

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – MAY 5, 2016 at 7:30 AM**

The meeting was called to order at 7:30 a.m. by President Hodsdon.

Trustees present: Al Hodsdon, President; J. Michael Talbot, Treasurer; Allan Fuller, Clerk; Jeff Earickson, Assistant Treasurer; Joan Sanzenbacher, Trustee; Gary Coull, Trustee; Bill Boucher, Trustee; Patricia Gorman, Trustee; Mark McCluskey, Trustee

Trustees absent: Karl Dornish, Vice-President

Trustee Talbot left the meeting at 8:45 a.m.

Also present: Jeff LaCasse, General Manager; Jefferson Longfellow, KWD Engineer; Mike O'Brien, Customer Service Manager/Safety Manager; Sue Markatine, Recording Secretary

Betty Hastings, KWD Finance Manager, joined the meeting at 8:00 a.m. and left the meeting at 8:40 a.m.

ITEM 1: INTRODUCTION OF GUESTS

None

ITEM 2: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF APRIL 21, 2016.

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting of April 21, 2016," seconded by Trustee Gorman.

Vote: Motion carried unanimously.

ITEM 3: FINANCIALS

A. ACCOUNT WARRANT

May 5, 2016

| CHECKS RELEASED | | Check | Dollar |
|-----------------------------------|---|----------|-----------|
| Vendor | Description | Date | Amount |
| Postmaster | Bulk Mail Postage-Billing | 04/20/16 | 635.96 |
| Business Card/Bank of America | Emp. Retirement Luncheon-Shaw's/Google Apps-Google | 04/20/16 | 254.97 |
| Fabian Oil Inc. | Propane | 04/20/16 | 56.38 |
| Wex Bank | Monthly Vehicles Fuel Purchases | 04/20/16 | 857.58 |
| Hussey Communications Inc. | Monthly Internet Service | 04/20/16 | 212.00 |
| Kennebec Equipment-Fairfield | Barricade Fence | 04/20/16 | 45.00 |
| M C Disposal Inc./DBA CMD | Monthly Portapotty Rental | 04/20/16 | 75.00 |
| William Mushero Inc. | Sand/Salt Mix | 04/20/16 | 107.50 |
| Pike Industries Inc. | Washed Ledge | 04/20/16 | 258.65 |
| Quill Corporation | Printer Toner | 04/20/16 | 1,529.91 |
| Runyon Kersteen Ouellette | Professional Services-Annual Audit | 04/20/16 | 7,250.00 |
| Staples Credit Plan | Towels/Post-It Notes | 04/20/16 | 51.48 |
| Walmart Community/GEMB | Paper Goods/Beverages/Sugar | 04/20/16 | 61.86 |
| Kennebec County Reg. of Deeds | Lien Recording Fee-6 Properties | 04/21/16 | 132.00 |
| Postmaster | Bulk Mail Postage-Billing | 04/27/16 | 358.44 |
| Answering Services Unlimited | Monthly Answering Service | 04/29/16 | 111.67 |
| Dennis K. Burke Inc. | Heating Oil-WTP | 04/29/16 | 4,485.42 |
| Central Tire Company Inc. | New Tires-Tk 8 | 04/29/16 | 804.00 |
| Crystal Reporting Solutions | Service for Updating Crystal Reports for Financials | 04/29/16 | 75.00 |
| Eurofins Eaton Analytical Inc. | Sampling for EPA | 04/29/16 | 135.00 |
| Fastenal Company | Safety Glasses | 04/29/16 | 150.56 |
| Formax A Div. of Bescorp Inc. | Envelope Sealant for Mailing Machine | 04/29/16 | 44.00 |
| Hach Company | Chlorine Reagents-WTP | 04/29/16 | 55.00 |
| HD Supply Waterworks LTD | Wooden Plugs | 04/29/16 | 79.74 |
| Houle's Plumbing Heating & AC | Annual KWD RPZ Inspections | 04/29/16 | 258.00 |
| J & S Oil Company Inc. | Diesel Fuel | 04/29/16 | 190.07 |
| K L Jack & Company Inc. | Grease Gun/Lubricant/Employees Clothing | 04/29/16 | 463.16 |
| Kennebec Auto Service | Tire Changeovers/Tire Purchase/Vehicle Service | 04/29/16 | 1,322.63 |
| Maine Municipal Emp. Health Trst. | Monthly Health Insurance | 04/29/16 | 22,721.14 |
| Maine Oxy/Spec. Gases & Tech. | CO2 Tank Exchange | 04/29/16 | 36.54 |
| Maine Water Utilities Assoc. | Bi-Monthly Meeting-1 Emp. | 04/29/16 | 30.00 |
| Maine Water Works Supply | Box Tops/Extensions/Covers/Hydrant/Tapping Fee/Pipe | 04/29/16 | 3,389.48 |
| Treasurer, State of Maine | Water Test | 04/29/16 | 40.00 |
| Workplace Heath | New Hire Testing-2 Emps./Hepatitis B Shot-1 Emp. | 04/29/16 | 466.00 |
| Motor Supply Company | Chain Lube/Snapper/Belts | 04/29/16 | 48.83 |
| Phenova | Residual Chlorine & Microbiological Testing | 04/29/16 | 242.40 |
| E. J. Prescott, Inc. | Grip Ring Accessory Packs | 04/29/16 | 801.19 |
| Quill Corporation | Ink Cartridges/Paper | 04/29/16 | 1,130.06 |
| Staples Credit Plan | Stapler | 04/29/16 | 14.99 |
| Time Warner Cable | Monthly Internet/Phone Service | 04/29/16 | 232.54 |
| United States Cellular | Monthly Cell Phone Service | 04/29/16 | 48.58 |
| United States Cellular | Monthly Hot Spot/GIS Data Service | 04/29/16 | 97.80 |
| Verizon Wireless | Ruggedized Cases/Screen Protectors/Tablet Service | 04/29/16 | 540.91 |
| Walmart Community/GEMB | Beverages/Anchor Kit/Cleaning Supplies | 04/29/16 | 21.24 |
| Ware-Butler Inc. | Wire Cable Clamps | 04/29/16 | 3.96 |
| Wright-Pierce | Professional Services-WAPS/Fall Protection Evaluation | 04/29/16 | 21,018.68 |

TOTAL WARRANT

\$70,945.32

Motion by Trustee Talbot, “to ratify the total warrant of checks released for \$70,945.32”, seconded by Trustee Earickson.

Trustee Coull noted the payment made to Wright-Pierce and asked for a further explanation of the fall protection evaluation being conducted. Mr. LaCasse replied that Wright-Pierce performed an assessment of the safest method and means when working on the valves in the pipe gallery at the WTP and has provided a design recommendation from this evaluation (which is discussed in the WTP Monthly Report and later in the meeting). He further explained that these large pipes and valves are located in a tight configuration to service the treatment system. Trustee Sanzenbacher asked if having the pipes so configured was a design flaw when the WTP was built. Mr. LaCasse replied that these particulars pipes and valves are usually located based on the part of the system they serve and years ago during a building construction phase, maintenance of the valves was not the major design factor. One primary consideration was space required for more separation and the cost of that added space. Trustee Hodsdon added that newer building designs typically include catwalks to ensure the pipes are more easily accessible. Trustee Fuller asked the major safety concern, and Mr. LaCasse replied it is chiefly fall protection.

Trustee Sanzenbacher asked for a further explanation of the purchase of grip ring accessory packs from E. J. Prescott, Inc. Trustee Hodsdon answered that a grip ring is used for a restraint of a mechanical joint pipe, valves, and fittings and creates a fixed joint. Trustee McCluskey suggested bringing one to the next Board meeting for a demonstration.

Vote: Motion carried unanimously.

Because one Trustee had to leave the meeting at 8:45, President Hodsdon recommended entering Executive Session at this time instead of at the end of the meeting.

At 7:36 a.m., motion by Trustee Talbot, “to enter Executive Session under MRSA Title 1, Section 405-6C, Discussion of Real Estate,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

At 7:44 a.m. President Hodsdon brought the Board out of Executive Session.

As a result of the Executive Session, a motion was made.

Motion by Trustee Talbot, “to authorize KWD to purchase the property located at 6 South Street for the agreed to contract price as negotiated by the General Manager,” seconded by Trustee Sanzenbacher.

Vote: Motion carried unanimously.

B. Update on Auditor Required Changes and Year-End 2015

For the benefit of the newer Trustees, Mr. LaCasse introduced Betty Hastings, KWD Finance Manager, and discussion of the audit entailed. The Trustees were provided with a copy of Mr.

LaCasse's text emailed to the KWD auditing firm, Runyon Kersteen Ouellette (RKO) explaining that at the April 21st meeting, the Board discussed the three major auditing requested requirements at length and conveying the opinions which were the result of these discussions. Mr. LaCasse did receive a brief reply from Mr. Hank Farrah, one of the principals of the firm, stating that Mr. Tim Gill, one of the managers and who was also a participant in the KWD audit, was unavailable until May 4th to review Mr. LaCasse's and the Board's requests. Mr. Farrah did indicate that the changes requested, in his view, would not be in compliance with the generally accepted accounting principles (GAAP) and could result in a qualified (unclean) opinion of the KWD financial statements. Also included in Mr. Farrah's reply was the fact that, due to other obligations, he could not meet with the Board at today's meeting, but would be happy to meet with the Board at a future date.

Mr. LaCasse explained that because there are no definitive answers from RKO as of yet and the 2015 accounting year has not been closed, the present accounting year financials are unable to be processed and presented. In addition, Betty has had to request two filing extension deadlines for the Maine Public Utilities Commission (MPUC) report. Mr. LaCasse asked the Trustees if the RKO staff is available to meet before the next Board meeting, if he should set up a meeting with some or all of the Board members. The Board discussed this as well as the other significant items pertaining to the audit.

Trustee Hodsdon asked if there have been new accounting directives which would cause a change in the methodology in which KWD has recorded its financials for the past 30 plus years and that other auditors have accepted as appropriate. Mr. LaCasse answered by briefly recapping the three major items of concern. The first is the auditors' request to accrue December meter readings as bills but which are not actually billed until January. The billing cycle for KWD has not changed since at least the early eighties, and no prior auditing firm has requested this from KWD. Trustee Sanzenbacher inquired if the number of other water utilities RKO audits is known, and if so, if these entities bill on the calendar year. Mr. LaCasse replied that he knows of three other utilities which have customer bases smaller than KWD that RKO audits, but he is unsure of their billing cycles. Trustee Fuller asked for an explanation as to the reason KWD does not bill in December and asked if KWD should consider changing the cycle. Betty explained that this billing cycle was in place prior to her employment at KWD, 30 plus years ago, and due to this historical accounting, although meters continue to be read, quarterly invoices are not released in December but are released in January with customers receiving four bills annually. A change to this cycle at the present time would result in thousands of customers receiving an "extra" bill the first year it was implemented. In addition to upsetting some customers who are familiar with the present billing cycle, the MPUC could potentially oppose this change. Betty further explained that the RKO statement that KWD "does not utilize a consistent billing schedule" is inaccurate. KWD is consistently reading meters and billing according to a billing schedule with the different municipalities readings and invoicing staggered throughout the year on a rotation basis. Trustee Coull made the point that for 30 plus years no prior auditing firm has necessitated this type of billing accrual. In regards to changing the cycle, he, along with the agreement of other Trustees, does not feel it is justifiable to alter the KWD billing cycle due to a different interpretation of one firm.

The second item concerns the Governmental Accounting Standards Board (GASB) Statement No. 68 which dictates methods to recognize and account for liabilities for pension plans which is new for 2015. RKO delayed the final draft of the financial reports until these figures were made available by MainePERS which was the middle of April. This reporting method, waiting for the financial schedule from MainePERS annually, will continuously delay the year-end financial closure, timely filing of the MPUC Report, and processing of the financials for the new fiscal year. Mr. LaCasse had

suggested to the auditors, and the Board had agreed, that the KWD could present an estimate of the net pension liability on the year end statements and then make an adjustment in the statement the following year when the “true” figures have been received from MainePERS. Trustee Hodsdon commented he believes using this accounting method would be appropriate and not a misrepresentation of the KWD financial reports as RKO had suggested. Betty confirmed that at least one other accounting firm, which has numerous water utility customers, is utilizing a different type of accounting entry for the GASB 68 than RKO. The utilities which employed this other firm received finalized year-end financial statements in a timely manner and were able to file their MPUC reports without requiring an extension.

The third item concerns the surplus money KWD received from MainePERS in 2015. Although this is a one-time “accounting entry” the method of recording these monies as “extraordinary income” and the expensing of the monthly employer portion of the pension premiums required by RKO will skew the financial reports for comparison purposes for the next few years. At the Board’s suggestion, Mr. LaCasse requested the funds be considered as a “transfer of assets” rather than income. This reasoning is due to the fact that KWD is essentially utilizing the funds in the same means as MainePERS had, in a dedicated reserve fund to be used to fund the KWD monthly employer contribution. Trustee Earickson asked if in previous years MainePERS provided a statement with the annual employer pension expense and KWD’s account balance. Betty replied KWD did receive such a statement, and past auditors would record this information in the financial notes.

Mr. LaCasse also commented on the RKO request of expensing monies when they are withdrawn from the cash account reserved strictly for the intended project, and, as governed by the MPUC, can only be used for the particular project unless approved prior by the MPUC. For instance, over the course of numerous years, KWD placed funds in reserve accounts for high cost projects such as tank painting and granular activated carbon replacement at the WTP with plans to avoid the need to fund an excessive expense in the year when these projects are undertaken. At the time the funds were placed in the reserve account, the monies were a debited expense for the project. If KWD were again to expense at the time the monies are withdrawn from the reserve account, KWD would be expensing for the same project funds twice. Betty has contacted RKO and questioned this accounting approach; however, to date, RKO has not changed its accounting adjustment.

Trustee Talbot asked if there would be an impact to KWD’s financial status or bond rating if RKO did issue a “qualified opinion”. Mr. LaCasse replied, although he believes it should not have an impact on the KWD bond rating as KWD bonds through the Maine Municipal Bond Bank, he will pose this question to RKO and MMBB. Trustee Talbot also suggested ensuring that a qualified opinion will not affect the KWD malpractice insurance. Because the Board on the whole agreed that the previously discussed KWD suggestions represent sound principles and practices, there was some discussion of whether KWD should just ignore the audit suggestions and complete the financials as discussed. However, it seemed prudent to review the written response from RKO when received before making a definitive decision and to also learn the potential consequences of a qualified opinion. It was the consensus of the Trustees that after Mr. LaCasse receives and reviews the answers from RKO, if he believes it to be warranted, to set up a phone conference with RKO for the May 19th Board meeting.

C. Other

None

ITEM 4: MOTION ISSUES

A. Main Replacement Projects Bid Evaluation.

The bid submittals for the 2016 main replacements were not available for today's meeting. Trustee McCluskey asked when the proposals will be received and made available to the Trustees for review. Mr. Longfellow answered that the bid openings are scheduled for before the next Board meeting, and the submittals will be presented at the May 19th meeting.

B. Other

The Board was provided with a copy of the bid specifications for the dump truck construction vehicle for its review and which was an item included in the 2016 capital budget. Bids for this truck will be solicited, and the results will be presented to the Trustees at a future meeting. Mr. LaCasse did comment on one item – heated body – listed on the specifications. He explained that in the winter the ground being excavated is usually saturated with ice and snow. A heated body is necessary to keep the material from freezing to the body and then being unable to be dumped and removed.

ITEM 5: TRUSTEES

A. Comments, Concerns, Ideas

Trustee Fuller asked if KWD has begun the supplemental lead testing in the public schools. Mr. LaCasse replied that KWD has begun contacting the area school superintendents to discuss this testing. There are approximately ten schools targeted for the first round of testing, and the plan is to test three taps at each location. KWD will also provide the school districts with the official Environmental Protection Agency School Testing Guidelines in the event the schools desire to conduct additional testing on their own. Trustee Fuller suggested KWD test the raw and finished water at the WTP at the same time as the school testing in order to provide proof that the lead originates from the school's internal plumbing system in the event there is a lead level reading. Although regulated testing of the KWD finished water has determined there is not a lead level concern, KWD is being proactive by assisting the schools with a risk assessment. That said, Trustee Earickson mentioned that the press will most likely receive word of this endeavor. Mr. LaCasse commented that at some point he'll either contact the newspaper if they do not contact him first, and he also plans to incorporate this information in the KWD Newsletter which will be mailed to the KWD customer base. Trustee Hodson asked if the lead testing by KWD will be conducted before the end of the school year. Mr. LaCasse replied that he anticipates the testing will be completed before the school session closes, and this will allow the schools the summer period to conduct changes if there are cases where lead levels are detected.

B. Other

Trustee Earickson informed the Trustees that he will not be in attendance at the May 19th Board meeting.

ITEM 6: DEPARTMENT OPERATIONAL REPORTS**A. Water Treatment Plant Update May 5, 2016**

With the early ice out and a stretch of good weather we were able to get our boat on the lake to start monitoring water quality. Even though it was too windy to do some of our normal tests it's always good to do an initial assessment as early as possible. Water transparency is below average for this time of year which isn't unexpected. The early ice out in conjunction with precipitation and wind has created the perfect storm for creating poor transparency. Visual inspection of Webber Pond and quantitative analysis of the active lagoon at the treatment plant support that the early transparency problems are most likely due to weather conditions. On a similar note, we have applied for two source water protection grants through the state. One grant is for conducting a gravel roads study in the China Lake Watershed, and the other is to purchase buoys so we can decrease the interval between buoys around our intake pipe. We should find out in early May whether we received the grants or not.

The intake building rehabilitation project will be getting underway starting May 2nd and Sheridan Construction expects the project to take about four weeks. This schedule is ideal as it will provide minimal interruption to district operations. Per the recommendation of the arc flash analysis the district commissioned earlier this year, the treatment plant will also be hiring ES Boulos to change the settings on the main breaker to bring the plant electrical equipment to safer working level. They will also be moving the controls for the automatic transfer switches for the generator so they will be in a safer location.

We have hired Wright Pierce to come up with a design to improve safety in the pipe gallery of the treatment plant when working on the valves that make up the filter system. There wasn't one approach that would work for every valve so they initially had proposed three different approaches to make the work possible; tie off points mounted to the ceiling, platforms for working on, and a ramp so we can get a lift into the pipe gallery. After review we decided that trying to do all three approaches would be cost prohibitive. We decided that we couldn't get away from doing the tie off points or ramp, but that we could rent scaffolding and a lift in lieu of mounting permanent platforms and buying a lift of our own.

In the fall we are going to be doing our second round of cryptosporidium testing. Cryptosporidium is a protozoa that can cause gastrointestinal illness and was huge focus in 1993 after an outbreak in Milwaukee caused at least 104 deaths. As part of the testing we are required to do a quantitative analysis of coliform instead of the positive-negative testing we normally do. We have the equipment to do the testing but haven't used it in a long time so we have been practicing the technique and recently completed a proficiency test so we can become certified.

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

B. Operations & Maintenance Update May 5, 2016

Throughout the month of April we have continued to update all types of KWD forms into electronic versions. Assistant Engineer Josh Couture has worked with the O+M Department to help upgrade the O+M Electronic Timesheets and O+M Task Sheet. He has added more coding to allow me to add drop menus which help standardize tasks and lingo for the department, especially the new

employees, and help with the billing aspect for the Office personnel. The O+M Task Sheet can be accessed by all supervisors now. This list assures things aren't forgotten, allows us to prioritize, helps with planning jobs, and keeps a running tally of all categories of work completed.

The O+M Department has completed the installation of a new hydrant on the West River Rd. as part of an MDOT project and will abandon a hydrant in the near future as that project gets underway. We had one service leak at #134 Carver St. in Waterville and have been repairing service boxes quite frequently, 19 since we started counting on 4/25/2016. We are continuously calling/marking dig safe to maintain system assets and Pelotte will be in soon to help with digging as we have compiled quite a list. Our spring system flushing will be planned for the end of May.

Our department's new employees are working out very well and are catching on quickly. We still have to place a great emphasis on training for all required tasks and safety aspects of these positions. I have completed the Bid Specs for the new Dump Truck and plan on sending them out upon approval.

Benjamin LaPlante, Distribution Superintendent

C. Customer Service and Safety Updates May 5, 2016

Meter

Service news of note:

The former Winslow Car Wash and Red Barn buildings are being razed to accommodate what we believe to be a new Dunkin' Donuts on Bay Street.

Elm City Motors has closed.

Pizza Pieoneers at Waterville Commons opened.

A new sports-oriented hair salon/barbershop opened at Elm Plaza.

Along with the normal work load, seasonal meter installations (snow birds, parks, cemeteries, and athletic fields) are keeping the customer service staff busy.

Meter staff assisted the maintenance staff at Thomas College with a perceived high usage at their newest residence hall, initially metered in June of 2014. Using the FlexNet meter reading system, we were able to look at the past eleven months of data to show that the usage appears to rise and fall in coincidence with the school's schedule.

Safety

Plant staff is moving forward with plans to improve fall protection safety in the pipe gallery at the plant.

We received the Arc Flash Analysis for the Chase Ave Pump Station from our contractor, Electrical Controls of Maine. For budgetary reasons, M-4, the Fairfield Pump Station, and the vault at Twin Tanks will be analyzed next year. The Western Avenue Pump Station will be analyzed as part of the upgrade project slated to begin later this year.

Two grant applications were submitted to MMA's Safety Enhancement Grant Program: one for fall protection personal protective equipment (PPE) and one for electrical PPE, flame-resistant (FR) coveralls, FR hoods, arc-rated face shields/hardhats, and a set of insulated tools.

Annual fire extinguisher maintenance has been completed by Maine Fire Equipment. KWD employs sixty-one extinguishers throughout district facilities and vehicles.

Various O&M, Engineering, and Meter staff attended Backhoe Operations training, Work Zone Traffic Control Safety training, and Trenching & Excavation (Competent Person) Safety training.

Mike O'Brien, Customer Service Manager

In addition to the above, Mr. O'Brien reviewed for the Trustees that KWD has received a recommended proposal from Wright-Pierce derived from the aforementioned fall protection safety evaluation of the WTP pipe gallery. This proposition has been reviewed by Mr. Zetterman, Director of Water Quality, and he has discussed it with Mr. O'Brien and other KWD staff members. Because the initial Wright-Pierce recommendation, which includes building cat walks, would be quite costly – in the six figures, other ideas are being explored to remedy this safety concern. One option being discussed is the rental of scaffolding and a scissor lift when it is necessary to work on these pipes and valves. Trustee Boucher asked if it would behoove KWD to purchase a scissor lift to have available immediately if there is a problem with this piping. Mr. O'Brien replied that this notion had been discussed, but the conclusion was that it would be less costly to rent one when necessary.

On a different subject, as stated in his report, Mr. O'Brien reported that KWD has received the arc flash analysis for the KWD Water Treatment Plant. At the request of Trustee Hodsdon, Mr. O'Brien gave an explanation of an arc flash and the arc flash analysis. An arc flash is an electrical explosive burst of heat and light due to some type of fault which can cause substantial damage, harm, fire, and injury. For instance, at the WTP there is a huge wall cabinet which houses the electronics, and, at times, KWD personnel or a contractor has to open its doors in order to conduct maintenance work. The analysis defines boundaries for and advises on the correct personal protection equipment necessary when entering these areas. Trustee Earickson inquired the method in which the boundaries are delineated. Mr. O'Brien replied that there are labels with boundary and other pertinent information at these locations. He further explained that the KWD employees have been trained regarding the definition and meaning of the information contained on these labels. Mr. LaCasse added that KWD has been provided with a written report and diagrams as a result of the study.

ITEM 7: ENGINEER'S REPORT

A. Engineer's Report

China Lake Elevation: 170.6
Stream Flow: 14cfs

Work continues with the geographic information system (GIS) enhancement before we get fully into the construction season. The focus has been to map out the services along Cushman Road in Winslow. The main is done, but we are enhancing the work by adding the services. Hoyle and Tanner is planning to start a series of ledge borings for a future sewer force main, and we want to be ready for the requests for locates when they are sent to KWD.

Mapping is also being done where the crews are locating mains and services throughout the system. Because the locates are being completed, we can simply map the work. Doing the mapping by this method is allowing us to get the work that was done by the locate crew to be put into the computer soon after the research is done.

The Western Avenue Pumping Station upgrade has become a daily task during the past week. Wright-Pierce Engineering is in the final phases of their design and needs clarifications or has operational questions. Hopefully, we can come to the end of this phase of the work soon.

I have been working with CMD Construction to complete the groundwork for three separate fire suppression sprinkler systems this month. One has been a rush, because other excavating is being done in front of the building.

Sadly, I have not been able to get the main projects advertised for bidding soon enough for the May 5th meeting. The time spent on the pumping station was greater than I had been anticipating. The plan remains to get them out for the second Trustee meeting in May.

Jefferson Longfellow, P.E.

For informational purposes, Mr. Longfellow added that he and Benny LaPlante attended a construction meeting recently and discovered that the Maine Department of Transportation has increased plans in Winslow for this summer which includes the grinding and paving of both the Donald Carter Memorial Bridge and Abenaki Bridge.

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

Vote: Motion carried unanimously.

ITEM 8: GENERAL MANAGER’S REPORT

A. Project Updates

All project updates were discussed under agenda item C.

B. Outlet Dam Incident

Mr. LaCasse explained that at the Vassalboro Outlet Dam, which KWD operates for the Town of Vassalboro and which controls the China Lake water level, there is a gate house building which lodges the gates. The Board was informed that a person(s) un-screwed the screws to the hasp, entered the building, lifted one of the gates approximately three-tenths of a foot, which does not have a huge effect on increasing the flow to the Outlet Stream and decreasing the China Lake level, and then re-screwed the screws when leaving. The motive for this incident is unclear and can only be

speculated at this point. KWD staff reported this episode to the police and the Town of Vassalboro. The Town is going to pay to have a deadbolt installed at the gate house building.

In other lake news, the Alewife Restoration Initiative (ARI) is conducting a presentation at the Town of Vassalboro's selectmen's meeting tonight. Regarding this topic, Mr. LaCasse reviewed the fact that Dr. Lake from Kleinschmidt had conducted a scientific study for KWD (funded by a grant) regarding the potential effects of alewife restoration in China Lake. This report concluded that alewife restoration in China Lake should not impede water quality by a great degree or improve water quality by a great degree. Recently, the Town of Vassalboro received a letter from Dr. Lake, who is also on the Board of Directors for the Seabasticook Land Trust (SLT), in support of the ARI program. This letter by no means rebuts the original report, as the SLT is a conservatory association with a primary focus being habitat restoration. One point in Dr. Lake's letter is that he feels alewife restoration will have a positive influence on the ecosystem of China Lake, chiefly meaning the totality of the dynamics of the lake, including soil, plant matter, and animal life. However, the letter also states that there have been documented water quality improvement success stories for lakes which have had alewife restoration. Mr. LaCasse pointed out that there can be other factors which could contribute to better water quality. For instance, in the case of Webber Pond, although there has been alewife restoration, the better water quality could be at least partly attributed to the result of the fall drawdown program and annual flushing of the entire lake. Trustee Coull stated that when he attended the recent CRLA meeting, there was one resident who was adamant that Three-Mile Pond has experienced remarkable water quality improvement with the reintroduction of alewives. As stated in past meetings, Mr. LaCasse and the Board stressed they are not opposed to the fish passage project, but believe even if there was some slight water quality improvement there would be little financial benefit to KWD ratepayers, and KWD should not commit funds to this project. Trustee Fuller volunteered to attend the meeting in Vassalboro tonight to hear the presentation.

C. Information Updates (Chlorate, Intake Protection Zone, Intake Rehab Project)

The first project update was regarding the Intake Building. Sheridan Construction began this rehabilitation project on May 2nd, and it is expected to be completed in three to four weeks.

In regards to increasing the intake protection zone, at the last meeting there was discussion of applying for grant funds from the Maine Drinking Water Program (MDWP) if there were funds available after the initial 2016 Source Water Protection Grant (SWPG) distribution. Since that time, Mr. LaCasse has been informed that there are no remaining grant funds for 2016. Mr. LaCasse asked the Board if it desires KWD to increase the protection zone this year at the cost to KWD. A second consideration is delaying the project until next year and requesting grant funds, which will probably be allocated, to fund this job. The estimated cost for this project is \$8,000. After some deliberation, the Trustees decided to repair any damaged buoys and signage this year and apply for a SWPG and conduct this project in 2017.

The final subject discussed today was regarding the chlorate test results. At the April 21st meeting, the Board was informed that the U.S. E. P. A. has an unregulated contaminant monitoring program in which water utilities are requested to test for selected contaminants to establish if the levels are to such a degree that they should be added to the list of regulated contaminants. KWD conducted the four quarterly tests required and has received the results for three of the quarters. The third quarter test for chlorates revealed that KWD is in the top 103 utilities in New England with over 500 parts per billion in its sample. Mr. LaCasse reviewed the fact that chlorates frequently result

from the degradation of sodium hypochlorite, which KWD utilizes as a disinfectant. KWD staff has been investigating to determine the cause of this test result in order to take steps for a solution. However, after reviewing delivery dates, storage times, and chlorate readings, no correlation has been found. Based on these findings to date, one likely possibility is that the sodium hypochlorite sits in storage in an external environment at the supplier's and/or manufacture's location before arriving at KWD. One correlation discovered is that more than fifty percent of the utilities in New England that had the highest readings had them during the warmer, summer months. KWD will continue to take monthly samples for chlorate in both its finished water and raw water to further gather data to determine the cause. In addition, the Maine Drinking Water Program and New England Water Works have been contacted and asked for aid or ideas in the attempt to solve this issue. Trustee Hodsdon suggested asking the supplier for a certificate of chlorate level at the time of delivery. Trustee Sanzenbacher asked if the sodium hypochlorite chemical is purchased from a sole vendor. Mr. LaCasse replied that during this testing, deliveries were received from two different suppliers. Trustee Coull inquired if there is a known stabilizer to prevent the sodium hypochlorite from degrading. Trustee Hodsdon suggested this process might be impeded if the chemical is stored in a cooler location. Mr. LaCasse commented that he is unsure of a stabilizer, but the product is kept in a stable environment at the WTP. This is one reason the supplier storage and dormant time is being explored as having some culpability. Trustee Fuller asked if the KWD storage tank should be flushed and cleansed, and Mr. LaCasse replied this is one of the recommendations he has reviewed. The Trustees will continue to be updated on this subject as new information becomes available.

D. Other

None

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

Vote: Motion carried unanimously.

ITEM 9: EXECUTIVE SESSION

This item was discussed earlier in the meeting. See under Agenda Item 3. A.

ITEM 10: PUBLIC PARTICIPATION

None

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

Vote: Motion carried unanimously.

Meeting adjourned at 9:10 a.m.