

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – DECEMBER 20, 2018 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; Jeff Earickson, Assistant Treasurer; Mark McCluskey, Trustee; Frank Richards, Trustee; Alex Wild, Trustee; Amy Stabins, Trustee

Trustees absent: Allan Fuller, Clerk
Denise Bruesewitz, Trustee

Also present: Roger Crouse, General Manager; Jeff Longfellow, KWD Engineer; Matt Zetterman, KWD Director of Water Quality; Benny LaPlante, KWD Customer Service Manager/Safety Coordinator; Jared Bragdon, KWD Operations Superintendent; Sue Markatine, Recording Secretary; Mike Roy, Waterville City Manager (joined the meeting at 7:30 a.m. and left the meeting at 8:10 a.m.)

ITEM 1: INTRODUCTION OF GUESTS

Mr. Mike Roy, Waterville City Manager, was 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 DECEMBER 6, 2018.

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of December 6, 2018," seconded by Dornish.

Vote: 7 in favor, 1 abstention, motion carried.

ITEM 3: FINANCIALS

A. Account Warrant

Motion by Trustee Talbot, "to ratify the total warrant of checks released for \$106,412.12," seconded by Trustee Earickson.

Vote: Motion carried unanimously.

B. 2019 Budgets

**a. Operating Budget
i. Water Usage Summary**

At the December 6th Board meeting, the Trustees were provided with and discussed the proposed 2019 KWD Operating Budget. At that time, the Trustees requested more detailed information regarding the metered sales water consumption, non-revenue water, and unaccounted for water. This analysis was compiled by Mr. Crouse and reviewed at today's meeting.

b. Uncommitted Cash Reserve Budget

At the December 6th Board meeting, the Trustees were provided with and discussed the proposed KWD 2019 Uncommitted Cash Reserves Budget. There were no additional questions regarding this budget at today's meeting.

c. Capital Budget

At the December 6th Board meeting, the Trustees were provided with a revised and proposed KWD 2019 Capital Budget. There were no additional questions regarding this budget at today's meeting.

C. FY 2017 Property Taxes for 6 South Street

Please note: This agenda item was discussed earlier in the meeting.

In May 2016, the Kennebec Water District bought the property at 6 South Street in Waterville which is across the street from 5 South Street (KWD's Operation Center). Mr. Roy explained that in the State of Maine, the annual real estate tax bill within any given year is generated for the property owner on record as of April 1st. Therefore, although KWD is tax exempt, it has recently come to the attention of KWD that there remain taxes owed for the tax bill dated July 1, 2016 to June 30, 2017, as KWD had not taken possession of the property until May 2016. After some deliberation a motion was introduced.

Motion by Trustee Richards, "to pay to the City of Waterville the outstanding taxes for 6 South Street for the tax bill dated July 1, 2016 to June 30, 2017," seconded by Trustee Dornish.

Vote: 6 in favor, 2 opposed, motion carried.

On a different topic, Mr. Roy thanked Mr. Crouse and Mr. Longfellow for attending and participating in a recent meeting with several entities which will be coordinating and be involved in the Waterville Main Street and Front Street transportation and road reconstruction project. Prior to the commencement of this project, KWD is planning a major project of replacing much of its infrastructure in this area. Mr. Longfellow explained the age and complexity of the KWD infrastructure configurations in the Main and Front Street areas.

On behalf of KWD, Trustee Hodsdon thanked Mr. Roy for attending and participating in the Board meeting.

D. Other

None

ITEM 4: MOTION ISSUES

A. Approval of 2019 Operating, Capital, and Cash Budgets

Motion by Trustee Talbot, "to accept the 2019 Operating Budget, 2019 Capital Budget, and 2019 Uncommitted Cash Reserve Budget as presented," seconded by Trustee Earickson.

Vote: Motion carried unanimously.

B. Non-Union Employee Raise Authorization

Mr. Crouse explained that per the union contract, the union members will be receiving a 2.5 percent wage increase as of January 1, 2019. In the past, the Board has granted a raise equivalent to the union's percentage rate to non-union members.

Motion by Trustee Talbot, "to award a 2.5 percent wage increase to all non-bargaining KWD personnel effective January 1, 2019," seconded by Trustee Dornish.

Vote: Motion carried unanimously.

ITEM 5: TRUSTEES

A. Election of Officers – To Occur at January 3, 2019 Meeting

The Board members were provided with a spreadsheet indicating the names of the 2018 Officers of the KWD Board of Trustees, their respective positions, and descriptions of positions. At the Annual KWD Board meeting on January 3rd, election of officers will occur for 2019.

B. Comments, Concerns, Ideas

Trustee Hodsdon received a call from a concerned contractor who had called KWD regarding moving a scheduled appointment to the previous day and was informed by the Business Office that there were no available appointments. Mr. Crouse explained that although emergency situations are presently accommodated, he is working with his Management Team to develop a consistent process to assist urgent circumstances when the Customer Service Crew's appointment schedule is already filled.

ITEM 6: GENERAL MANAGER'S REPORT

A. Update on Selection of Public Communication Firm

Mr. Crouse reported that the selection committee has chosen Pulse Marketing Agency to be KWD's public communications firm. Mr. Crouse and Mr. Zetterman met with this agency on December 19th to discuss the details of the scope of work. This information and cost agreement will be presented to the Board at the January 3rd meeting.

B. Update on New Operations Center Project

Three consulting firms submitted Statement of Qualifications to aid in the design of the new KWD Operations Center. Interviews were performed with two of these firms, and the selection committee has identified the preferred firm. Mr. Crouse is in the process of checking the references submitted by this firm.

C. M-4 Sale Progress

Mr. Crouse and Mr. Longfellow met with Essex Hydro Staff to discuss the potential sale of M-4, KWD's hydro station. Essex Hydro requested additional information and is expected to submit a price proposal soon.

D. Other

Mr. Crouse reported that the new crew truck was recently delivered to KWD by Daigle and Houghton.

Mr. Crouse informed the Board that to further enhance relationships, he has been meeting with elected State Representatives from the various city and towns in KWD's service territory. A tour of the KWD Water Treatment Facility will be scheduled for these representatives and interested Trustees.

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

Vote: Motion carried unanimously.

ITEM 7: EXECUTIVE SESSION – 1 MRS §405. EXECUTIVE SESSIONS

None

ITEM 8: PUBLIC PARTICIPATION

None.

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

Vote: Motion carried unanimously.

Meeting adjourned at 8:58 a.m.

Sue Markatine, Recording Secretary