

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – MARCH 3, 2016 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; Bill Boucher, Trustee; Patricia Gorman, Trustee; Gary Coull, Trustee; Mark McCluskey, Trustee

Trustees absent: None

Trustee Talbot left the meeting at 7:35 a.m.

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Matt Zetterman, KWD Director of Water Quality; Benny LaPlante, KWD Distribution Superintendent; 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 FEBRUARY 18, 2016.

Motion by Trustee Dornish, "to accept the minutes of the Regular Board of Trustees' Meeting of February 18, 2016," seconded by Trustee Fuller.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. ACCOUNT WARRANT

March 3, 2016

CHECKS RELEASED		Check	Dollar
Vendor	Description	Date	Amount
Alere Escreen	Preemployment Drug Testing-1 Emp.	02/12/16	62.00
Automationdirect.Com, Inc.	Pressure Transmitter-Huhtamaki	02/12/16	125.00
Central Maine Power	Monthly Electricity-Fairfield	02/12/16	54.82
CMRS-FP	Postage for Business Office Postage Meter	02/12/16	2,000.00
Constellation NewEnergy Inc.	Monthly Electricity-Variou Locations	02/12/16	4,482.44
Damon Refrigeration Co. Inc.	Service 2 Heating Boilers/Rewire Shut-Off Circuits-WTP	02/12/16	1,647.29
Earthlink Business	Monthly Telephone Service	02/12/16	320.15
Fabian Oil Inc.	Propane	02/12/16	172.23
GWI	Monthly Internet Service	02/12/16	43.42
Hammond Lumber Company	Materials f/Updates to Distribution Superintendent's Office	02/12/16	428.42
Hussey Communications Inc.	Monthly Internet Service	02/12/16	250.00
J & S Oil Company Inc.	Diesel Fuel	02/12/16	224.39
Joseph's Sporting Goods	Employees Clothing	02/12/16	767.58
Kennebec Equipment-Fairfield	Vacuum Unit Repair	02/12/16	397.84
Kennebec Water District	Monthly Petty Cash	02/12/16	51.39
M C Disposal Inc./DBA CMD	Monthly Rubbish Removal	02/12/16	88.00
Maine Municipal Association	Unemployment Premium	02/12/16	146.97
Motor Supply Company	Gauge-Electrical Connectors	02/12/16	8.76
Phenova	WS Residual Chlorine/WS Anions/WS Turbidity/WS pH	02/12/16	292.65
Siemens Industry Inc.	Repair HVAC Faulty Air Handler Unit & Exhaust Fans-WTP	02/12/16	2,026.50
USA Blue Book	Valve Setter/Hydrant Lifter	02/12/16	179.22
Waterville Sewerage District	Quarterly Sewer Bills	02/12/16	137.70
Wiswell Electric Inc.	Wiring f/8 Cameras/Hook Up Block Heater-Add Outlet-WTP	02/12/16	1,128.10
Postmaster	Bulk Mail Postage-Billing	02/17/16	641.97
Atwork Franchise Inc.	Flaggers-West River Road Break	02/18/16	478.80
BNY Mellon Corporate Trust	2004 Bond Principal & Interest	02/18/16	38,150.55
Critical Alert	Pager & Hoister/Pager Exchange	02/18/16	138.00
Fabian Oil Inc.	Propane	02/18/16	64.62
Goodman Wiper & Paper	Flannel Wiper Rags	02/18/16	464.00
Hammond Lumber Company	Materials f/Updates to Distribution Superintendent's Office	02/18/16	331.38
Home Depot Credit Services	Digital Infrared Thermometer-WTP	02/18/16	29.97
K L Jack & Company Inc.	Sling Bridle Lifting Device for Sand/Salt Spreader	02/18/16	330.05
Joseph's Sporting Goods	Employee Clothing	02/18/16	273.70
Kennebec Equipment-Fairfield	Light Tower Rental-West River Road Break	02/18/16	240.00
Michelle Kingsbury-Creative Floors	Sand & Stain Floor-Distribution Superintendent's Office	02/18/16	840.00
Maine Municipal Emp. Health Trst.	Monthly Health Insurance Premiums	02/18/16	20,186.82
Maine Oxy/Spec Air Gases & Tech.	Propane Tank Refills & New Valves	02/18/16	168.23
Maine Water Works Supply	Valve Box Covers/Hydrafinders	02/18/16	534.39
Treasurer State of Maine	Water Testing	02/18/16	75.00
Motor Supply Company	Belt for Thermo-Cycler	02/18/16	13.53
Quill Corporation	Correction Tape/Liquid Paper/Tape/Files	02/18/16	203.20
Roki Repair Shop	Repairs/Clutch Repair-Dump Truck	02/18/16	276.66
Super Shoe Stores Inc.	Employees Boots & Clothing	02/18/16	729.93
Time Warner Cable	Monthly Internet & Phone Service	02/18/16	232.54

Walmart Community/GEMB	Beverages/Paper Goods/Tissue/Trash Bags/Towels	02/18/16	115.50
Ware-Butler Inc.	Door Sweep for Generator Room Door-WTP	02/18/16	6.59
Wiswell Electric Inc.	Materials & Labor for Electrical Work Dist. Super. Office	02/18/16	1,097.77
Answering Services Unlimited	Monthly Answering Service	02/24/16	110.08
Business Card-Bank of America	Water Training Books-AWWA/TV Wall Mount-Amazon		
	KWD Mailbox Key-Wtvl. Post Office/Google Apps-Google	02/24/16	644.16
Dennis K. Burke Inc.	Heating Oil-WTP	02/24/16	4,460.00
Eastern Fire Services Inc.	Annual Service CO2 System-WTP	02/24/16	850.00
Hilltop Cleaning Service	Monthly Cleaning Service	02/24/16	564.00
J & S Oil Company Inc.	Diesel Fuel	02/24/16	349.49
Kennebec Equipment-Fairfield	Aluminum Staging Planks Rental	02/24/16	15.00
Treasurer State of Maine	Annual Chemical Registration Fees-WTP	02/24/16	300.00
Power Products	Troubleshoot Generator Block Heater-WTP	02/24/16	897.26
Quill Corporation	Copy Paper	02/24/16	199.50
United States Cellular	Monthly Data Hot Spots GIS	02/24/16	97.80
VWR International LLC	Buffer Fluoride Test/Storage Solution/Standards-WTP	02/24/16	672.08
Walmart Community/GEMB	Vinegar/Distilled Water/Cleaning Supplies-WTP	02/24/16	70.30
Wiswell Electric Inc.	Troubleshoot Generator Sensor/Repair Electric Heater	02/24/16	244.59
Wright-Pierce	Professional Services WAPS-12/26/15-2/5/16	02/24/16	2,841.28
Postmaster	Bulk Mail Postage-Billing	02/25/16	392.81
TOTAL WARRANT			\$93,366.42

Motion by Trustee Talbot, “to ratify the total warrant of checks released for \$93,366.42”, seconded by Trustee Earickson.

Trustee Talbot noted that there are multiple invoices for the upgrade to the Distribution Superintendent’s office, and commented that these were all deemed necessary repairs and upgrades, some required by the Maine Department of Labor.

Because the purchase of vinegar from Walmart for use at the WTP is often on the account warrant, Trustee Earickson suggested buying this item in bulk. Mr. LaPlante explained that throughout the plant there are analyzers and one-gallon jugs of vinegar are stationed and used at these several locations. Although the jugs could be re-filled rather than purchased individually, this would be more labor intensive and not as simple as the current process.

Vote: Motion carried unanimously.

B. Preliminary Year-End Financials

Because there are a few outstanding invoices which have not been received for 2015 expenditures, the preliminary year-end financials are not available for today’s meeting. Mr. LaCasse also informed the Board that, in preparation of the audit, Betty Hastings, KWD’s Financial Manager, is beginning the process of completing the numerous required schedules and reports in addition to the Annual Maine Public Utilities Commission report. Staff members from the accounting firm of Runyon Kersteen Ouellette will be on site to conduct the audit beginning on March 14th.

C. Presentation for Approval of 2016 Capital Budget

At the previous two meetings, the Trustees were provided with preliminary and proposed capital budgets and funding plans. At today's meeting, the Board members were provided with a copy of a Capital Funding Plan for 2016 Narrative compiled by Mr. LaCasse explaining the development of the capital budget, the items in the proposed budget, the reason for removal of a few of the original requests, the funding sources – from both the depreciation expense and invested cash, the other considerations in capital budgeting, and the recommendations he is proposing. The Trustees were also furnished with a copy of the proposed 2016 Capital Budget and a copy of Cash Flow Trends. Mr. LaCasse and the Trustees continued the review of the 2016 Capital Budget.

Trustee Fuller noted there are financial shortfalls predicted for 2015 and 2016 and inquired if this was a similar circumstance in 2014. Mr. LaCasse explained that the 2014 year-end net income was \$183,743, which was much higher than the anticipated deficit figure. The major contributing factors for this positive net income was, one, the uncharacteristically higher industrial water usage by and associated revenue for the Huhtamaki Manufacturing Plant. Second, consistent stream flow allowed for greater M-4 hydro generation and associated sales revenue including the renewable energy credit sales. Both of these categories can fluctuate in any given year due to several variables.

The trend for commercial sales has continued to show a decrease in annual revenues, most likely because of the combined impacts of business closures and increased water efficiency fixtures. Although domestic water sales have been declining throughout the state and nation, KWD's have stabilized, and it is believed this is due to the meter upgrade program which replaces older meters which are reading with less than 100 percent accuracy. Trustee Fuller asked if the Colby College revitalization of downtown, Waterville, will have an effect on KWD. As stated at the previous meeting, Mr. LaCasse answered when the numerous vacant buildings and inactive services including the fire services are reactivated and as new buildings are constructed, this will aid in boosting the KWD revenue but not to the extreme.

Trustee Fuller noted in the narrative regarding the Union Street main replacement that there is commentary that this project is complicated due to known gasoline soil contamination from abandoned gas stations which were once in the area and that the Department of Environmental Protection (DEP) and City have some intentions to make KWD responsible for abatement. Typically, KWD will refill an excavation area with the same soil as was removed if it is satisfactory. In this case, the soil is known to have some contamination, and KWD could be made responsible for the replacing and disposing of the dirt. At this point, it is unknown if the DEP and/or the City will aid in this financial responsibility if this is necessary. Trustee Fuller asked the approximate cost if KWD is solely accountable. Because there could be several different scenarios, Mr. Longfellow stated it is difficult to quantify the amount at this time. Trustee Hodsdon commented that, in his opinion, it should be approximately \$10,000.

Trustee Fuller was also curious regarding the sentence regarding future bonding and minimizing adding bond debt until the year 2021. Due to interest rates being low at the present time and because he is concerned rates will become much higher in the future, he inquired if it would be sensible to bond for additional funds at this time. Mr. LaCasse explained that in the year 2020 the majority of the present bonds will be satisfied, and the total debt service will decrease substantially. At that time, KWD will be able to issue substantial new bonds without increasing annual debt service expense and without increasing rates. If KWD was to procure additional bonding above and beyond the one for the Western Avenue Pump Station (WAPS) project, a higher rate increase than the one

currently planned would be necessary as KWD has to prove to the Maine Public Utilities Commission (MPUC) that it has the rates to fund such bonds. Trustee Dornish commented that he has been monitoring interest rates for many years and feels a higher water rate increase would not be justified on the assumption interest rates could potentially increase substantially. Mr. LaCasse added that many major projects may also be eligible to be funded by the State Revolving Funds program which offers interest rates approximately two percent below prime. In addition, if emergencies or unexpected costly projects should arise, either this capital budget could be modified, or the Board could consider utilizing the funds in the retirement plan reserve account with MPUC approval.

Motion by Trustee Earickson, “to approve the proposed 2016 Capital Budget expenditures in the amount of \$1,285,275,” seconded by Trustee Sanzenbacher.

Vote: Motion carried unanimously.

D. Other

None

ITEM 4: MOTION ISSUES

A. Policy on Annual Project Deadline

Mr. LaCasse informed the Trustees that numerous years ago, KWD had an annual project deadline of October 31st to complete any of the major capital main replacements or other capital improvement projects, and he would like to reinstate such a policy. This would also coincide with the approximate date the paving plants are closing for the season. Of course, there could potentially be some exceptions to this deadline as emergency projects and special circumstances do arise from time to time. With the deadline being October 31st, the work orders could be closed for financial purposes in a more timely manner than if projects are continuing into December and invoices for the previous year are being received in the new year. It was the consensus of the Board that Mr. LaCasse could implement an operational policy as he deems appropriate, and no motion was necessary for this policy.

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

At recent previous Board meetings, because a rep from the Maine Department of Agriculture, Conservation, and Forestry (DACF) had expressed interest to Trustee Boucher regarding relocating the China Lake Vassalboro boat launch, this topic had been renewed for discussion purposes. This subject has been broached several times in the past, and KWD has offered a parcel of its property for a new launch site which would be further from the present one which is close to the KWD intake pipe. However, due to numerous concerns, including funding for this project, historically the Town of Vassalboro has not been in favor of a re-location. At today’s meeting, Trustee Boucher relayed the information to Trustee Coull from Vassalboro that the DACF rep advised him that because the boat launch is town owned, the Town of Vassalboro would be required to file a petition with the DACF for an upgrade or relocation. The DACF rep also indicated that if the launch was relocated, the

present one could be maintained to be utilized as a carry in for water crafts. Mr. LaCasse suggested that he could send information to Mary Sabins, Town Manager of Vassalboro, regarding this subject for her to present to the Board of Selectmen for consideration. Mr. LaCasse asked Trustee Boucher if the DACF had indicated if repairs will be conducted to the present launch as it is in poor condition. Trustee Boucher stated, to his knowledge, the plan is to just replace the planks which are in disarray.

B. Colby Seminar on Water Treatment

Trustee Sanzenbacher had notified Mr. LaCasse that at Colby College a seminar was being held entitled “Engineering Considerations when Applying Environmental Chemistry Processes to Full-Scale Municipal Drinking Water Treatment Facilities” presented by Mr. Jim Malley, Professor at the University of New Hampshire. Mr. LaCasse, Mr. Zetterman, Mr. Epstein (WTP Operator), and Trustee Earickson all attended this session. A portion of this lecture was dedicated to the techniques available for the removal of pharmaceutical residuals from drinking water. The processes illustrated would be quite expensive to administer as there are multiple layers of treatment suggested. In addition, KWD presently has sound processes in place to purify the raw water and remove most contaminants including pharmaceuticals. Trustee Fuller asked if China Lake has been tested for pharmaceutical byproducts. Mr. LaCasse replied that, although it is presently not a required test by the EPA, KWD did test once for pharmaceuticals. The test results revealed there were only minute levels, parts per trillion, of items such as ibuprofen.

C. Other

Mr. LaCasse brought to the attention of the Board the article in today’s Morning Sentinel entitled “Phone Scam Targets Kennebec Water District Business Customers” by Amy Calder, Staff Writer. On Wednesday, the KWD Business Office was contacted by four businesses who stated they received a phone call Tuesday evening informing them that their water will be shut off within two hours if payment was not made by credit card. When one of the businesses informed the caller they had already paid for their water bill, the caller stated their check had been reversed by their bank. KWD Business Office staff does not call customers to solicit payment. Subsequently, the KWD office hours are 8:30 a.m. to 4:30 p.m. Monday through Friday. In addition to the article alerting customers of this scam, Mr. LaCasse contacted the Waterville Police Department and the State Attorney General’s Office. The Trustees commended Mr. LaCasse on quickly alerting the public of this scam.

ITEM 6: DEPARTMENT OPERATIONAL REPORTS

Treatment Plant Department Update

The Treatment Plant Department continues to be as busy as ever. We recently participated in annual laboratory proficiency testing which involves testing a series of water samples sent from an approved outside laboratory for various water quality parameters. These parameters include bacteria, fluoride, chlorine, pH, and turbidity. Even though our lab is only certified in bacteria and fluoride it is important to every day operations to make sure we’re on target for chlorine, pH, and turbidity as well. The results have been mailed to the outside lab and will be evaluated for compliance.

The Treatment Plant will be implementing a new bacteriological sampling plan, formally known as the Revised Total Coliform Rule sampling plan, over the next couple of weeks. The Revised Total Coliform Rule brings several changes to the original coliform rule, most notably the notification process after positive bacteria samples. As a result of the rule we evaluated our existing samples sites and we decided to change three of the sites so they better represent the District's system as a whole.

Other tasks that the Treatment Plant staff has been working on include reporting chemical inventory to the EPA and Maine Emergency Management Agency, preventative maintenance on filter system valves, installing security cameras, and putting together an RFP for the rehabilitation of the District's intake building.

Over the last couple of months the District has been left out of most CRLA correspondence. We haven't been invited to meetings or been a part of email discussion. Recently we were approached by an attorney hired by CRLA, Dan Dubord, to discuss where things stand. We were told that CRLA president, Jim Hart, was told he wasn't allowed to resign as he had originally planned because his name was on too many legal documents and that he was involved in too much to resign at this time. We also learned that CRLA is having trouble passing the dam liabilities on to ARI or another entity and it could take a while to resolve the issue. We are planning on contacting Kennebec County Soil and Water Conservation District (KCSWCD) to see if they would be interested in partnering on some projects around the watershed this summer. Their experience with watershed work and filling out permits would be a huge asset to the District's plan to do watershed projects separate from CRLA.

Matt Zetterman, P.E

Director of Water Quality

Monthly O&M Report

The O+M Department will be hiring its sixth new employee shortly. Of these new faces, none have more than two years' experience working in this field. To address this we have increased the amount of training both in house and off site. Group training is far superior to "telephone training," when one person trains another, then that person shows another until most of the information is lost toward the end. Group discussions create an atmosphere where new employees can ask questions and give new insight and senior employees can speak about experiences, helpful tricks, and the history of things. These trainings and discussions have added a sense of teamwork to this and other departments, and hopefully added to the pride everyone has working for the first district in the United States.

We are still going about our "normal" business, but using technology to streamline processes and paperwork. Safety is becoming part of the job, and rules for documentation are necessary but cumbersome at times. Filling out and filing safety forms with tablets and phones has already cut down on time and ultimately cuts down on possible injuries and/or fines if not completed. There is a huge benefit to having things like Terms and Conditions, Employee Handbook, User Manuals, SOPs, and many other documents right at your fingertips no matter where you are.

In the coming month we will be investigating and assessing tasks that will be necessary to upgrade the WAPS. We will be evaluating valves, flushing plans, and looking at all possible scenarios prior to implementation to create as little impact on customers and the district.

Benjamin LaPlante
Distribution Superintendent

Monthly Meter/Safety Report

Meter

Roger Bellavance, O&M Utility Technician, accepted the Customer Service Representative position opening up in the Meter Department. Roger Levesque retires on March 24 after seventeen years of service.

Service news of note: The fish market at 21 Bay Street, Winslow has been torn down.

Six frozen meters were replaced since February 1. Since 2006, the average is 36 per year with a low of 13 (2006) and a high of 63 (2015).

Safety

Falls are the number one workplace hazard causing injury and death in the US. Fall hazards associated with valve operation and maintenance in the pipe gallery at the filter plant have come into focus and are being studied.

Confined spaces are spaces that are big enough to get into, are hard to get into and out of, and are not made for continuous occupancy. They also kill many workers each year. Several of the less seasoned staff recently attended confined space training.

Beginning in 2015, a new Confined Spaces in Construction standard was put into place by OSHA. Communication between the various contractors involved in a construction site and air monitoring are the heart of the new standard. Excavating was exempted from the new standard because excavating has its own set of rules which contend with confined spaces which, in our case, are known as trenches.

KWD's new electrical safety program will be put into place soon. An arc flash analysis (required by OSHA standards) has been performed at the filter plant to determine safe boundaries and personal protective equipment (PPE) needed when working around electrical systems. Other areas of the district (M-4, pump stations) will need similar treatment.

Mike O'Brien
Customer Service Manager

In addition to the review of the above departmental reports, Mr. LaCasse explained to the Board that the aforementioned arc flash is an undesired electrical explosive burst of heat and light due to some type of fault which can cause substantial damage, harm, fire, or injury. In addition to the

improvement of the electrical safety program, the consultant who conducted the electrical safety analysis discovered that the main breaker at the WTP is too oversized for the transformer it is connected to, and there is potential for an arc flash occurrence. There are plans to downsize the WTP main breaker in order to prevent a potential incident. It was explained that when the WTP was put on-line, the design requisite mandated the size of the main breaker and transformer; however, CMP changed and reduced the transformer size.

Trustee McCluskey inquired the state of the China Lake raw water quality. Mr. Zetterman replied that even with the unusual warm winter and lack of snow, the water quality has been fine and pretty much standard for this time of year. He added that managing the lake level has proved somewhat challenging, as when it does snow or when the precipitation falls in the form of rain, due to the less ice, this has caused the lake level to increase during these periods.

In regards to the O & M Report, Trustee Earickson noted the efficiency of using electronic documentation and information for safety forms and other facets of the various jobs. He asked and Mr. LaPlante confirmed that this documentation is being backed up in the event hard copies are requested by the State of Maine or other agencies.

ITEM 7: ENGINEER'S REPORT

A. Engineer's Report

March 3, 2016
China Lake Elevation: 170.9
Stream Flow: 145 cfs

Operations

The work producing forms for the crews to use via Google forms continues. It seems that as more are created, there are ways to further develop the use of the forms, thus automating the paperwork flow. Such expansion now has the employees at the WTP using the forms to submit their daily time sheets as well as those who work from the South Street facility.

The biggest of these projects is to have the required monthly safety checks of the South Street facility in an electronic form that is filling a database. This will help the District maintain the necessary records without filling a series of notebooks, and will also make the monthly checking a more user-friendly process.

The in-house work has resumed for the projects after reviewing all of the work orders from 2015. We have had a meeting with the crew to inform them of the need to bypass pump around the Western Avenue pumping station and their involvement will need to be for both the initial work to plan for the job and then during the shutdown itself. Initially the crew will need to verify that KWD can get a shutdown of the system on both the transmission and distribution sides of the station. Most of these valves work, but there is one critical valve on the distribution side that the crew will need to work in the coming weeks as the weather cooperates. We have formulated a plan to work this valve in a way to minimize discolored water into the distribution system. Information from this meeting has been passed along to Wright-Pierce so that they can complete the environmental review as

needed by the Drinking Water Program at the Department of Health and Human Services who is administering the funds.

The main projects have had 50 percent of completed plans printed and review so that any missing information can be added to the plans with the proposed design. The Maine Department of Transportation is also completing its work for the Trafton Road, Waterville, interchange, so we have been working with them for a plan on how the existing hydrant is going to be abandoned and not affect the new drainage that they will be installing at the intersection of Trafton Road and West River Road.

Jefferson Longfellow, P.E.

Mr. Longfellow added that in regards to the safety electronic forms filing, it is yet to be determined the type of electronic signature that will be acceptable to the State of Maine Department of Labor. Trustee Coull suggested using a service such as E-Sign, and Trustee Earickson added that Adobe also has an electronic signing mechanism.

Motion by Trustee Sanzenbacher, “to accept all Department Managers’ Reports as presented,” seconded by Trustee Gorman.

Vote: Motion carried unanimously.

ITEM 8: GENERAL MANAGER’S REPORT

A. Project Updates

The first project update was in regards to the KWD Intake Building. The Request for Proposals was compiled by Matt and Jared from the WTP. This was reviewed by Mr. Violette from Fairfield Drafting & Construction, who designed the original plans with the aid of KWD staff, to ensure that all components necessary for the upgrade have been specified. The solicitations have been mailed to various contractors. There is a pre-bid meeting scheduled for March 8th, and the bid openings will be on March 15th. The bid tabulations will be presented to the Trustees for their review at the March 17th meeting.

The next update was in regards to the WAPS. Mr. LaCasse and Mr. Pelletier from Central Maine Power (CMP) have been discussing the revisions which will be necessary to the interconnection agreement (IA) between CMP and KWD. In addition, because KWD is altering the M-4 configuration during the WAPS project, KWD will also be required to file these alterations with the Federal Energy Regulatory Commission. Trustee Dornish inquired if the legislative debates regarding solar wind power and net metering could create consequences for KWD’s net metering between M-4 and the WAPS. Mr. LaCasse replied that as it presently stands, this potential legislative should not affect KWD.

Also in regards to the WAPS project, Mr. LaCasse has submitted all the necessary documentation to the Maine Drinking Water Program in order to be reimbursed for the approved 2015 Capacity Development Grant for \$15,000 for the study and report for the WAPS upgrade. This essentially reduces the cost of the study by half. Mr. LaCasse has also been conversing with bond

counsel in order to ensure the specific resolution language for the bond financing is precise for presentation to the Board for official approval.

B. Discussion on Potential Additional Water Testing Plan

At the previous meeting, because of the lead problem in Michigan, there was discussion if KWD should conduct testing above and beyond the present required program for lead more often. Mr. LaCasse was asked to contemplate a supplemental testing program and report back to the Board at today's meeting.

The Trustees were provided with a copy of a recent letter from the United States Environmental Protection Agency addressed to Commissioner Mayhew of the Maine Department of Health and Human Services. Because of the recent Michigan lead issue, this letter is essentially asking Commissioner Mayhew to review and confirm protocols and procedures to ensure all systems are being correctly monitored and reported. The letter also requests an increase in transparency, with the suggestion of posting lead and copper tests and results on the utilities or agencies website for public viewing. Included with this letter is a U. S. E. P. A. memo addressed to all water division directors clarifying the recommended tap sampling procedures for purposes of lead and copper testing.

The Trustees were also provided with a synopsis of Mr. LaCasse's and Mr. Zetterman's views on the potential of additional testing. For various reasons, including the fact that the Drinking Water Program is currently extremely satisfied with the KWD tests and results to the extreme that KWD was placed on a reduced testing schedule (every three years) and the KWD WTP source of supply and processes are not changing, it is felt that additional testing will only continue to prove the same results – that there is not a lead and copper exposure risk to the KWD customers. Furthermore, because the customers are collecting the samples, there is no guarantee protocol is being followed, and any of these tests cannot be guaranteed to be correct. That being said, Mr. LaCasse and Mr. Zetterman are in favor of boosting consumer confidence that this is not an issue via the KWD website and with a customer mailing.

The Board discussed the potential of additional testing. A few Trustees were in favor of Mr. LaCasse's and Mr. Zetterman's views that additional testing could inconvenience KWD customers and would produce the same results, that lead and copper is not an issue in the KWD water. Trustee McCluskey commented he was in favor of the customer mailing/website suggestion as he feels that a history of the KWD testing and the reason KWD is on a reduced testing schedule would be reassuring and valuable information to the KWD customer. Other Trustees were in favor of additional testing, but unsure of the customer base that should be tested as the present testing is conducted based on a delegation of "Tier I sites" which are essentially the worst case scenario sites based on their period of construction and the plumbing technology that was in use during that period. Those sites would indicate the highest levels of lead, if any.

Motion by Trustee Fuller, "to conduct lead and copper sampling every six months at five random locations for KWD in-house statistical purposes only, and if customers are not on the random testing listing and do desire to have their water tested to direct them to a certified lab to have the testing conducted at their own expense".

Since there is no second, the motion is not before this meeting.

It was the consensus of the Board to re-address this subject at the March 17th meeting.

C. CRLA Issues Update

As was stated in the WTP Department Report, Mr. LaCasse informed the Board that the China Region Lakes Alliance (CRLA) has retained Attorney Dan Dubord, who was one of the original organizers of the CRLA, to examine the liability of the dam purchases for the purposes of restoring alewives to China Lake and to investigate the best means to separate the liability from the CRLA and to pass it on to the Alewife Restoration Initiative group. Mr. Zetterman, KWD's representative on the CRLA board been notified of meeting dates and times nor received copies of minutes or email correspondence, but at the request of KWD, it is now being provided with this information. Mr. LaCasse and Mr. Zetterman will continue to update the Board regarding the CRLA activities as deemed necessary.

Mr. LaCasse also mentioned that the CRLA has drafted a rebuttal to the Kleinschmidt report. The Kleinschmidt report concluded that, based on scientific data, that alewife restoration to China Lake most likely will have minimal impact on the China Lake water quality. Trustee Fuller requested a copy of this rebuttal be provided to the Board members. As had been stated in the past, Trustee Dornish commented that, based on KWD's evaluation, even if there was some improvement in water quality with the restoration of alewives, there would be little financial benefit for KWD ratepayers, and KWD should not commit funds to a fish passage project. However, as a steward to the lake, the Board is in favor of supporting and dedicating source water protection funds to projects around the lake which will aid in reducing external or internal phosphorus loads which are the main contributors to algae blooms.

D. Legislative Issues Update

The only legislative update at today's meeting was in regards to LD 1566, "An Act Concerning the Establishment of Water Levels". Mr. LaCasse testified neither for nor against this bill but aired his concerns that if this bill passed requests for water level changes might be implemented without the same technical information and scientific data currently required including the potential impact a change would have on wildlife and environmental chemistry. There was also the potential of the DEP charging petitioning parties up to \$20,000 if a DEP adjudicatory hearing was necessary and he felt that cost might limit participation from some affected parties. This bill was voted "ought not to pass" by the Environment and Natural Resources Legislative Committee.

E. Other

None

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

Vote: Motion carried unanimously.

ITEM 9: EXECUTIVE SESSION

At 9:12 a.m., motion by Trustee Earickson, “to enter Executive Session under MRSA Title 1, Section 405-6C, Discussion and Consideration of Real Estate,” seconded by Trustee Dornish.

Vote: Motion carried unanimously.

At 9:16 a.m., President Hodsdon brought the Board out of Executive Session.

ITEM 10: PUBLIC PARTICIPATION

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:17 a.m.

Sue Markatine, Recording Secretary