

# MINUTES OF THE BOARD OF TRUSTEES

July 27, 2022

The regular meeting of the Board of Trustees was called to order by President Tom Oliver at 2:00pm. Trustees Fred Lynk, Jim Burrows and Bob Emmons attended along with Superintendent Steve Cox, Assistant Superintendent Scott Minor, Treasurer Wayne Brockway, Accountant Cathy McLeod, GIS/Asset Management Coordinator Justin Richardson, Distribution Manager Keith Archibald, Assistant Plant Manager Brian McBride, Plant Manager Bill Snyder, Facilities Manager Rob Weymouth and District Engineer Jamie Paschal.

## **PUBLIC COMMENT**

There was no public comment.

**MINUTES** — Minutes for the June 29, 2022 regular meeting will be presented for approval at the August 31, 2022 meeting.

## **TREASURER'S REPORT**

### Financial Report

The Treasurer presented the June 2022 revenue analysis and comparison to budget report. He reported that annual metered account revenues were \$1,831,639 indicating a 2.3% favorable variance of \$41,490. Seasonal metered account revenues totaled \$628,347 indicating a 2.7% unfavorable budget variance of \$17,188. Total metered revenues were \$2,459,985 indicating a 1.0% favorable budget variance of \$24,302 and a .6% decrease in the year-to-date billed usage from 2021. He stated that there were 64 System Development Charges collected through June totaling approximately \$122,000.

The Treasurer gave a brief overview of the process and tasks being undertaken to prepare for the upcoming audit. The Audit is progressing with an upcoming interview between the auditor and Treasurer.

With the positive net income from 2021, we will be able to fund an additional \$223,000 to the Watershed Protection Fund. At year end, 2021, the Fund had an approximate \$968,000 balance and this appropriation would increase it to over \$1,100,000.

## **PROJECT AND OPERATIONS UPDATES**

### Water Supply, Production and Updates

The Assistant Superintendent gave a brief presentation of the monthly precipitation, water production statistics and water production cost charts for June.

He reported that 142.62MG of water was produced in June, down by 25.04MG (16.1%) from 2021 (June of record). The supply source summary for June indicated that Branch Brook provided 103.02MG while 39.43MG of groundwater was supplied by the groundwater wells. In addition, 0.17MG of water was purchased via the system interconnections.

Liquid precipitation recorded at the Filtration Plant was moderately low at only 2.46" (7 measurable rain events) for the month of June. YTD liquid precipitation stands at 18.90" which trails modestly behind the 18-year group average of 26.44".

He noted that the chemical cost of treating surface water for June decreased from \$293.13/MG the previous month to \$266.70/MG, while groundwater experienced a slight increase from \$110.76/MG to \$138.54/MG. This resulted in a blended water cost of \$231.22/MG for the month of June. The YTD blended water cost now stands at \$246.42/MG compared to \$208.30/MG in 2021.

He brought the Board's attention to the (2020-2022) monthly water production versus metered revenue comparison chart which indicated that June's \$454,607 metered revenue was \$12,478 lower than 2021 and \$16,942 lower than 2020. The \$2,459,984 YTD metered revenue is \$160,760 more than 2020 and \$8,054 less than 2021.

The Superintendent noted he recently conferred with members of the Southern Maine Regional Water Council and only one utility has begun to advertise water management practices for reducing irrigation needs. None have considered water conservation requirements.

#### AMI Meters

The Treasurer reported that 35 meters (572 YTD) were installed in June, bringing the cumulative total to 14,596. Of the remaining accounts to have their meter replaced, there are 36 annual accounts and 22 seasonal accounts. Of these, 30 have opted out and do not wish to have an AMI installed.

#### GAC Facility

The Assistant Superintendent reported that PFAS Treatment Facility has been running without incident since late June following the media replacement in pressure vessels #1 (GAC) and #2 (Resin).

The Facilities Manager did note that the Resin creates a slightly greater head loss but will not be noticeable to the capacity of the facility. It may slightly increase electrical costs, but other than that the performance to date looks really good.

The Plant Manager reported that PFAS sampling was performed last week and the results should be ready for the next Trustees' meeting.

The Plant Manager also indicated that all of the District water supply sources were tested for PFAS as part of this last round of testing.

The Assistant Superintendent reported that the \$165,000 of Grant money that was awarded to the District by the Maine Drinking Water Program for the resin should be arriving by mid-September.

The Superintendent reported that the three Officers met with SL Environmental to discuss the final details of the Multi-Jurisdictional Litigation against PFAS manufacturers which KKW intends to join.

#### Sodium Hypochlorite Conversion at the Filtration Plant

The Facilities Manager reported that the hypo project is nearly complete. They are completing some re-wiring that was creating a problem. Sodium hypochlorite is in the bulk storage tanks. The pumps, day tanks and piping have been tested for leaks with water. The department continues to work through a few start-up issues with Plant controls, communication and an old chemical injection point that needs to be repaired. He will be on vacation in early July. The official start-up of the new system is scheduled for when he returns. The Filtration Plant is still operating on chlorine gas one-ton cylinders until the new system is fully on-line.

The Plant Manager noted that we have been meeting the Drinking Water Program's requests and requirements as progress has been made.

#### Ocean Avenue & Colony Avenue (K'port) Water Main Replacement

The District Engineer noted that one phase (Phase 2) of the project remains to be completed in the fall. He met with representatives from the Colony Hotel and BREX (their site contractor). It was determined that KKW's crew will return to the project on September 26<sup>th</sup> and complete work no later than October 26<sup>th</sup>.

The Laudholm Farm Road main replacement project has been designed so that the crew can leave it in an incomplete state if they need to move over to Colony Ave before it's finished. They have enough flexibility that we can meet the needs of the Colony Hotel's project.

#### Broadway, Kennebunkport Water Main

The Distribution Manager reported that reconfiguring of this watermain eliminated a section of obsolete galvanized pipe (150') by installing new HDPE in accordance with the 2022 CIP budget.

#### Laudholm Farm Main Replacement

The Distribution Manager noted that the pipe has just been received. Dayton Sand & Gravel ground the first 1,600' of pavement (between the farm and Skinner Mill Road) today. Equipment

has been mobilized. Pipe installation will start tomorrow, and the remaining pipe is due to be delivered next week.

The Assistant Superintendent noted that he expects the project to move very quickly due to very few services, no other utilities (for most of the project), and good soils.

The Superintendent discussed how good progress was made on the valve maintenance program during the two weeks the crew was waiting for pipe delivery for Laudholm Farm Road.

#### Groundwater Exploration

The Assistant Superintendent summarized Task #1 (the geophysical survey results) on the District owned property that abuts Branch Brook just off Maguire Road in Kennebunk. The property being surveyed totals around 66 acres and includes a parcel that the District has owned since 2002 and a newly acquired adjacent parcel. Task #2 involves drilling a number of small diameter test wells within the potentially high yield areas. Late August or early September is the target time frame for Task #2.

A motion was made by Trustee Lynk and seconded by Trustee Burrows to authorize the expenditure of up to \$75,000 to complete task two. It was unanimously approved.

#### SCADA System Evaluation

The District Engineer reported that, per Trustee Lynk's request in the June meeting, a plan has been established for how to deal with replacement of the current SCADA system. The first step in the plan will be to hire a consultant to evaluate the current system and identify the risks associated with keeping it versus changing to a modern platform. The report that comes out of the evaluation will propose a plan to mitigate the existing risks and enough information and direction that we can begin to establish a budget and a schedule.

The consultant that we are most likely going to hire is Results Engineering, located in Saco. The reasons given for that selection include proximity, availability, experience with a recent, similar conversion (all of Maine Water Company's sites), and experience and licensing with Ignition, the platform we are exploring and are most likely to select.

In the meantime, the District Engineer continues to develop process diagrams for all sites and writing control narratives for each site. This is the first step in the process of understanding the scope of the change.

### **WATERSHED**

#### Watershed CMP workshop

The GIS/Asset Management Coordinator reported that the CMP educational workshops on erosion control and watershed stewardship began with the Sanford ATV Club. Included were

CMP, KKW, The Nature Conservancy, Inland Fisheries and two Game Wardens. There is work to do to get people educated. The next workshop is being scheduled for Kennebunk but the target audience has not been completely defined yet.

#### Andrews Property

The GIS/Asset Management Coordinator reported that a meeting with the Andrews family regarding land use agreements and expectations stemming back to a 2014 land deal, went very well and both parties appear to be satisfied with the direction. We will work together to meet the expectations of land use and property rights as outlined in the original agreement.

### **OTHER BUSINESS**

#### Employee Recognition

The Superintendent recognized the GIS/Asset Management Coordinator and the Assistant Superintendent as they brought great collaboration and resolve in the previously mentioned meeting with the Andrews family.

With the troubles the Wells Sanitary District has been having with a broken sewer main in Wells Harbor, the Superintendent recognized the added efforts of Steve Young and Kevin Howard and their willingness to help out with parts and repair oversight.

#### SHAPE Award

The Assistant Superintendent presented the SHAPE Award plaque to the Board of Trustees and explained the renewal process. The District received its first SHAPE Award in June 2009 and has successfully renewed the award since then. This most recent award is for another three years, the maximum allowed.

#### New Truck

The Assistant Superintendent reported that the new F-150 utility truck has arrived and the cap and floating floor accessories are due in any day. All in, the total was under budget by \$263.00.

#### Monthly Billing

Trustee Emmons requested a discussion on why KKW would consider monthly billing versus quarterly. The Treasurer outlined all the advantages to monthly billing.

- Improved cash flow eliminating the three-month lag in billing. 40% of the annual revenue currently comes in the last quarter of the year.
- Improve the ability for customers to budget with their other typical household bills.
- Reduce the administrative effort and negative connotation around the disconnection activities and collections processes.

- Less payment arrangements.
- PUC and CAD promote policies that keep customers from getting behind in payments.
- Promotes autopayment and paperless transactions which is environmentally responsible.
- Provides the customer more control/awareness over their water consumption.

Trustee Oliver disagreed that timely revenue should be a concern. He additionally reported that he polled quite a few people in his neighborhood and no one felt that they wanted to change to a monthly bill, however he recognized that they are seniors.

Trustee Lynk suggested more research into customer preference.

Trustee Oliver was concerned that giving people more control would bring in less revenue.

The Superintendent noted that providing the knowledge and opportunity for some customers to conserve as a means of controlling their expenses is a responsible thing to do. Conversely, those who are used to irrigating heavily will be less concerned with such watering practices because their monthly bill will be much more manageable than the 3x quarterly. As a result, the overall consumption may actually increase.

#### AWWA Tapwater Quality Perception

The Assistant Superintendent presented the report from the July/August AWWA Journal which noted that nationally, consumer confidence in tapwater seems to have eroded slightly from June 2020 compared with June 2021. There has been no indication of this locally but speaks to the importance of our newsletter which emphasizes water quality.

#### Maine Public Utilities Commission Chapter 62 Revisions

The Superintendent reported that KKW has been involved with a number of other Maine Utilities and the Maine Water Utilities Association to provide comment relative to the Commission's desire to revise the service standards rule, known as Chapter 62. The current rule is over 30 years old and has many improper references to electric and telephone service. In addition, the improved technology of meters today has exposed the need for revisions to testing requirements. The Office of the Public Advocate submitted comments that were frankly not helpful for utilities or customers, so the group had to provide further comment to address those.

#### Board Workshop July 11, 2022

The Trustees initiated a lengthy conversation surrounding the Business Platform project implementation and schedule. No decisions were made.

Trustee Comments

Trustee Oliver mentioned a few employee suggestions that were submitted in the suggestion box he established in the lunch room. No action was taken.

**EXECUTIVE SESSION**

On a motion by Trustee Lynk, seconded by Trustee Burrows, it was unanimously voted to go into Executive Session at 3:48 pm to discuss a real estate matter pursuant to MRSA Title 1 Section 405.6(C).

On a motion by Trustee Lynk, seconded by Trustee Emmons, it was unanimously voted to come out of Executive Session at 3:59 pm.

On a motion by Trustee Lynk, seconded by Trustee Emmons, it was unanimously voted to direct the Superintendent and Officers to engage in negotiations with the landowner named in the Executive Session for a purchase of property and execution of life estate at a dollar value not to exceed the limit that was discussed in Executive Session.

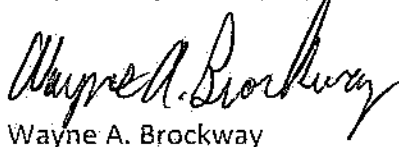
On a motion by Trustee Lynk, seconded by Trustee Burrows, it was unanimously voted to go into Executive Session at 4:00 pm to discuss a personnel matter pursuant to MRSA Title 1 Section 405.6(A)

On a motion by Trustee Lynk, seconded by Trustee Emmons, it was unanimously voted to come out of Executive Session at 5:07 pm with no action taken.

**ADJOURNMENT**

On a motion by Trustee Lynk, seconded by Trustee Emmons, it was unanimously voted to adjourn the July 27, 2022 meeting at 5:08 pm.

Respectfully submitted,



Wayne A. Brockway