustee Richards, and Trustee Stabins, who were all in attendance at the KWD Forest Management Plan and South Narrows Peninsula Harvest Plan Public Information Session, commented on the meeting results. The Trustees had a general discussion regarding the KWD Forest Management and Harvesting Plan.

Mr. Crouse updated the Board members on the ongoing trespassing/unauthorized removal of vegetation on KWD's land issue and potential legal action.

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

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea. Motion carried unanimously.

ITEM 7: DEPARTMENT REPORTS

As part of their Board packet, the Trustees were provided with the Monthly Department Reports prepared by the respective managers.

Motion by Trustee Richards, "to accept the Department Reports as presented," seconded by Trustee Earickson.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea. Motion carried unanimously.

ITEM 8: TRUSTEE COMMENTS, CONCERNS, AND/OR IDEAS

None

ITEM 9: PUBLIC PARTICIPATION

None

ITEM 10: AS NEEDED: EXECUTIVE SESSION – 1 MRS §405. EXECUTIVE SESSIONS**A. MRS Title 1, Section 405-6A Labor Discussions – Year-End Employee Gift**

At 9:00 a.m., motion by Trustee Talbot, “to enter Executive Session under MRSA Title 1, Section 405-6A, Labor Discussions,” seconded by Trustee Earickson.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea. Motion carried unanimously.

At 9:23 a.m., Vice-President Stabins brought the Board out of Executive Session.

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

Motion by Trustee Richards, “in appreciation of KWD employees during a trying year, to authorize a one-time cash gift of \$200 for 2021,” seconded by Trustee Stabins.

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea. Motion carried unanimously.

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

Roll Call Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee Dornish – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea. Motion carried unanimously.

Meeting adjourned at 9:24 a.m.

Sue Markatine, Recording Secretary

Resolution

DECLARATION OF OFFICIAL INTENT PURSUANT TO TREASURY REGULATION §1.150-2

WHEREAS, the Kennebec Water District (the “Issuer”) intends to proceed with the project described in section 2 below (the “Project”); and

WHEREAS, the Issuer intends to finance some or all of the costs of the Project through the issuance of tax-exempt bonds or notes in anticipation thereof; and

WHEREAS, the Issuer may incur certain costs of the Project prior to the issuance of such bonds or notes and the Issuer expects and intends to reimburse itself for such costs from the proceeds thereof; and

WHEREAS, Treasury Regulation §1.150-2 requires that the Issuer declare its official intent to reimburse itself for such expenditures with the proceeds of such bonds or notes.

NOW, THEREFORE, the Issuer does hereby declare its official intent as follows:

1. **Declaration of Intent.** The Issuer reasonably expects to reimburse itself for expenditures made on the Project with the proceeds of tax-exempt bonds or notes in anticipation thereof to be issued by the Issuer to finance the costs of the Project in the maximum principal amount of \$16,000,000.
2. **General Description of Property to which Reimbursement Relates.** The following is a reasonably accurate general functional description of the type and use of the property with respect to which reimbursements will be made:
 - The acquisition of land and the design, construction, furnishing and equipping of a new administration and operations building for the Issuer.
3. **Public Availability of Official Intent.** This Declaration of Official Intent shall be maintained as a public record of the Issuer.
4. **Treasury Regulations.** This is a declaration of official intent pursuant to the requirements of Treasury Regulations § 1.150-2.
5. **Authority for Declaration.** This declaration is adopted pursuant to the following action of the Issuer: Resolution adopted by the Kennebec Water District Board of Trustees.