

**KENNEBEC WATER DISTRICT  
REGULAR BOARD OF TRUSTEES' MEETING  
THURSDAY – AUGUST 15, 2019 at 7:30 AM**

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

Trustees present: Jeff Earickson, President; Mark McCluskey, Vice-President; J. Michael Talbot, Treasurer; Allan Fuller, Clerk; Alex Wild, Assistant Treasurer; Al Hodsdon, Trustee; Karl Dornish, Trustee; Frank Richards, Trustee; Amy Stabins, Trustee

Trustees absent: Denise Bruesewitz, Trustee

J. Michael Talbot, Treasurer, left the meeting at 7:55 a.m.  
Alex Wild, Assistant Treasurer, left the meeting at 9:00 a.m.

Also present: Roger Crouse, General Manager; Jeff Longfellow, KWD Engineer; Benny LaPlante, KWD Customer Service Manager/Safety Coordinator; Jared Bragdon, KWD Operations Superintendent; Robbie Bickford, KWD Director of Water Quality; Sue Markatine, Recording Secretary

The KWD Pipe Tapping Team consisting of Ross Desjardins, Shane George, Tony Bellevance, Rob Clark, and Tylen (TJ) Pooler joined the meeting at 7:35 a.m. and left the meeting at 7:40 a.m.

**ITEM 1: INTRODUCTION OF GUESTS**

None

**ITEM 2: TEAM KWD WINS PIPE TAPPING COMPETITION**

The KWD Pipe Tapping Team, which won first place for the second year in a row at the Maine Water Utilities Association's annual meeting, was introduced. There were five teams in the competition, and KWD took first place with a time of 2 minutes and 8 seconds which is 44 seconds faster than their time for the previous year. KWD and the Trustees are very proud of and congratulated the team on their accomplishment.

**ITEM 3: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF AUGUST 1, 2019**

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' Meeting on August 1, 2019," seconded by Trustee Fuller.

Vote: Motion carried unanimously.

**ITEM 4: FINANCIALS**

**A. Account Warrant**

Motion by Trustee Talbot, "to ratify the August 15, 2019 total warrant of checks released for \$142,995.34," seconded by Trustee Wild.

Vote: Motion carried unanimously.

## **B. July Financials**

The Trustees were provided with the July/Year-to-Date 2019 Income Statement, July 2019 Cash Flow Report, and July 2019 Consumption Report. Mr. Crouse reviewed various aspects of these reports and answered questions from the Board members. Overall, the KWD 2019 revenues and expenses are trending as anticipated.

Trustee McCluskey inquired if KWD is planning to apply for funds through the Drinking Water State Revolving Fund Program for capital projects slated for next year. He mentioned the application deadline is September 27, 2019. Mr. Crouse responded that Wright-Pierce, on behalf of KWD, will submit a loan application for the downtown Waterville water main replacement project.

## **C. Review of 2018 Financial Audit**

Please note: Before the review of the financial audit, Agenda Item 6. Motion Issues was addressed.

Mr. Crouse entertained questions relating to the 2018 Financial Audit Statements prepared by Runyon Kersteen Ouellette (RKO), which had previously been provided to the Board members for their review. Overall, RKO reported that KWD has sound accounting practices and principles, there were no significant issues to report, and there was a smooth transition from the Maine Public Utilities Commission accounting method to the Generally Accepted Accounting Principles accounting method.

The main questions pertained to the schedule of suggested recommendations proposed by RKO. Items discussed were the following: 1) Potential abatement and/or settlement of old service receivables, typically invoices for work created by and billed to contractors independent of the regular KWD quarterly water bill; 2) Establishment of four additional policies; 3) Creating and maintaining a detailed depreciation schedule for each individual asset rather than categorizing assets with similar characteristics and useful lives, which would be a major project with relatively no influence on the annual depreciation expense and KWD net income; and 4) Instituting a more formal review and approval process for general ledger journal data entry.

## **D. Other**

None

## **ITEM 5: EXECUTIVE SESSION – 1 MRS §405. EXECUTIVE SESSIONS**

At 8:16 a.m., motion by Trustee Earickson, “to enter Executive Session under MRSA Title 1, Section 405-6A, Personnel Discussions and under MRSA Title 1, Section 405-6C, Real Estate Transactions,” seconded by Trustee Hodsdon.

Vote: Motion carried unanimously.

At 9:32 a.m., President Earickson brought the Board out of Executive Session.

**ITEM 6: MOTION ISSUES****A. Approval of Contracts for:****a. Residuals Disposal – Waste Management**

The Board members were provided with a Request for Authorization memo which included three bid proposals for the removal of Water Treatment Plant residuals.

Motion by Trustee Talbot, “to accept the low bid from Waste Management for \$38,500 for the removal and disposal of the WTP residuals,” seconded by Trustee Hodsdon.

Vote: Motion carried unanimously.

**b. Cleaning of Twin Tanks**

The Board members were furnished with a Request for Authorization memo which included two bid proposals for the inspection and interior cleaning of the two 6 million-gallon reservoir tanks. The bid provided by Underwater Solutions, Inc. is \$40 higher; however, the competing vendor would require that KWD rent and staff a manlift during this project which would be an additional cost above their quoted price.

Motion by Trustee Talbot, “to accept the bid from Underwater Solutions, Inc. for \$13,890 for the inspection and interior cleaning of the two 6 million-gallon reservoir tanks,” seconded by Trustee Hodsdon.

Vote: Motion carried unanimously.

**B. Truck Purchase – Replacement of Truck #14**

The Trustees were provided with a Request for Authorization memo for a truck replacement which included two bid proposals for the purchase a 2020 Class C Chevrolet 1500 four-wheel drive double cab work truck.

Motion by Trustee Hodsdon, “to accept the low bid from O’Connor Auto Park for the net price (after trade-in allowance) of \$26,045 for a 2020 Chevrolet Silverado 1500 four-wheel drive double cab truck,” seconded by Trustee Fuller.

Vote: Motion carried unanimously.

**C. Other**

None

**ITEM 7: TRUSTEES****A. Comments, Concerns, Ideas**

Trustee Earickson stated that he is unable to attend the two September Board meetings.

**ITEM 8: GENERAL MANAGER'S REPORT**

**A. M-4 Sale Finalization Progress**

Due to time constraints, this agenda item will be discussed at the next meeting.

**B. Forest Management Plan for Lands Around China Lake**

Mr. Crouse briefly reviewed the information he has obtained and a cost savings analysis he compiled if KWD chooses to place the land it owns surrounding China Lake in the State of Maine Tree Growth Program. Additional discussion will occur at a future Board meeting.

**C. Update on Property Purchase Options**

This item was discussed during Executive Session.

**D. Other**

None

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

Vote: Motion carried unanimously.

**ITEM 9: PUBLIC PARTICIPATION**

None

Motion by Trustee Dornish, "to adjourn the meeting," seconded by Trustee McCluskey.

Vote: Motion carried unanimously.

Meeting adjourned at 9:40 a.m.

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Sue Markatine, Recording Secretary