KWD
Kennebec Water District

Kennebec Water District Board of Trustees
Regular Meeting
Thursday, October 17, 2024 – 7:30 AM
131 Drummond Avenue, Waterville, ME and Via Zoom

AGENDA

1. Introduction of guests
2. Review and approve minutes of regular meeting of October 3, 2024
3. Review and approval of account warrant
4. Review of September 2024 financial reports
5. Review of 2024 capital budget spending
6. Review of proposed 2025 capital budget
7. Approvals/Motions Needed:
    a. After-the-fact approval of forklift purchase
8. General Manager Report
9. Trustee comments, concerns, and/or ideas
10. Public participation
11. As needed: Executive session 1 MRS §405.
12. Adjournment

KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – OCTOBER 3, 2024 at 7:30 AM

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

Trustees present:	Frank Richards, President; Ben Muray, Vice-President; Jeff Earickson, Treasurer; J Michael Talbot, Assistant Treasurer; Sarah Whateley, Clerk (Remote Access); Allan Fuller, Trustee; Denise Bruesewitz, Trustee (Remote Access); Mark McCluskey, Trustee; Bruce Williams, Trustee
Trustees absent:	Amy Stabins, Trustee
	Denise Bruesewitz, Trustee, left the meeting at 7:55 a.m.
Also present:	Roger Crouse, KWD General Manager; Amy Dyer, KWD Finance Manager; Jeff Longfellow, KWD Engineering Manager (Remote Access); Matt Zetterman, KWD Technology Manager (Remote Access); Jared Bragdon, KWD Distribution Manager (Remote Access); Benny LaPlante, KWD Service Manager (Remote Access); Sue Markatine, KWD Recording Secretary

ITEM 1: INTRODUCTION OF GUESTS

None

ITEM 2: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF SEPTEMBER 19, 2024

Motion by Trustee Williams, "to accept the minutes of the Regular Board of Trustees' meeting of September 19, 2024," seconded by Trustee Fuller.

Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee McCluskey – Abstained, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried.

ITEM 3: REVIEW AND APPROVAL OF ACCOUNT WARRANT

Motion by Trustee Earickson, "to ratify the October 3, 2024, total warrant of checks released for $654,400.62," seconded by Trustee Talbot.

Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried unanimously.

ITEM 4: APPROVALS/MOTIONS NEEDED:

A. Approval of 2025 Cost of Living Adjustment

The Trustees were provided with a request for determination of the annual cost of living adjustment (COLA) for all KWD positions accompanied by statistical information from 1974 to 2024 of the variations in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). (The CPI-W index is used by the Social Security Administration to establish the annual COLA for Social Security recipients.)

From August 2023 to August 2024 the CPI-W increased 2.4 percent. The Trustees briefly discussed this increase including the budgetary impact.

Motion by Trustee Earickson, "to authorize a 2.4 percent cost of living adjustment wage increase to all KWD personnel effective January 1, 2025," seconded by Trustee Fuller.

Vote: Trustee Earickson – Yea, Trustee Bruesewitz – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried unanimously.

ITEM 5: GENERAL MANAGER'S REPORT

The Trustees were provided with the General Manager's report, and a brief review was conducted by Mr. Crouse.

Referring to his report, Mr. Crouse further elaborated on and answered questions from the Trustees regarding the PFAS treatment grant application and PFAS treatment present and potential future projects.

Mr. Crouse informed the Trustees that KWD is actively pursuing the purchase of a used forklift for the Drummond Avenue facility. This item was included in the 2024 capital budget. Because a purchase commitment will be necessary when a used forklift becomes available, this will be presented as an after-the fact approval request to the Board members.

On behalf of the Board members, President Richards thanked Mr. Crouse for the review of the General Manager's report.

ITEM 6: DEPARTMENT REPORTS

As part of their Board packet, the Trustees were provided with the Monthly Department Reports prepared by the respective managers.

In response to a question by Trustee Earickson, Mr. Longfellow replied that fire flow testing will be conducted in October after the completion of the water main projects and fall hydrant flushing. The installation of a larger water main in Pleasant Street, Waterville, will allow increased water flow through KWD's distribution system and will influence the test results.

Trustee Earickson questioned if there is any concern that the KWD Certificates of Deposits (CDs) could be callable, meaning called back from the financial institute before maturity and shortening the higher interest rate realization. Ms. Dyer replied that because the majority of the KWD CDs are short term, there is limited concern of this occurring.

On behalf of the Board members, President Richards thanked the Department Managers for their reports.

ITEM 7: TRUSTEE COMMENTS, CONCERNS, AND/OR IDEAS

Trustee Richards informed the Board members that he, Mr. Crouse, and Trustee Murray met with two Trustees and the superintendent from the Kennebec Sanitary Treatment District (KSTD) to begin preliminary discussions of the potential for a merger between KWD and KSTD. Mr. Crouse noted that KWD and KSTD have the same customer base, and a merger could be beneficial to both entities and the communities they serve. Mr. Crouse answered questions from the Trustees and explained preliminary thoughts regarding this potential merger. The consensus of the Board members was to allow Mr. Crouse to work with the KSTD superintendent to prepare a presentation highlighting the pros and cons of a merger as well as the potential costs. The presentation would occur in early 2025.

Trustee Williams, who is also the Director of Fairfield Public Works, commended Mr. Bragdon and the KWD Distribution Technicians on their work ethics and professionalism while performing jobs associated with the Town of Fairfield construction projects.

ITEM 8: PUBLIC PARTICIPATION

None

ITEM 9: AS NEEDED: EXECUTIVE SESSION – MRS TITLE 1, §405: EXECUTIVE SESSIONS

None

ITEM 10: ADJOURNMENT

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

Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Williams – Yea. Motion carried unanimously.

Meeting adjourned at 8:15 a.m.

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Sue Markatine, Recording Secretary

A. ACCOUNT WARRANT OCTOBER 17, 2024

No.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
1	10/01/2024	TREASURER, STATE OF MAINE	MONTHLY SALES TAX	4,653.36
2	10/01/2024	MAINEPERS	MONTHLY EMPLOYER RETIREMENT CONTRIBUTION	16,264.23
3	10/01/2024	MAINEPERS	MONTHLY GROUP LIFE PREMIUMS	1,084.63
4	10/02/2024	ANYWHERE'S, LLC	CHAIRS/TABLES RENTAL-ALL STAFF MEETING	350.00
5	10/02/2024	CDM SMITH, INC.	PFAS MITIGATION PILOT SUPPORT/DESIGN SERVICES	30,687.70
6	10/02/2024	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	172.01
7	10/02/2024	CSX TRANSPORTATION	ANNUAL EASEMENT FEE-WATERVILLE PIPE	796.76
8	10/02/2024	DLT SOLUTIONS, LLC	ANNUAL AUTOCADD CIVIL 3D RENEWAL	2,544.16
9	10/02/2024	KENNEBEC EQUIPMENT - FAIRFIELD	PUMP MAINTENANCE	505.53
10	10/02/2024	MAINE MUNICIPAL ASSOCIATION	WORKERS COMPENSATION PREMIUM	3,833.55
11	10/02/2024	TREASURER, STATE OF MAINE-HETL	WATER TESTS	250.00
12	10/02/2024	MID-MAINE CHAMBER OF COMMERCE	ANNUAL CHAMBER MEMBERSHIP DUES	359.60
13	10/02/2024	MODERN INDUSTRIES, INC.	WATER TESTS	810.00
14	10/02/2024	CARPARTS DISTRIBUTION CENTER	DIESEL FUEL ADDITIVE	279.02
15	10/02/2024	NITRAM EXCAVATION & GEN CONTRACT.	PLEASANT STREET WATER MAIN REPLACEMENT	400,460.49
16	10/02/2024	ROKI REPAIR SHOP	STATE INSPECTION/MINOR MAINTENANCE-1 VEHICLE	124.50
17	10/02/2024	WM CORPORATE SERVICES, INC.	LAGOON RESIDUAL DISPOSAL	28,755.75
18	10/02/2024	TOWN OF WINSLOW	HIGHWAY OPENING PERMIT	445.00
19	10/03/2024	SOMERSET COUNTY-REGISTRY OF DEEDS	LIEN DISCHARGES-I PROPERTY	35.00
20	10/04/2024	BRANN & ISAACSON	LEGAL SERVICES	857.50
21	10/04/2024	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-VARIOUS LOCATIONS	10,966.30
22	10/04/2024	GENERAL ALUM N.E. CORP.	ALUM-WTP	5,228.73
23	10/04/2024	HAMMOND LUMBER COMPANY	5 GALLON BUCKETS	39.90
24	10/04/2024	KENNEBEC AUTO SERVICE	OIL CHANGE-1 VEHICLE	87.63
25	10/04/2024	KENNEBEC EQUIPMENT - FAIRFIELD	GRILL RENTAL-ALL STAFF MEETING	75.00
26	10/04/2024	MODERN INDUSTRIES, INC.	WATER TESTS	810.00
27	10/04/2024	ROKI REPAIR SHOP	ROAD SERVICE/REPAIRS-1 VEHICLE	472.23
28	10/04/2024	SEBAGO TECHNICS	VASSSALBORO TO WATERVILLE MAIN SURVEY	2,877.50
29	10/04/2024	USA BLUE BOOK	LAB SUPPLIES-WTP	483.52
30	10/04/2024	F.W. WEBB COMPANY	CURB BOX LIDS/CURB BOX RODS/GASKETS/SOCKET	
		EXTENDER/PLUG		3,599.60
31	10/09/2024	201 TIRE, BATTERY & SERVICE, INC.	REPLACE GENERATOR BATTERIES-PUMP STATION	635.48
32	10/09/2024	ADVANCE 1 CLEANING SERVICES, INC.	MONTHLY CLEANING SERVICE	1,080.00
33	10/09/2024	CENTERLINE UTILITIES	MONTHLY KWD LOCATES	4,877.17
34	10/09/2024	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-VARIOUS LOCATIONS	164.85
35	10/09/2024	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	172.01
36	10/09/2024	D.J.'S MUNICIPAL SUPPLY, INC.	VARIOUS TRAFFIC SIGNS	2,447.49
37	10/09/2024	DIG SAFE SYSTEM, INC.	MONTHLY COST OF OPERATIONS	720.24
38	10/09/2024	EXPRESS ELECTRICAL	SECURITY IMPROVEMENTS-WESTERN AVE PUMP ST.	11,631.00
39	10/09/2024	JUDDI L HALLOWELL	SURFACE GRAVEL	3,640.00
40	10/09/2024	IDEXX DISTRIBUTION, INC.	LAB SUPPLIES-WTP	1,477.31
41	10/09/2024	MAINE LABORATORIES, LLC	WATER TESTS	3,180.00
42	10/09/2024	MAINE TRUST FOR LOCAL NEWS	PUBLIC NOTICE-CATEGORICAL EXCLUSION	307.26
43	10/09/2024	PROSEAL, LLC	PAVEMENT PATCH	1,026.30
44	10/09/2024	TECHNOLOGY SOLUTIONS OF MAINE	MONTHLY ANSWERING SERVICE	100.00
45	10/09/2024	THAYER CORPORATION	QUARTERLY MAINTENANCE AGREEMENT	162.50
46	10/09/2024	VERIZON	MONTHLY VEHICLE DATA SERVICE-2 MONTHS	606.40
47	10/09/2024	F.W. WEBB COMPANY	PIPING/PRESSURE TANK	916.03
TOTAL WARRANT				551,053.24

Kennebec Water District
Balance Sheet
As of September 30, 2024

	September 2024	September 2023	Variance
ASSETS			
Current Assets			
Cash	7,142,716	6,151,299	991,417
Accounts Receivables	322,526	335,532	(13,006)
Unbilled services	740,586	689,807	50,779
Prepaid expenses	120,217	168,755	(48,538)
Inventory	462,590	396,525	66,065
Total Current Assets	8,788,635	7,741,918	1,046,717
Non-Current Assets			
Other Assets	52,824	54,112	(1,288)
Total Non-Current Assets Excluding Capital	52,824	54,112	(1,288)
Capital Assets			
Capital assets, not being depreciated	2,934,722	15,643,429	(12,708,707)
Capital assets, being depreciated	84,667,311	69,098,865	15,568,446
Accumulated Depreciation	(30,251,938)	(28,974,301)	(1,277,637)
Total Capital Assets	57,350,095	55,767,993	1,582,102
DEFERRED OUTFLOWS OF RESORUCES			
Deferred Other Post Employee Benefits	23,883	51,841	(27,958)
Deferred Pension Benefits	219,994	319,077	(99,083)
Total Deferred Outflows of Resources	243,877	370,918	(127,041)
TOTAL ASSETS AND DEFERRED OUTFLOWS	**66,435,431**	**63,934,941**	**2,500,490**
LIABILITIES			
Current Liabilities			
Accounts Payable	509,156	153,563	355,593
Accrued Expenses	202,552	117,713	84,839
Accrued Interest Payable	245,094	248,140	(3,046)
Short-Term Debt	384,302	-	384,302
Current portion of LT Debt	622,762	574,434	48,328
Total Current Liabilities	1,963,866	1,093,850	870,016
Non-Current Liabilities			
Other Post Employee Benefits Liabilities	218,933	225,718	(6,785)
Net Pension Liability (Asset)	640,280	576,057	64,223
Long-Term Debt (Net)	23,916,935	24,138,300	(221,365)
Total Non-Current Liabilities	24,776,148	24,940,075	(163,927)
TOTAL LIABILITIES	**26,740,014**	**26,033,925**	**706,089**
DEFERRED INFLOWS OF RESOURCES			
Deferred Credits	2,500,419	2,709,126	(208,707)
Deferred Other Post Employee Benefits	79,911	90,542	(10,631)
Deferred-Pension Benefits	140,444	241,774	(101,330)
TOTAL DEFERRED INFLOWS OF RESOURCES	**2,720,774**	**3,041,442**	**(320,668)**
NET POSITION	**36,974,643**	**34,859,574**	**2,115,069**
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	**66,435,431**	**63,934,941**	**2,500,490**

KENNEBEC WATER DISTRICT

MONTHLY INCOME STATEMENT FOR THE PERIOD ENDING SEPTEMBER 30, 2024

	2024 SEPTEMBER ACTUAL	2023 SEPTEMBER ACTUAL	MONTHLY $ VARIANCE	2024 YTD ACTUAL	2023 YTD ACTUAL	YTD $ VARIANCE	2024 BUDGET	% OF BUDGET USED
OPERATING REVENUES								
METERED SALES RESIDENTIAL CUST	221,765	222,619	(853)	2,577,985	2,444,794	133,191	3,514,681	73%
METERED SALES COMMERCIAL CUST	107,543	111,276	(3,734)	867,016	801,917	65,099	1,151,511	75%
METERED SALES INDUSTRIAL CUST	138,286	77,468	60,818	1,133,961	738,616	395,345	648,000	175%
METERED SALES GOVERNMENTAL	21,005	20,535	470	144,616	133,195	11,421	193,087	75%
PUBLIC FIRE PROTECTION	-	-	-	633,160	601,893	31,267	877,980	72%
PRIVATE FIRE PROTECTION	-	(24,911)	24,911	247,851	209,252	38,600	353,709	70%
SALES FOR RESALE	18,145	15,116	3,029	144,211	129,222	14,989	191,520	75%
FORFEITED DISCOUNTS & PENALTIES	3,727	3,601	126	36,962	33,222	3,740	47,743	77%
BULK WATER FEES	150	-	150	1,900	-	1,900	1,200	158%
MISC SERVICE REVENUE	4,734	15,482	(10,748)	67,759	73,692	(5,934)	41,139	165%
OTH WATER REVENUE (SALE READ)	-	311	(311)	39,378	39,689	(311)	52,500	75%
TOTAL OPERATING REVENUES	**515,355**	**441,497**	**73,859**	**5,894,798**	**5,205,491**	**689,307**	**7,073,070**	**83%**
NON-OPERATING REVENUES								
INTEREST & DIVIDEND INCOME	29,288	26,234	3,054	236,739	223,807	12,932	150,000	158%
NONUTILITY INCOME	5,542	39,797	(34,255)	1,554,885	82,690	1,472,194	1,425,695	109%
TOTAL NON-OPERATING REVENUES	**34,830**	**66,031**	**(31,201)**	**1,791,623**	**306,497**	**1,485,126**	**1,575,695**	**114%**
TOTAL REVENUES	**550,185**	**507,528**	**42,657**	**7,686,421**	**5,511,988**	**2,174,434**	**8,648,765**	**89%**
OPERATING EXPENSES								
SALARIES & WAGES EMPLOYEES	165,425	148,744	16,682	1,522,437	1,423,594	98,843	2,128,986	72%
EMPLOYEE PENSIONS & BENEFITS	67,971	62,084	5,887	567,752	533,417	34,336	802,900	71%
PURCHASED POWER	30,243	19,596	10,647	251,109	151,605	99,505	265,940	94% **a**
CHEMICALS	36,154	23,279	12,875	192,761	214,950	(22,189)	215,000	90% **b**
MATERIALS & SUPPLIES	58,247	25,750	32,497	322,923	220,400	102,523	373,209	87%
CONTRACTUAL SERVICES	198,089	65,417	132,672	674,637	362,567	312,069	1,082,275	62% **c**
RENTAL EXPENSE	3,300	430	2,870	5,447	2,148	3,299	5,100	107%
TRANSPORTATION EXPENSES	12,478	10,407	2,071	57,947	44,348	13,599	70,171	83%
INSURANCE	8,680	7,834	846	70,619	68,847	1,771	101,932	69%
TAXES OTH THAN INCOME	14,391	13,051	1,340	173,395	164,407	8,988	222,610	78%
MISCELLANEOUS EXPENSES	36,927	16,336	20,592	161,568	185,774	(24,205)	244,465	66%
TOTAL OPERATING EXPENSES	**631,906**	**392,926**	**238,980**	**4,000,595**	**3,372,057**	**628,539**	**5,512,588**	**73%**
EARNINGS BEFORE INTEREST, TAXES, DEPR & AMORT (EBITDA)	**(81,721)**	**114,601**	**(196,322)**	**3,685,826**	**2,139,931**	**1,545,895**	**3,136,177**	118%

KENNEBEC WATER DISTRICT
MONTHLY INCOME STATEMENT FOR THE PERIOD ENDING SEPTEMBER 30, 2024

	2024 SEPTEMBER ACTUAL	2023 SEPTEMBER ACTUAL	MONTHLY $ VARIANCE	2024 YTD ACTUAL	2023 YTD ACTUAL	YTD $ VARIANCE	2024 BUDGET	% OF BUDGET USED
DEPRECIATION AND AMORTIZATION EXPENSE (NON-CASH ITEMS)	133,480	116,139	17,341	1,210,183	1,075,050	135,133	1,533,364	79%
TOTAL DEPRECIATION AND AMORTIZATION	**133,480**	**116,139**	**17,341**	**1,210,183**	**1,075,050**	**135,133**	**1,533,364**	**79%**
INTEREST EXP-LT DEBT	65,446	66,155	(709)	596,974	613,166	(16,192)	873,500	68%
TOTAL INTEREST & AMORTIZATION	**65,446**	**66,155**	**(709)**	**596,974**	**613,166**	**(16,192)**	**873,500**	**68%**
NET INCOME	**(280,647)**	**(67,693)**	**(212,954)**	**1,878,669**	**451,715**	**1,426,954**	**729,313**	**-158%**

COMMENTS ON SIGNIFICANT 2024 ITEMS

a This overage is a result of CMP rate increases and increased production of approximately 35% due to Huhtumaki usage throughout the year.

b This overage is a result of increased production of approximately 35% due to Huhtumaki usage throughout the year.

c September 2024 non-recurring contractual expenses included:

- The Water Treatment Plant bienniel removal and disposal of alum residuals cost $28,755. This is $6,000 less than the cost in 2022.
- Paving for main breaks totaled $65,347.
- Contract support services for main breaks totaled $13,693.
- CDM Smith Phase II of the PFAS Reduction Media Replacement study was $30,688.

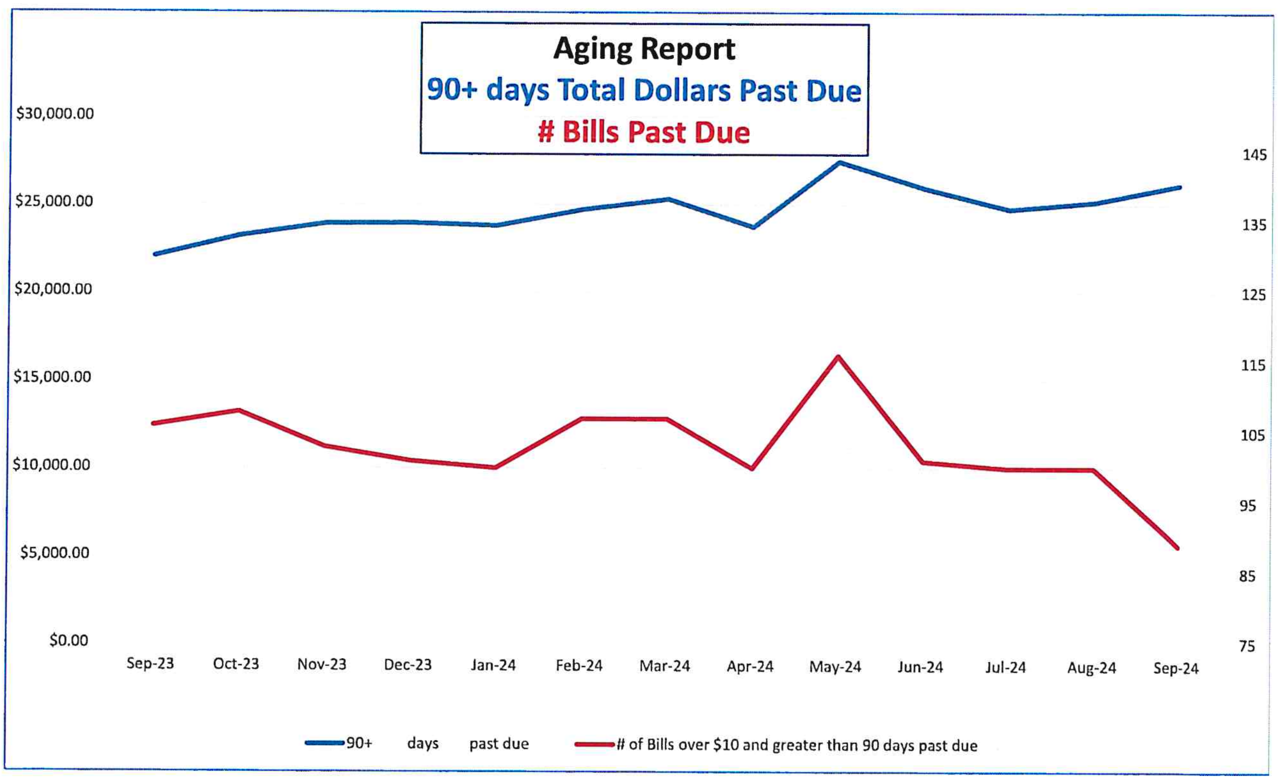
Kennebec Water District
Statement of Cash Flows
For the Period Ending September 30, 2024

Cash Balance 08/31/2024	$	**7,468,261.15**
Utility Billing Receipts		550,588.16
Payments to Vendors		(898,413.67)
Interest	$	29,287.92
Group Dynamics-Health Insurance claims and monthly fee		(2,284.47)
Credit Card Transaction Fees		(4,031.11)
ARPA Funds & DWSRF Funding		186,733.29
Payroll		(187,425.26)
Net Monthly Activity	$	**(325,545.14)**
Beginning Balance Plus Net Activity	$	**7,142,716.01**
Cash and Investment Accounts-Ending Balances		
Operating Checking Account TD Bank		805,214.99
Certificates of Deposit		6,334,484.02
Cash Drawers & Petty Cash & Deposits	$	3,017.00
Cash Balance 09/30/2024	$	**7,142,716.01**
Reserve for Debt Payments		
LESS RESERVE 2024 BOND PRINCIPAL		
LESS RESERVE 2024 BOND INTEREST	$	2,172.66
LESS RESERVE 2022 BOND PRINCIPAL		
LESS RESERVE 2022 BOND INTEREST	$	4,930.94
LESS RESERVE 2022 BOND PRINCIPAL		
LESS RESERVE 2022 BOND INTEREST	$	3,729.33
LESS RESERVE 2022 REVENUE BOND PRINCIPAL	$	425,000.00
LESS RESERVE 2022 REVENUE BOND INTEREST	$	727,268.76
LESS RESERVE 2021 BOND PRINCIPAL	$	32,018.08
LESS RESERVE 2021 BOND INTEREST	$	6,120.17
LESS RESERVE 2020 BOND PRINCIPAL		
LESS RESERVE 2020 BOND INTEREST	$	12,177.66
LESS RESERVE 2020 BOND PRINCIPAL	$	23,457.00
LESS RESERVE 2020 BOND INTEREST	$	3,930.86
LESS RESERVE 2009 STIMULUS PRINC	$	7,168.71
LESS RESERVE 2011 BOND PRINCIPAL	$	-
LESS RESERVE 2011 BOND INTEREST	$	8,586.46
LESS RESERVE 2017 BOND PRINCIPAL	$	135,118.00
LESS RESERVE 2017 BOND INTEREST	$	9,329.48
TOTAL CASH RESERVED BONDS	$	**1,401,008.11**
Uncommitted Balance	$	**5,741,707.90**

Kennebec Water District

AGING REPORT

	Current	31-60 days past due	61-90 days past due	90+ days past due	Total	# of Bills over $10 and greater than 90 days past due
Sep-23	$322,014.54	($10,944.75)	$2,305.29	$22,002.03	$335,377.11	106
Oct-23	$359,861.75	$41,494.59	$428.31	$23,171.59	$424,956.24	108
Nov-23	$368,032.45	($5,661.72)	$1,668.96	$23,904.87	$387,944.56	103
Dec-23	$338,543.90	($360.72)	$1,227.86	$23,924.30	$363,335.34	101
Jan-24	$452,932.91	($4,066.66)	$3,329.03	$23,777.52	$475,972.80	100
Feb-24	$257,548.20	$40,217.08	($1,168.83)	$24,709.33	$321,305.78	107
Mar-24	$280,803.12	$49,091.25	$658.08	$25,311.00	$355,863.45	107
Apr-24	$411,993.27	($11,886.10)	$4,909.75	$23,730.43	$428,747.35	100
May-24	$294,897.85	($1,735.93)	$339.25	$27,466.08	$320,493.50	116
Jun-24	$327,439.24	($1,772.64)	$3,094.23	$25,942.96	$354,703.79	101
Jul-24	$453,873.19	$9,650.82	$2,754.72	$24,739.29	$491,018.02	100
Aug-24	$331,279.89	($7,583.98)	$1,256.73	$25,157.04	$350,109.68	100
Sep-24	$291,286.77	$4,304.63	$488.60	$26,129.93	$322,209.93	89



Kennebec Water District
2024 Capital Spending Summary
September 30, 2024

Department	Item	Budget Estimate	Actual Spent in 2024	Total spent on project	Unused/(Over) Budget	Comment
Water Quality	Replacement of Pneumatic Valves	$60,000	$36,787	$36,787	$23,213	The WTP staff have completed the installation of the five 4" valves ordered in 2023 and the nine 8" valves ordered in February 2024. Inspections of the larger 18" and 20" valves is complete and this project will continue into 2025.
Water Quality	Replace the Granular Activated Carbon (GAC) in two of the Water Treatment Plant filters	$250,000	$243,169	$243,169	$6,831	New carbon was installed in March and monitoring for PFAS removal is ongoing.
	Total Water Quality	**$310,000**	**$279,956**	**$279,956**	**$30,044**	
Technology	Replace and Upgrade programable logic controller (PLC) at Reservoir Tanks	$20,000	$9,805	$9,805	$10,195	The PLC was constructed, installed, and commissioned by Automatrix in August 2024. Still waiting on final invoice.
Technology	Building Access Control at WTP	$25,000	$0	$0	$25,000	This project is pushed to 2025 due to utilizing the Water System Asset Security Grant for the upgrades to the security system at WAPS and the abandonment of South Street Offices.
Technology	SCADA Remote Access Platform for Mobile Devices	$16,400	$1,351	$1,351	$15,049	The app is approximately 90% complete. In the process of purchasing the software license ($5147.75).
	Total Technology	**$61,400**	**$11,156**	**$11,156**	**$50,244**	

Department	Item	Budget Estimate	Actual Spent in 2024	Total spent on project	Unused/(Over) Budget	Comment
Fleet	Upgrade an existing service truck with a Ford F550 service truck with external hydraulics, electrical power, and compressed air.	$184,000	$0	$0	$184,000	Bids submitted on July 9th. Delivery is not anticipated until 2025. Therefore, spending will not occur until 2025.
Fleet	Replace 3/4 ton Pickup Truck	$69,500	$6,476	$6,476	$63,024	Transmission in existing truck failed in January 2024. Transmission was replaced in February. With this investment, KWD will not be replacing this truck in 2024.
Fleet	Pick-up Sweeper for Loader	$28,000	$0	$0	$28,000	Staff has re-evaluated this purchase and decided it is best for now to contract with others or rent a piece of equipment when sweeping is needed.
Fleet	Vacuum Excavation Truck to replace existing Truck#1 and Vacuum Trailer	$604,942	$0	$0	$604,942	Delivery of vacuum truck anticipated in October.
Fleet	Forklift	$30,000	$0	$0	$30,000	Anticipate delivery by the end of October.
Fleet	Downsize existing trailer	$8,000	$0	$0	$8,000	Trailer has been ordered and we anticipate delivery in November.
	Total Fleet	**$924,442**	**$6,476**	**$6,476**	**$917,966**	

Department	Item	Budget Estimate	Actual Spent in 2024	Total spent on project	Unused/(Over) Budget	Comment
Engineering	Pleasant St Main Replacement	$3,532,000	$1,806,587	$1,838,643	$1,693,357	Under construction. Completion is anticipated at the end of October.
Engineering	Waterville-Winslow Bridge Crossing	$1,158,058	$2,226	$54,390	$1,103,668	Construction has started on the water main but completion will not occur until 2025. We are uncertain if MDOT will request partial payment in 2024.
Engineering	Chase Avenue Rehabilitation Design	$218,160	$4,330	$4,631	$213,529	Moved to 2025
Engineering	Miscellaneous Projects - various locations	$100,000	$329,333	$329,333	-$229,333	Includes expenses associated with main relocation on KMD in Waterville. MDOT paid 50 percent of the project cost ($140,021.58).
Engineering	Future main replacement projects design work	$30,000	$43,415	$43,415	-$13,415	Surveying on Sanger and Bouteille Streets and work on the WTP Lagoon Discharge project.
	Total Engineering	**$5,038,218**	**$2,185,891**	**$2,270,412**	**$2,767,806**	
2023 Projects Carried Over into 2024						
Facilities	Intake Building - Asbestos Siding re	$15,000	$13,430	$13,430	$1,570	Project completed in September.
Facilities	Finalized 131 Drummond Ave	$0	$5,737	$5,737	-$5,737	Installation of life safety breakers (required as part of the arc flash study on the backup generator/transfer switch - $5,049) and final payment to Construction Consulting of Maine ($687.50).
	Total Carried over into 2024	**$15,000**	**$19,167**	**$19,167**	**-$4,167**	

Department	Item	Budget Estimate	Actual Spent in 2024	Total spent on project	Unused/(Over) Budget	Comment
Unbudgeted capital items						
Distribution	Pipe Freezing Unit Kit	$0	$5,132	$5,132	$5,132	Purchased in June 2024. Received a $3,000 safety grant from MMA so the net cost to KWD is $2,132.
Technology	GPS Unit	$0	$7,995	$7,998	$7,995	To be purchased as part of service line inventory grant project. Receiving 55% grant.
	Total Carried over into 2024	**$0**	**$13,127**	**$5,132**	**$5,132**	
	Total-All Departments	**$6,349,060**	**$2,515,773**	**$2,592,299**	**$3,767,025**	

Kennebec Water District
Proposed 2025 Capital Budget
October 10, 2024

Department	Item	Budget Estimate	Description and Justification
Water Quality	Replacement of Pneumatic Actuators	$75,000	Ongoing project to replace the pneumatically controlled process valves with electrically controlled actuators. The electric actuators are more efficient and replacement was recommended in the 2018 Master Plan. To date, the plant personnel have been able to update 24 of the 55 control valves (14 completed in 2024). All remaining valves are 16"-20" in size. This estimate is to upgrade an additional 8 actuators.
Water Quality	Building Access Control at WTP	$30,000	Upgrade security monitoring system at the WTP and install electrified hardware on employee and process area doors in order to be able to utilize a card reader system to improve security. KWD will be applying for a $20,000 Water System Asset Security Grant from the Maine CDC DWP to cover a portion of the cost of this project.
Water Quality	PFAS Mitigation 10% Design	$300,000	Engineering review of an expansion to the WTP vs the construction of an additional building at the WTP to treat PFAS. Funding to be provided by Emerging Contaminants in Small and/or Disadvantaged Communities (EC-SDC) Grant Program
	Total Water Quality	**$405,000**	
Distribution	Hydrant Buddy/Valve Turner	$6,800	Portable hydrant and gate valve turner. To reduce the risk of injury and save time.
	Total Distribution	**$6,800**	
Office	Folding machine	$7,000	Machine to fold documents, stuff and seal envelopes for disconnect notices and other bulk mail items. To replace existing folding machine in frequent need of service.
	Total Office	**$7,000**	
Fleet	Upgrade an 3/4 ton existing service truck with a Ford F550 service truck with external hydraulics, electrical power, and compressed air. (Carryover from 2024)	$225,000	Purchase approved in 2024. Truck delivery anticipated in the first quarter of 2025. The cost for this truck with the body is $223,020. The trade-in value of the 3/4 ton truck is $23,500. The net cost of the truck with the body is $199,520.
	Total Fleet	**$225,000**	

Kennebec Water District
Proposed 2025 Capital Budget
October 10, 2024

Department	Item	Budget Estimate	Description and Justification
Engineering	Summer and Grove Streets Main Replacement	$4,321,000	Replacement of 1800s and 1921 cast iron water main on Summer and Grove Streets in Waterville. Updating the water mains to a larger cement lined size was recommended in the 2018 Master Plan. KWD has been awarded DWSRF funding for this project and has a contract signed for the work to be completed in 2025.
Engineering	Chase Avenue Pump Station Rehabilitation Design	$218,160	Design of the rehabilitation of Chase Avenue Pump Station including new pumps, controls, SCADA, and back-up generation. This station has served KWD well, but getting replacement parts for the 1974 vintage equipment is becoming challenging. There is currently no on-site back-up generation to provide power during outages. KWD has applied for DWSRF funding for this project. The cost of construction (to occur in 2025) will be developed during the design phase.
Engineering	Lagoon Discharge Project	$625,000	To reduce the volume of lagoon decant water recycled to the WTP, the project will create a discharge to the Outlet Stream. The project consists of upgrades to the existing pumping, piping and controls and well as the construction of an outfall structure and associated piping.
Engineering	Miscellaneous Projects - various locations	$130,000	Hydrants, valves, and other work yet to be determined.
Engineering	Future capital projects design work	$50,000	Engineering staff time to survey, permit, and design future projects
Engineering	Ticonic Bridge Crossing (Carryover project from 2024)	$1,158,058	Replacement of the existing water main crossing the Ticonic Bridge as part of MDOT's contract. KWD has been awarded a $500,000 grant from Kennebec County from the County's allocation of ARPA funds.
	Total Engineering	**$6,502,218**	
	Total-All Departments	**$7,146,018**	
	DWSRF Funding Grants and Loans	$5,276,000	KWD has been awarded DWSRF 30% grant and loan for Summer Street main replacement, an anticipated 30% grant for the lagoon discharge project, and a 100% grant for the PFAS mitigation study.
	Trade-ins on Replacement Vehicles and Equipment	$23,500	Estimated trade-in on the 3/4 ton truck.
	Kennebec County ARPA Grant	$500,000	KWD has been awarded an ARPA from funds allocated to Kennebec County for the Ticonic Bridge main replacement
	Estimated 2025 Cash Spending	**$1,346,518**	
	Estimated 2025 New Debt Obligation	**$3,462,200**	Remaining principal on Summer Street and Lagoon Discharge projects

MEMO

October 17, 2024

To: Kennebec Water District Board of Trustees

From: Jefferson Longfellow, Engineering Manager

Cc: Roger Crouse, General Manager; Mickey Furbush, Facilities and Fleet Coordinator

Subject: After the fact approval of the purchase of a used forklift

Need/Background:

The Kennebec Water District needs to purchase a forklift to access materials stored on the pipe and pallet racks and the mezzanine at 131 Drummond Ave. During the design and construction of the Drummond Avenue facility, the purchase of a forklift was anticipated. However, during the first year of occupancy, we elected to rent a forklift several times to get a sense of the need and benefit of owning one.

Staff have determined that renting a forklift is inefficient as the need to access the elevated storage areas is unpredictable (including after hours). Storage of heavy and/or bulky materials can be done more effectively if there is ready access to a forklift.

The 2024 capital budget included $30,000 for the purchase of a used forklift. Although a forklift will be used regularly, the hours of operation will be limited. A new forklift would cost about 50 percent more than a low hour, well maintain used model. Therefore, purchasing a used model is more appropriate than purchasing new.

Summary of Bids:

KWD solicited pricing from WD Mathews (in Auburn) and ALTA Material Handling (in Lewiston) on three different forklift machines. Below is the bid tabulation.

Description & Location	Used - 2022 Manitou M125G	Used - 2019 Hyster H50FT	Used - 2021 Toyota 8FGU25
Location	WD Mathews	Alta Materials Handling	WD Mathews
Previous Hours of Operation	674	3,009	739
Warranty	30 Days	120 Days	60 Days
Mast: Type & Height	Triple Mast: 189"	Triple Mast: 189"	Triple Mast: 189"
Side Shift	Yes	Yes	Yes
Rated Capacity	5000lb	5000lb	5000lb
fuel	Propane/Gasoline	Propane	Propane
Tires	Pneumatic	Pneumatic	Pneumatic
Cost	**$27,950**	**$24,206.69**	**$32,900**

Although the Hyster unit from Alta Material Handling is approximately $3,700 less than the Manitou unit from WD Mathews, it has more almost five times as many hours of operations. Therefore, we determined that the Manitou unit is a better value for KWD. Because the availability of the unit is not guaranteed, we have purchased the Manitou unit and anticipate its delivery by the end of October.

Request:
I am requesting Trustee after the fact approval of the purchase of a 2022 Manitou M125G Forklift as from WD Mathews for the sum of $27,950.

KWD
Kennebec Water District
SINCE 1899

October 17, 2024
Trustee Meeting
General Manager Report

1. **Notable accomplishments/successes since last report (including personnel commendations):**
    a. Robbie Bickford and his wife, Kelsea, recently had a baby boy. All three are doing well.

2. **Progress report on items presented at the previous Trustee meeting:**
    a. The final rate increase package was submitted to the Public Utilities Commission on October 4th.
    b. We submitted three project applications to the Drinking Water State Revolving Fund (DWSRF). These projects are for PFAS treatment, lagoon decant water discharge, and replacement of water main on Sanger and Boutelle Streets.
    c. At the Maine Water Utilities Association's bi-monthly meeting on October 10th in Belfast, I moderated a discussion regarding water rate affordability.

3. **New or upcoming items of significance:**
    a. The proposed 2025 capital budget will be presented to the Board of October 17, 2024. However, we don't anticipate a vote on this budget until the December 5th meeting.
    b. Amy Dyer and I are proposing to hold a budget workshop on November 21st to discuss details of the proposed 2025 operations and cash budget. This workshop would be in lieu of the regular board meeting. All trustees with interest in reviewing the budgets in greater detail should attend. Vetting the details of the budget during a workshop will streamline the subsequent board meeting (December 5th).
    c. US EPA published the anticipated Lead and Copper Rule Improvements (LCRI). Some highlights include:
        i. Identification of all service line materials and full replacement of all service lines by 2037.
        ii. The Lead Action Level has been lowered from 15 to 10 parts per billion.
        iii. Public notice of any lead Action Level exceedance must occur within 24 hours of the utility being notified.