

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – JUNE 1, 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; Jeff Earickson, Assistant Treasurer; Joan Sanzenbacher, Trustee; Frank Richards,, Trustee; Mark McCluskey, Trustee; Kevin Gorman, Trustee

Trustees absent: Allan Fuller, Clerk; Bill Boucher, Trustee

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Benny LaPlante, KWD Distribution Superintendent; 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 MAY 18, 2017.

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of May 18, 2017," seconded by Trustee Dornish.

Vote: Motion carried unanimously.

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

June 1, 2017

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
Postmaster	Bulk Mail Postage-Billing	05/18/17	603.85
Aladdin's Trophy	Trustee Name Plate	05/18/17	10.00
Answering Services Unlimited	Monthly Answering Service	05/18/17	106.25
Atwork Franchise Inc.	Flaggers-Main St, Waterville-87 Hours	05/18/17	1,586.88
T Buck Construction Inc.	Western Avenue Pumping Station Capital Project	05/18/17	330,980.25
Fastenal Company	Screws/Nuts/Marking Paint/Grinders	05/18/17	777.67
General Alum N. E. Corp.	Alum-WTP	05/18/17	4,884.60
Hammond Tractor Company	Oil/Shut-Off Valve/Nut/O-Ring	05/18/17	47.11
John's Market Inc.	16 Bags of Ice	05/18/17	31.84
Joseph's Sporting Goods	Employee Clothing	05/18/17	127.78
Kennebec Auto Service	Tire Repair-Tk 11	05/18/17	47.97
Karen Landry	Reimburse Credit Balance after Sale of House	05/18/17	111.82
Maine Central Railroad, Treasurer	Real Estate Taxes-Pipe-Fairfield	05/18/17	16.00
Maine Municipal Emp. Health Trst.	Monthly Health Insurance	05/18/17	26,983.81
Motor Supply Company	Wiper Blades-Tk 8	05/18/17	9.98
William Mushero Inc.	Sand/Salt Mix	05/18/17	360.00
Northern Safety Company Inc.	Gloves	05/18/17	113.45
E. J. Prescott Inc.	Backflow Preventors/Horns	05/18/17	15,795.24
Quill Corporation	Timecards/Calculator/Clips	05/18/17	295.69
Results Engineering Inc.	Panel Upgrade Project-2nd Rangeway	05/18/17	1,974.62
Roki Repair Shop	Commercial State Inspections-2 Trailers	05/18/17	150.00
Spring Brook Ice & Fuel	Service for Garage Heater	05/18/17	107.05
Time Warner Cable	Monthly Internet/Phone Service	05/18/17	232.48
Walmart Community/GEMB	Ant Traps/Tie-Downs/Ext. Cord/Bulbs/Circuit Tester	05/18/17	117.40
Wright-Pierce	Western Avenue Pumping Station Capital Project	05/18/17	38,214.97
Kennebec County Reg. of Deeds	Lien Discharge-Quit Claim Deed-1 Property	05/18/17	22.00
BNY Mellon Corporate Trust	2004 Bond Principal & Interest	05/19/17	38,152.08
Treasurer, State of Maine	OSHA Training Completion Cards-3 Employees	05/25/17	24.00
Maine Environmental Sol. LLC	Survey of China Lake Gravel Roads	05/26/17	3,300.00
Postmaster	Bulk Mail Postage-Billing	05/26/17	467.95
TOTAL WARRANT			\$465,652.74

Motion by Trustee Talbot, "to ratify the total warrant of checks released for \$465,652.74," seconded by Trustee Earickson.

Trustee Hodsdon inquired about the \$16.00 payment made to Maine Central Railroad for property taxes in Fairfield. Mr. LaCasse explained that this is an annual real estate easement charge for land crossed (railroad easement) by KWD pipes.

Vote: Motion carried unanimously.

B. Other

Mr. LaCasse informed the Board that KWD received reimbursement of \$1,076,450.43 from the Maine Municipal Bond Bank (MMBB) for the KWD funds expended to date for the Western Avenue Pumping Station (WAPS) capital project. Trustee Hodsdon commented that KWD avoided interim financing costs by self-funding the project up to the date of the closure of the bond which was in May 2017. Going forward, the payments due for this capital project will be issued from the bond proceeds until those funds are exhausted. Mr. LaCasse reminded the Trustees that the bond issuance was limited to \$3 million with \$225,000 in principal forgiveness and the overall project cost is expected to be approximately \$3.3 million. The amount over the \$3 million mark will be subsidized by utilizing KWD's invested monies.

Regarding a different subject and as a point of interest, Mr. LaCasse mentioned that there was an article in the Morning Sentinel recently relaying the fact that the Greater Augusta Utility District, which is a combination of water, waste, and storm water service for the area, had a lien on an Augusta property which was approximately \$37,000 in arrears for water and sewer. Mr. LaCasse commented that although KWD does utilize the lien process, the unpaid balances are typically quite low due to the effectiveness of the disconnect process and procedures.

ITEM 4: MOTION ISSUES

A. Pipe Gallery Safety Anchor System Bids

The Board was presented with four bids which were submitted to furnish and install fall protection anchors at the WTP pipe galley and all of which met the KWD specifications. Mr. LaCasse recommended awarding the project to the low bidder, Fairfield Drafting and Construction for \$22,440. KWD has utilized this company for past projects and has been very satisfied with its workmanship.

Motion by Trustee Talbot, "to accept the low bid from Fairfield Drafting and Construction to furnish and install fall protection anchors at the Water Treatment Plant pipe gallery for \$22,440," seconded by Trustee McCluskey.

Vote: Motion carried unanimously.

B. Other

None

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

Trustee Dornish and Trustee Earickson both commented that recently there was an interesting documentary broadcasted on the past events surrounding the serious problem of lead being in the drinking water in Flint, Michigan, and the resolutions to remedy the situation. This film also disclosed the facts that there were numerous Michigan state agencies and officials who were

extremely negligent when addressing this problem, potentially to the extent of a cover up. They both recommended viewing this show.

Trustee Earickson mentioned that the content of lead in the drinking water in Flint, Michigan, increased at the time the source of water supply was changed. The Flint situation was most likely due to the change in pH and corrosiveness of the new water supply and its impact on the internal surfaces of its piping system. He also recalled that KWD had explored a supplemental water source and that one consideration was to ensure that the chemistry of the supplemental water was analyzed and an appropriate chemical regime was adopted before the water was supplied to the public.

Mr. LaCasse reviewed that several years ago KWD did commission Wright-Pierce Engineers to pursue another source of supply that KWD could cost-effectively develop either to use in conjunction with the existing WTP or use independently. Some of these considerations were a source close to the existing infrastructure to minimize cost and/or a source that could be blended with the existing source, therefore possibly reducing production costs and treatment costs. At the completion of Phase I, a Supply Evaluation Report was presented with various options. One option was to install wells in aquifers near the Kennebec River. It was explored if KWD's existing transmission system could be used to transmit the water to the WTP for treatment and then back into the infrastructure as it is presently. Another option considered was ground-water wells, and there were several areas screened for this source. Phase II of the project would have involved confirmation of the information derived from Phase I, with physical condition analysis and testing. Potential sources would have to be evaluated for suitability for use, quality and quantity, sustainability, and ability to meet KWD's objectives including the daily water consumption demand. For Phase II, the District would have also had to successfully obtain landowners' permissions in order to conduct such tests. Trustee Hodsdon mentioned the fact that the Maine utility with the largest ground-water supply source is presently only capable of producing 3-million gallons daily which is the approximate demand of KWD customers (with the exception of the times that the Huhtamaki Manufacturing Plant utilizes KWD water for manufacturing on any given day instead of river water). At the time Phase II was being considered, due to the expense, it was the consensus of the Board to put it on hold with the notion that the information from Phase I will continue to be valid if it was decided to proceed with Phase II at a later date.

B. Vassalboro Boat Launch Trustee Discussion Request

At the request of Trustee Richards, the above item was added to today's agenda for Board discussion and consideration of KWD making a contribution for the China Lake Vassalboro boat launch renovation project by the Town of Vassalboro. Trustee Richards explained that at the June 5th Vassalboro Town Meeting there is an article for review which, in summary, asks the voters to authorize the Selectmen to apply for state financing assistance and to also approve the utilization of \$28,700 of town funds which have already been raised and set aside for the renovation of the China Lake Boat Launch in Vassalboro. At today's meeting, he asked the Board to consider making a contribution, suggesting \$5,000, for this project as a good will gesture. Trustee Hodsdon commented that he was under the impression that the state was planning to pay for this project in whole. Mr. LaCasse reaffirmed the fact that because boat traffic to and from the current boat landing has to pass very close to (and sometimes over) the KWD intake adding to water quality vulnerability, KWD would prefer the launch moved and has offered land for this relocation. The Town of Vassalboro has rejected this idea expressing concerns that local businesses would lose commerce due to less boat traffic. In addition, because the area of the new launch would be in a more secluded area, security was also a concern for the town. Because Trustee Boucher has intricate knowledge of this project, it

was the consensus of the Trustees to table this discussion until he is in attendance at the next Board meeting. At the next meeting, it will also be known if the Vassalboro voters approved the article put forth at the town meeting for this rehabilitation project.

C. Other

Typically, the Board holds only one meeting per month during the summer months. After some discussion, the Trustees decided to meet on the regularly scheduled meeting date of June 15th and only once during the subsequent two months, on July 6th and August 3rd. In the case a significant issue arises and needs to be discussed before these scheduled meetings, an additional meeting will be arranged.

On a different subject, Trustee Hodsdon mentioned that he recently attended an awards banquet honoring William Harwood, Partner at the law firm Verrill Dana and KWD's legal counsel for the past several years, for his dedication and commitment to pro bono legal services.

ITEM 6: ENGINEER'S REPORT

A. Engineer's Report

China Lake Elevation: 171.5
Stream Flow: 40 cfs

The physical installation of the bypass pumps is complete. The final wiring and testing remains to be done. Because the 20-inch transmission main had been isolated by a previously unknown shut valve, there is some turbidity showing up in the water. Flushing during the long weekend will help to clear it up. The new electrical service is now in, and the back-up generator has been connected to the main switchgear and tested.

We are now nearing the end of the repairs to M-4. The assembly of the wickets has begun, but more gate links need to be made to complete the re-installation. Because of other deficiencies, they will be installing a replacement safety line, because the one that was installed years ago does not have the required strength.

I am pleased to report some good news on the service installation for the Hains Building at 173-5 Main Street, Waterville. After digging around the existing main and measuring for what room was available, we are now able to make the connections by using a tapping sleeve and valve. It will be tight, but it is much better than shutting down two blocks of Main Street to cut in the two tees.

Jefferson Longfellow, P.E.

Mr. Longfellow informed the Trustees that the contractor is in the process of installing the water service for the Hains Building at 173-5 Main Street, Waterville. He also mentioned that the Appleton Street water main relocation project due to the new Colby building has been completed by the contractor. In conjunction with this project, the final phase for the main relocation connections for Temple Street is scheduled for 4:00 a.m. June 2nd, with the contractor's plan to complete the project before businesses open for the day.

In regards to M-4, Mr. Longfellow informed the Board that the cost to repair one of the wicket gates is \$3,600 and the cost of fabrication to replace one of the wicket gates is \$13,000. One

of the wickets was in need of repair. KWD does have a spare wicket gate, but unfortunately it is configured to fit the other side of the turbine area. To have this altered to fit the opposite side would cost approximately as much to manufacture a new one. If all the electronics are operating correctly when M-4 is reassembled, M-4 should be operable by mid-June.

The next subject review was regarding the Western Avenue Pumping Station capital project. During the testing of the bypass pumps KWD are leasing for this project, it was discovered that one had a faulty motor. In addition, the bypass pumps supplied are not the ones stated on the submittal documentation and do not meet specifications. Mr. Longfellow explained that it is necessary for one pump to be capable of pumping 2,500 gallons of water per minute to meet demands, and the pump supplied could not meet this requirement without modifications to the variable frequency drives which places extreme stress on the pump. To resolve this problem, the proposal is to run two pumps in unison which will be capable of combined pumping of 3,000 gallons of water per minute and to provide a third pump as a back-up in the event of a mechanical failure. Trustee Hodsdon asked the amount of pumping run time per day, and Mr. Longfellow answered approximately 17 hours. Due to this event, the project is behind schedule by approximately ten days.

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

Vote: Motion carried unanimously.

ITEM 7: DEPARTMENT OPERATIONAL REPORTS

A. Operations and Maintenance Update June 1, 2017

The O+M Department has almost completed the Upper Main Street portion of the MDOT Paving Project. We have one hydrant valve left, but this valve is broken. We plan to repair or replace this valve next week, but unfortunately it is not possible to know the exact problem with the valve prior to the excavation. We will have to pass out letters and plan for full shutdown to replace the hydrant tee and valve. There is a possibility that we can replace the valve without having to remove the hydrant tee, or even better, simply repair the valve without the need for a shutdown, saving a substantial amount of time and money. We will be focusing our efforts into Fairfield next for this MDOT Project but luckily we only have a few valves to excavate.

The new Vac Unit has been working out very well for us. We have repaired many valve boxes, including a large number of service boxes needed for the Customer Service Department to perform their daily tasks. This machine has greatly reduced the time to repair these boxes! We have completed lists of all issues we have had, and are currently having, with both the new Case Backhoe and Western Star Dump Truck. I am writing letters to the owners of the companies we purchased these vehicles from expressing our concerns.

We did have one leak this month on a 6" main on Water Street in Waterville. It was on the southerly side of Water Street prior to the ball field, which is a very tight corridor to work and allow traffic to pass. We had to ask people at the boat landing to leave, verify residents were home for the night, and allow the Waterville Sewerage District to move their Vac Truck in case they needed it for an emergency. Have a great day everyone!

Benjamin LaPlante, Distribution Superintendent

Trustee Sanzenbacher asked when Mr. LaPlante expects to receive a response from the companies regarding the mechanical issues being experienced with both the backhoe and the dump truck. Mr. LaPlante responded he just received a voice mail from HP Fairfield regarding the dump truck, and he will be returning this call shortly to discuss and schedule the necessary maintenance and repairs. Mr. LaPlante stated that the staff at Beauregard Equipment, Inc. has been quick to respond to the repair problems for the backhoe; however, he is compiling a list of problems KWD has experienced with this equipment and will forward this to the owner of Beauregard Equipment, Inc.

B. Water Treatment Plant and Watershed Update June 1, 2017

We have completed two lake studies so far on China Lake, and water quality has been good. With the exception of pollen and some algae on the surface Secchi disk readings have been very good. Our most recent Secchi disk readings were all 4.5 meters or greater which is great by China Lake standards. Inflows into the lake have slowed down considerably recently, and it appears we're coming into low flow season for the stream barring a significant period of rain.

The granular activated carbon (GAC) exchange project is now complete. Filter performance has been great, and our latest total organic carbon (TOC) were much improved from where we were even though we only had new media in three of the filters at the time the sample was taken. TOC removal is a good indicator of filter performance. Carbon Activated Corp, the contractor that exchanged the media, is going to be back in six months to take samples to make sure the carbon is behaving as it should.

The roofing project at the WTP is scheduled to start in August, and the mason from Dick Roberts and Sons is going to be finishing the waterproofing of the exterior block wall of the WTP in June. Results Engineering has finished the PLC upgrade at the Second Rangementway, and WTP staff is preparing to start sampling water quality in Messalonskee Stream per the Department of Environmental Protection Agency requirements for M-4.

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

There were no additional questions regarding Mr. Zetterman's monthly report.

C. Customer Service/Safety Update June 1, 2017

Meter

- Service news of note:

A customer was refused service by meter personnel when, upon entering the home, dog and cat feces was visible throughout. In fact, it was not possible to walk without stepping on old, dried feces. The odor was overpowering. The customer also stated that KWD personnel would need to walk on a bed (a mattress on the floor) to access the meter. The customer was advised that for sanitary and safety reasons, the house would need to be cleaned and the bed moved before we would be able to enter the house to perform the work. The meter and other plumbing froze and broke during the winter, and the customer had been without water, apparently, for months before calling. Follow-

up: The house was barely cleaned up enough to provide service later that day. Municipal officials were notified.

The previously unknown connection discovered last fall at the Econolodge on KMD has been metered and service restored at the customer's request.

Meter staff assisted Winslow Parks & Rec at their request with ideas to house a meter and backflow preventer for a proposed seasonal service for a community garden spot off Dallaire St.

Another attempt to turn on the fire service at Railroad Square failed. KWD policy requires that a certified backflow assembly tester is present at the turn-on appointment. No tester was available at the time.

Safety

A customer was required to arrange the plumbing to accommodate the meter and backflow preventer so that KWD personnel would not need to enter a crawl space/confined space that had over a foot of standing water in it with electrical wires hanging from below the floor joists.

Kone Cranes Inc., an international company with an office in Portland, surveyed KWD cranes, hoists, and fixed ladders in order to provide a proposal for annual inspections. Somatex, Inc., based in Pittsfield, has provided this service each fall for several years.

Supervisors performed monthly safety checks to observe and correct as much as possible in preparation for MDOL's inspection scheduled for June 12th.

Mike O'Brien, Customer Service Manager

Mr. LaPlante informed the Trustees that KWD staff has been attending Occupational Safety and Health Administration 10 training sessions offered free of charge. He was pleased to report that when the attendees were asked if a safety program, procedure, or guideline was in place or known, the majority of the time KWD employees could confirm that this had already been established. Mr. LaPlante gave kudos to Mr. O'Brien and the employees at KWD for its excellence in safety.

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

Vote: Motion carried unanimously.

ITEM 8: GENERAL MANAGER'S REPORT

A. Unauthorized Bill Payment Website

Before the above update, Mr. LaCasse referred to the subject of the weekly China Lake phosphorus measurements obtained by KWD. Late 2016 and during the early spring, the readings had 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. At the May 4th Board meeting, Mr. LaCasse had reported that a sample taken on

April 7th had a reading of 38 ppb. At today's meeting, he was pleased to report that the three subsequent weekly tests were 12 ppb, 13 ppb, and 13 ppb. This reading is a snapshot of the present phosphorus; therefore, he concluded that the 38 ppb reading was an anomaly due to runoff during that particular time period from the significant snow melt and heavy precipitation.

Next, Mr. LaCasse brought to the Trustees attention the fact that there is a third party online bill-pay company named DOXO, Inc. which accepts payments for various utilities, including KWD, and other companies. In the case of KWD, DOXO was not authorized by KWD to accept online payments on its behalf. This website was discovered when a customer called KWD on a Wednesday to confirm that the payment she had made on the previous Sunday had been received as she had a disconnect notice. The customer stated that she was also charged a \$15 processing fee for making this payment. The payment had not been received as of that Wednesday. It was explained to the customer that KWD does not charge a fee for credit card processing and payments made on the KWD website are received the next business day. The customer was provided with the correct website address. The customer stated she was planning to dispute the payment she made online and paid KWD with a credit card over the phone. This is the first time KWD had been made aware of the existence of the DOXO website.

Mr. LaCasse researched this website and found it to be a "legitimate" company. (The Trustees were provided with an article entitled "DOXO is Legit Website, But Be Careful".) DOXO, also had many other Maine utilities listed on its website. Mr. LaCasse contacted the finance staff from these other utilities to inquire about their knowledge of this website. A few of the utilities responded that they were not aware of or associated with the website, but some accept payments through their own websites as does KWD. Some utilities were very much concerned because they were unaware of this website on which their utility was listed.

Mr. LaCasse has concerns for various reasons including the fact that DOXO copied a portion of the KWD website onto its own webpage, although it does state in fine print that it is not affiliated with KWD. Also, the public could have the misconception that this is the KWD website and that KWD charges a substantial fee to process credit card payments. Mr. LaCasse stated that KWD will put a statement on its own website warning people of the unaffiliated DOXO site and reminding customers of the fact that KWD accepts payments on its website (and also by phone and in person) without an additional charge.

Trustee Dornish suggested adding a statement to the quarterly bill regarding this concern. Mr. LaCasse commented that there is limited space for messages on the invoice, and the consumer confidence report website information is a requirement. Also on the bill is a message that credit card payments can be made on-line through Kennebewater.org. Trustee Talbot and other Trustees suggested that Mr. LaCasse write a submittal to the Morning Sentinel to alert the public to the DOXO website, and the fact that it is not an affiliation of KWD. A few of the Trustees also proposed that because DOXO pirated a portion of the KWD website, a cease and desist letter to DOXO might be an avenue to pursue. During Mr. LaCasse's communication with the other Maine utilities listed on the DOXO website, the idea to contact the Maine Attorney General's Office was also mentioned. Trustee Earickson, whose expertise is computer science technology, volunteered to conduct some investigating into the DOXO website. Mr. LaCasse will continue to exchange ideas with the other utilities and follow up on the Board's suggestions regarding this matter.

B. Electric Metering at Western Avenue Pumping Station/M-4

Mr. LaCasse informed the Board that as part of the Western Avenue Pumping Station (WAPS) upgrade, KWD will acquire two separate electric services, one for the WAPS and one for M-4. Although the M-4 hydro-station will no longer be directly connected to the WAPS, the original proposal was that the current configuration of the electricity from M-4 being used to offset the WAPS electrical usage cost or “power” the WAPS when it is operating would continue to be an option by utilizing and remotely syncing the two meters. At today’s meeting, the Trustees were informed that this is no longer a viable choice with one reason being that M-4 and the WAPS will be charged on two different rate schedules. Although this is slightly disappointing news, the upside is that all the power from M-4 will be sold to the grid which could boost its revenue as periodically the selling price may be higher than the electrical rate KWD pays for the WAPS grid purchases. In addition, when the WAPS project has been completed, there will be more electrical efficiencies, including the fact that the size of the replacement pumps will be smaller and utilize less power. In addition to the power generation charge, it is expected that the WAPS demand charge will decrease due to the downsizing from the non-standard of 4,160 volts to 480 volts. Another factor for consideration is that the two separate services will aid in simplifying a sale if the decision is made to divest from M-4 in the future. After the completion of the WAPS project, Mr. LaCasse will monitor and calculate the cost impact of the absence of the net metering.

C. Other

None

Motion by Trustee Earickson, “to accept the General Manager’s Report as presented,” seconded by Trustee Talbot.

Vote: Motion carried unanimously.

ITEM 9: EXECUTIVE SESSION, (If Necessary)

None

ITEM 10: PUBLIC PARTICIPATION

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 8:39 a.m.

Sue Markatine, Recording Secretary