



**Kennebec Water District Board of Trustees
Regular Meeting
Thursday, November 6, 2025 – 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 2, 2025
3. Review and approval of account warrant
4. Review of September 2025 financial reports
5. Approvals/motions needed:
 - a. Approval of proposed 2026 annual budgets: capital, operating, and cash
 - b. Approval of agreement with Nicholson, Michaud & Nadeau, Certified Public Accountants for auditing services
6. General Manager report
7. Department reports
8. Trustee comments, concerns, and/or ideas
9. Public participation
10. As needed: Executive session 1 MRS §405. 6.
11. Adjournment

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – OCTOBER 2, 2025 at 7:30 AM**

The meeting was called to order at 7:35 a.m. by President Richards.

Trustees present: Frank Richards, President; Ben Murray, Vice-President; Jeff Earickson, Treasurer (Remote Access); J. Michael Talbot, Assistant Treasurer; Sarah Whateley, Clerk; Mark McCluskey, Trustee; Allan Fuller, Trustee; Amy Stabins, Trustee (Remote Access), Matthew Bulmer, Trustee

Trustees absent: None

Also present: Roger Crouse, KWD General Manager; Amy Dyer, KWD Finance Manager; Matt Zetterman, KWD Engineering Manager; Benny LaPlante, KWD Service Manager (Remote Access); Jared Bragdon, KWD Distribution Manager (Remote Access); Robbie Bickford, KWD Water Quality Manager (Remote Access); Max Kenney, KWD Senior Project Manager; 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 18, 2025

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' meeting of September 18, 2025," seconded by Trustee McCluskey.

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Abstained, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried.

ITEM 3: REVIEW AND APPROVAL OF ACCOUNT WARRANT

Motion by Trustee Earickson, "to ratify the October 2, 2025 total warrant of checks released for \$1,298,352.71," seconded by Trustee Talbot.

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried unanimously.

ITEM 4: PRESENTATION ABOUT NON-CONFORMING AND NEW WATER SERVICES

Motion by Trustee Earickson, "to take from the table agenda items 5.A. Adoption of Policy for Addressing Non-Conforming Water Services and 5.B. Adoption of Policy for Subsidizing New Water Services," seconded by Trustee Talbot.

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried unanimously.

ITEM 5: APPROVALS/MOTIONS NEEDED

A. Adoption of Policy for Addressing Non-Conforming Water Services

At the September 18, 2025 Board meeting, Mr. Zetterman and Mr. Kenney conducted part one of a PowerPoint presentation explaining non-conforming customer services in KWD's system and the benefit of bringing the services up to KWD's current standards. At today's meeting, Mr. Crouse recapped the reasons for this proposed policy and stated that the funding for this expense will be determined during the 2026 budget discussions. The Trustees discussed this proposed policy.

Motion by Trustee McCluskey, "to adopt the Policy for Correcting Non-Conforming Services with KWD Funds," seconded by Trustee Fuller.

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried unanimously.

B. Adoption of Policy for Subsidizing New Water Services

Mr. Zetterman and Mr. Kenney conducted part two of the PowerPoint presentation outlining the reasons for a policy to subsidize the cost of installing a new water service for structures/new structures on streets with an existing KWD water main. This policy addresses subsidies for properties located both within and outside of the Maine Department of Transportation Urban Compact zone. Mr. Kenney explained the variation between the present calculations and the proposed calculations for new water service fees. Adopting this policy could incentivize customers to choose KWD water service versus drilling a well or utilizing another option. Mr. Zetterman and Mr. Kenney have been in contact with the Maine Public Utilities Commission (MPUC) to ensure this policy meets MPUC requirements. The Trustees discussed this proposed policy.

Motion by Trustee McCluskey, "to adopt the Policy for Subsidizing the Cost of New Water Service Installation," seconded by Trustee Fuller.

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried unanimously.

C. Approval of Cost-of-Living Adjustment for Salaries Effective January 1, 2026

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 2025 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 2024 to August 2025 the CPI-W increased 2.8 percent. The Trustees briefly discussed this increase.

Motion by Trustee McCluskey, “to authorize a 2.8 percent cost of living adjustment wage increase to all KWD personnel effective January 1, 2026,” seconded by Trustee Fuller.

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried unanimously.

ITEM 6: GENERAL MANAGER’S REPORT

The Trustees were provided with the General Manager’s report for their review.

In lieu of a Board meeting on October 16, 2025, a budget workshop will be held with KWD staff and interested Trustees at 7:30 a.m.

In addition to his report, Mr. Crouse informed the Board that KWD is submitting to the Maine Drinking Water Program an application for State Revolving Funds for a water main extension in Fairfield due to PFAS contamination in the area wells.

Because electricity contracts are only held a few hours after proposals, Mr. Crouse reviewed the choices provided by Maine Power Options, KWD’s broker for electricity supply purchases, and approved an agreement with Constellation Energy for KWD’s six low usage CMP accounts for \$0.109 per kWh (the previous contract was \$0.1585 per kWh) from December 2025 to December 2028.

On behalf of the Board members, President Richards thanked Mr. Crouse for his report.

ITEM 7: DEPARTMENT REPORTS

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

At Trustee Fuller’s request, Mr. Crouse and Mr. Bickford further explained the update to the Programmable Logic Controller (PLC) which provides data, including water pressure signals, at the Huhtamaki Manufacturing Plant.

Trustee Fuller asked if there were plans for a real time water quality monitoring buoy in China Lake. Mr. Crouse replied there were intentions in conjunction with Colby College using grant funds; however, this never materialized. Because the China Lake water quality changes very gradually, the present method of lake water sampling and WTP incoming water monitoring will continue to be utilized.

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

ITEM 8: TRUSTEE COMMENTS, CONCERNS, AND/OR IDEAS

Trustee McCluskey requested an update on the Chase Avenue Pump Station Upgrade Project. Mr. Crouse replied sixty-percent design was submitted by Dirigo Engineering and reviewed by KWD staff recently. An application for State Revolving Funds will be submitted to the Maine Drinking Water Program soon. Construction is planned for 2026.

ITEM 9: PUBLIC PARTICIPATION

None

ITEM 10: AS NEEDED: EXECUTIVE SESSION – 1 MRS §405. EXECUTIVE SESSION

None

ITEM 11: ADJOURNMENT

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

Roll Call Vote: Trustee Earickson – Yea, Trustee Talbot – Yea, Trustee Richards – Yea, Trustee Stabins – Yea, Trustee McCluskey – Yea, Trustee Murray – Yea, Trustee Fuller – Yea, Trustee Whateley – Yea, Trustee Bulmer – Yea. Motion carried unanimously.

Meeting adjourned at 8:43 a.m.

Sue Markatine, Recording Secretary

A. ACCOUNT WARRANT NOVEMBER 6, 2025

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
1	09/26/2025	FLORES & ASSOCIATES	MONTHLY ADMIN FEE DEDUCTIBLE REIMBURSEMENT	88.00
2	09/29/2025	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	1,422.15
3	10/02/2025	ATWORK FRANCHISE, INC.	FLAGGERS-23.75 HOURS	724.38
4	10/02/2025	CAMPBELLS HARDWARE	FOAM TO SEAL PIPES	47.94
5	10/02/2025	CAYER SECURITY SERVICES, INC.	FIRE PANEL REPAIR-WTP	868.83
6	10/02/2025	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-VARIOUS LOCATIONS	1,891.05
7	10/02/2025	CHINA REGION LAKES ALLIANCE	COURTESY BOAT INSPECTION PROGRAM	10,000.00
8	10/02/2025	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	156.97
9	10/02/2025	CONSOLIDATED COMMUNICATIONS	MONTHLY INTERNET SERVICE	386.18
10	10/02/2025	ERGOS TECHNOLOGY PARTNERS, INC.	TROUBLESHOOT & SETUP SSL CERTIFICATES/ NETWORKING AT WESTERN AVE PUMP STATION	1,305.94
11	10/02/2025	INFOSEND, INC.	ADDITIONAL POSTAGE DEPOSIT-BILL MAILING	819.78
12	10/02/2025	KENNEBEC WATER DISTRICT-PETTY CASH	BUFFING PADS	10.01
13	10/02/2025	MAINE WATER UTILITIES ASSOCIATION	BI-MONTHLY MEETING	65.00
14	10/02/2025	TREASURER, STATE OF MAINE-HETL	WATER TESTS	300.00
15	10/02/2025	CARPARTS DIST. CENTER-MOTOR SUPPLY	HYDRAULIC OIL	222.30
16	10/02/2025	E.J. PRESCOTT, INC.	GRIP RING ACCESSORY PACKS	1,470.84
17	10/02/2025	ROKI REPAIR SHOP	REPAIRS & INSPECTION-TRAILER	1,031.22
18	10/02/2025	SPILLER'S	BLUE MARKING PAINT	321.84
19	10/02/2025	THE TURF DOCTOR NORTH	HYDRANT MAINTENANCE	840.00
20	10/02/2025	VERIZON WIRELESS	MONTHLY TELEPHONE/DATA SERVICE	756.26
21	10/02/2025	F.W. WEBB COMPANY	IMPACT GUN & BATTERY/LAGOON PROJECT SUPPLIES	628.03
22	10/02/2025	MAINEPERS	MONTHLY EMPLOYER RETIREMENT CONTRIBUTION	17,571.32
23	10/02/2025	MAINEPERS	MONTHLY GROUP LIFE INSURANCE	1,223.24
24	10/02/2025	TREASURER, STATE OF MAINE	MONTHLY SALES TAX	5,444.83
25	10/03/2025	MAURICE & SON AUTO BODY SHOP, INC.	REPAIRS-1 VEHICLE	2,954.20
26	10/09/2025	TREASURER, STATE OF MAINE-LICENSURE	WATER SYSTEM OPS-LICENSE UPGRADE-CLASS III	20.00
27	10/10/2025	INDUCTIVE AUTOMATION, LLC	ANNUAL BASICCARE SUPPORT PLAN RENEWAL	2,592.00
28	10/10/2025	ERGOS TECHNOLOGY PARTNERS, INC.	MULTI YEAR ANTI VIRUS & MONITORING SERVICE	13,785.14
29	10/10/2025	VERTEXONE SOFTWARE, LLC	ANNUAL CUSTOMER PORTAL FEE/DOCUMENT STORAGE	19,264.79
30	10/14/2025	ADVANCE 1 CLEANING SERVICES, INC.	MONTHLY CLEANING SERVICE	1,080.00
31	10/14/2025	CAPITAL ONE TRADE CREDIT-AUBUCHON	RUSTOLEUM	60.24
32	10/14/2025	BARD AND SONS PAVING	SKOWHEGAN ROAD, FAIRFIELD, PAVING	21,500.00
33	10/14/2025	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-VARIOUS LOCATIONS	36,492.24
34	10/14/2025	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	156.98
35	10/14/2025	CORE & MAIN LP	6-INCH METER/METERING EQUIPMENT	10,189.56
36	10/14/2025	CSX TRANSPORTATION	EASEMENT FEE-WINSLOW PIPE	54.00
37	10/14/2025	DIG SAFE SYSTEM, INC.	MONTHLY COST OF OPERATIONS	843.17
38	10/14/2025	E.L. VINING & SON, INC.	UHAUL BUILDING REFUND-CHINA ROAD	1,322.46
39	10/14/2025	FRANCOTYP-POSTALIA, INC.	ANNUAL POSTAGE MACHINE RENTAL	468.00
40	10/14/2025	HALL'S HOMES RE, LLC	2 MONTHS LAWN SERVICES-131 DRUMMOND AVE	875.00
41	10/14/2025	HAMMOND LUMBER COMPANY	AQUAPHALT BLACK TOP PATCH	2,339.64
42	10/14/2025	HUSSEY COMMUNICATIONS, INC.	MONTHLY INTERNET SERVICE	182.00
43	10/14/2025	IDEXX DISTRIBUTION, INC.	LAB SUPPLIES-WTP	4,508.19
44	10/14/2025	KENNEBEC EQUIPMENT - FAIRFIELD	PUMP RENTAL/PUMP REPLACEMENT	2,623.00
45	10/14/2025	KRAVITCH MACHINE COMPANY	REPLACE DIE GRINDER	792.43
46	10/14/2025	PD INDUSTRIES, INC.	FIRE PANEL REPAIR-WTP-WITH CAYER SECURITY	683.00
47	10/14/2025	MAINE LABORATORIES, LLC	WATER TESTS	1,590.00
48	10/14/2025	MAINE MUNICIPAL ASSOCIATION	WORKERS COMPENSATION PREMIUM	3,421.35
49	10/14/2025	TREASURER, STATE OF MAINE-HETL	WATER TESTS	660.00
50	10/14/2025	WORKPLACE HEALTH	PHYSICAL EXAM-1 EMPLOYEE	105.00
51	10/14/2025	CARPARTS DIST. CENTER-MOTOR SUPPLY	MACHINE POLISH	92.10
52	10/14/2025	O'CONNOR GMC	MAINTENANCE-1 VEHICLE	594.66
53	10/14/2025	FANADO PELOTTE CONTRACTOR	CONTRACTOR SERVICES-VARIOUS LOCATIONS	22,223.90
54	10/14/2025	PIKE INDUSTRIES, INC.	LAGOON DISCHARGE PROJECT	3,392.41

A. ACCOUNT WARRANT NOVEMBER 6, 2025

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
55	10/14/2025	E.J. PRESCOTT, INC.	GRIP RINGS	1,732.50
56	10/14/2025	SULLIVAN TIRE COMPANY, INC.	REPLACE TRAILER TIRES	399.15
57	10/14/2025	T-MOBILE	MONTHLY INTERNET SERVICE	7.60
58	10/14/2025	VASSALBORO CAR CARE	OIL CHANGE/INSPECTION-1 VEHICLE	112.83
59	10/14/2025	VERIZON	MONTHLY VEHICLE DATA SERVICE	303.20
60	10/14/2025	F.W. WEBB COMPANY	WATER SYSTEM REPLACEMENT ITEMS	6,074.19
61	10/14/2025	TOWN OF WINSLOW	HIGHWAY OPENING PERMITS	307.20
62	10/15/2025	ERGOS TECHNOLOGY PARTNERS, INC.	MONTHLY BACKUP SERVICES	160.00
63	10/15/2025	DIVVY-VISA CARD	MEETING FOOD/CLASS 3 EXAM FEE/TOOLS/BLEACH/ CEILING TILES/WATER SAMPLE SHIPPING FEES/MOTOR SEAL KIT/FLEA KILLER/DECALS/INSECT KILLER/CLEANING SUPPLIES/STUDY MATERIALS/FIRST AID KITS/AIR FRESHENERS/FILE FOLDERS/ BRONZE WEDGES FOR PIPE/TRAINING/KEYS/JACK STANDS/CPA LICENSE RENEWAL/GOOGLE SUB./ MICROSOFT SUBS./WTP CHEMICAL SYSTEM PARTS/GOTOCNECT PHONES/EXPEDITED CARD FEE	3,852.85
64	10/16/2025	AQUA BACKFLOW, INC.	PROGRAM MANAGEMENT SERVICE	459.00
65	10/16/2025	CAMPBELLS HARDWARE	GRASS SEED-LAGOON DISCHARGE PROJECT	161.49
66	10/16/2025	CENTERLINE UTILITIES	MONTHLY KWD LOCATES	3,826.93
67	10/16/2025	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	151.60
68	10/16/2025	DIRIGO ENGINEERING	CHASE AVENUE BOOSTER STATION UPGRADE	36,000.00
69	10/16/2025	HARCROS CHEMICALS, INC.	SODIUM HYPOCHLORITE	5,336.10
70	10/16/2025	INFOSEND, INC.	MONTHLY BILL PROCESSING AND MAILING	1,810.86
71	10/16/2025	KENNEBEC WATER DISTRICT-PETTY CASH	REGISTRY OF DEEDS EASEMENT RECORDINGS	93.90
72	10/16/2025	KYOCERA DOC. SOLUTIONS-N. E.	COPIER QUARTERLY MAINTENANCE CHARGE	490.34
73	10/16/2025	TREASURER, STATE OF MAINE	WATER OPERATOR LICENSE RENEWAL	75.00
74	10/16/2025	TREASURER, STATE OF MAINE	WATER OPERATOR LICENSE RENEWAL	75.00
75	10/16/2025	TREASURER, STATE OF MAINE-HETL	WATER TESTS	1,030.00
76	10/16/2025	MODERN INDUSTRIES, INC.	WATER TESTS	550.00
77	10/16/2025	FANADO PELOTTE CONTRACTOR	LAGOON DISCHARGE PROJECT	10,258.00
78	10/16/2025	PIKE INDUSTRIES, INC.	STONE-LAGOON DISCHARGE PROJECT	353.97
79	10/16/2025	ROKI REPAIR SHOP	MAINTENANCE/INSPECTION-1 VEHICLE	1,261.60
80	10/16/2025	F.W. WEBB COMPANY	FILTERS/WATER SYSTEM PARTS/FLAPPER	1,615.46
81	10/17/2025	NATE QUIRION	GOOD WILL PAYMENT-DAMAGE DUE TO MAIN BREAK	1,738.90
82	10/20/2025	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	194.00
83	10/20/2025	PAYMENTUS	MONTHLY CUSTOMER CC TRANSACTION FEES	3,203.13
84	10/20/2025	EASTWOOD CONTRACTORS, INC.	WATER MAIN REPLACEMENT-SUMMER STREET	234,530.11
85	10/20/2025	TREASURER, STATE OF MAINE-D.O.T.	HIGHWAY OPENING PERMIT	75.00
86	10/23/2025	CDM SMITH, INC.	PFAS MITIGATION UPGRADE PROJECT	11,948.50
87	10/23/2025	UNIVAR SOLUTIONS	CAUSTIC SODA-WTP	6,658.48
88	10/24/2025	AUTOMATRIX, INC.	HUHTAMAKI PUMP STATION PLC UPGRADE	1,310.60
89	10/24/2025	BUDGET DOCUMENT TECHNOLOGY	ANNUAL MAILING MACHINE MAINTENANCE AGREEMENT	1,156.96
90	10/24/2025	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	151.60
91	10/24/2025	GONETSPEED	MONTHLY INTERNET SERVICE	114.90
92	10/24/2025	GRAINGER	SUBMERSIBLE PUMPS-WTP	791.82
93	10/24/2025	MAINE MUNICIPAL BOND BANK	BOND PRINCIPAL/INTEREST/ADMIN FEE	26,878.73
94	10/24/2025	MAINE RURAL WATER ASSOCIATION	ADMIN SUMMIT-1 EMPLOYEE	100.00
95	10/24/2025	TREASURER, STATE OF MAINE-HETL	WATER TESTS	745.00
96	10/24/2025	MID-MAINE CHAMBER OF COMMERCE	ANNUAL MEMBERSHIP DUES	419.50
97	10/24/2025	CARPARTS DIST. CENTER-MOTOR SUPPLY	GREASE FITTINGS	19.68
98	10/24/2025	WILLIAM MUSERO, INC.	HAY FOR LAWN RESTORATION	370.00
99	10/24/2025	NORTHERN SAFETY CO, INC.	GLOVES/BLOOD BORNE PATHOGEN KIT	181.87
100	10/24/2025	PINE TREE WASTE, INC.	PORTAPOTTY RENTAL/RUBBISH REMOVAL	379.00
101	10/24/2025	DAVID MORIN	MONTHLY LAWN SERVICES-VARIOUS LOCATIONS	2,189.00
102	10/24/2025	THAYER CORPORATION	QUARTERLY MAINTENANCE AGREEMENT	212.00
103	10/24/2025	CITY OF WATERVERILLE	MONTHLY VEHICLE FUEL USAGE	2,170.72
104	10/24/2025	F.W. WEBB COMPANY	WATER SYSTEM REPLACEMENT ITEMS	8,850.01
105	10/27/2025	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	1,451.06

A. ACCOUNT WARRANT NOVEMBER 6, 2025

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
106	10/28/2025	FLORES & ASSOCIATES	MNTHLY ADMIN FEE DEDUCTIBLE REIMBURSEMENT	88.00
107	10/29/2025	ERGOS TECHNOLOGY PARTNERS, INC.	ANNUAL DISASTER RECOVERY SERVER	858.00
108	10/29/2025	VERRILL	LEGAL SERVICES	4,481.00
109	10/30/2025	MAINE MUNICIPAL EMPS. HEALTH TRUST	MONTHLY HEALTH INSURANCE PREMIUMS	36,731.10
110	10/30/2025	NORTHEAST DELTA DENTAL	MONTHLY DENTAL INSURANCE PREMIUMS	980.40
111	10/30/2025	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-VARIOUS LOCATIONS	30,542.53
112	10/30/2025	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	151.60
113	10/30/2025	CONSOLIDATED COMMUNICATIONS	MONTHLY INTERNET SERVICE	390.98
114	10/30/2025	DEAD RIVER COMPANY	PROPANE	46.82
115	10/30/2025	KIMBERLEY A FEUGILL	DECALS	64.75
116	10/30/2025	JOHNSON TOOLS	PRY BARS	381.00
117	10/30/2025	MID-MAINE MARINE, INC.	BOAT WINTERIZATION KIT	142.53
118	10/30/2025	NORTHEAST LABORATORY	WATER TEST	45.00
119	10/30/2025	OAKLAND SUPPLY	PVC COUPLINGS	6.60
120	10/30/2025	PROSEAL, LLC	PAVEMENT PATCHES-VARIOUS LOCATIONS	13,497.72
121	10/30/2025	ROKI REPAIR SHOP	REPAIRS/COMMERCIAL INSPECTION	259.50
122	10/30/2025	SARGENT	COLD MIX	6,551.80
123	10/30/2025	T-MOBILE	MONTHLY TELEPHONE/INTERNET SERVICE	365.68
124	10/30/2025	TMDE CALIBRATION LABS, INC.	CALIBRATION-WTP LAB	900.00
125	10/30/2025	VERIZON WIRELESS	MONTHLY TELEPHONE/DATA SERVICE	746.41
126	10/30/2025	F.W. WEBB COMPANY	WATER SYSTEM REPLACEMENT ITEMS/PIPE CUTTER	1,587.16
TOTAL WARRANT				683,619.49

Kennebec Water District
Balance Sheet
As of September 30, 2025

	September 2025	September 2024	Variance
ASSETS			
Current Assets			
Cash	9,227,594.99	7,142,716.01	2,084,878.98
Accounts Receivables	376,059.27	322,525.96	53,533.31
Unbilled services	839,770.66	740,586.30	99,184.36
Prepaid expenses	159,100.47	120,216.81	38,883.66
Inventory	535,298.62	462,589.93	72,708.69
Total Current Assets	11,137,824.01	8,788,635.01	2,349,189.00
Non-Current Assets			
Other Assets	49,889.71	52,823.50	(2,933.79)
Total Non-Current Assets Excluding Capital	49,889.71	52,823.50	(2,933.79)
Capital Assets			
Capital assets, not being depreciated	4,511,039.10	2,934,722.04	1,576,317.06
Capital assets, being depreciated	88,294,620.12	84,667,311.31	3,627,308.81
Accumulated Depreciation	(31,173,286.25)	(30,251,937.61)	(921,348.64)
Total Capital Assets	61,632,372.97	57,350,095.74	4,282,277.23
DEFERRED OUTFLOWS OF RESORUCES			
Deferred Other Post Employee Benefits	70,431.18	23,883.19	46,547.99
Deferred Pension Benefits	360,099.75	219,994.14	140,105.61
Total Deferred Outflows of Resources	430,530.93	243,877.33	186,653.60
TOTAL ASSETS AND DEFERRED OUTFLOWS	73,250,617.62	66,435,431.58	6,815,186.04
LIABILITIES			
Current Liabilities			
Accounts Payable	113,923.63	509,155.51	(395,231.88)
Accrued Expenses	10,750.83	4,653.36	6,097.47
Accrued wages and benefits	90,287.37	61,647.18	28,640.19
Accrued Interest Payable	239,291.62	245,093.93	(5,802.31)
Short-Term Debt	2,611,288.93	384,302.51	2,226,986.42
Current portion of LT Debt	658,649.50	645,212.08	13,437.42
Total Current Liabilities	3,724,191.88	1,850,064.57	1,874,127.31
Non-Current Liabilities			
Other Post Employee Benefits Liabilities	285,984.00	218,933.00	67,051.00
Net Pension Liability	839,659.00	640,280.00	199,379.00
Accrued Compensated Balances	434,126.64	77,624.80	356,501.84
Unamortized bond premium, less current	308,851.59	330,755.73	(21,904.14)
Long-Term Debt (Net)	24,349,520.34	23,563,703.93	785,816.41
Total Non-Current Liabilities	26,218,141.57	24,831,297.46	1,386,844.11
TOTAL LIABILITIES	29,942,333.45	26,681,362.03	3,260,971.42
DEFERRED INFLOWS OF RESOURCES			
Deferred Credits	4,035,599.20	2,559,045.43	1,476,553.77
Deferred Other Post Employee Benefits	71,009.27	79,910.53	(8,901.26)
Deferred-Pension Benefits	87,303.15	140,443.84	(53,140.69)
TOTAL DEFERRED INFLOWS OF RESOURCES	4,193,911.62	2,779,399.80	1,414,511.82
NET POSITION	39,114,372.55	36,974,669.75	2,139,702.80
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	73,250,617.62	66,435,431.58	6,815,186.04

KENNEBEC WATER DISTRICT

MONTHLY INCOME STATEMENT FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	2025 SEPTEMBER ACTUAL	2024 SEPTEMBER ACTUAL	2024 MONTHLY VARIANCE	2025 YTD ACTUAL	2024 YTD ACTUAL	YTD VARIANCE	2025 BUDGET	% OF BUDGET USED
OPERATING REVENUES								
METERED SALES RESIDENTIAL CUST	243,096	221,765	21,331	2,724,099	2,577,985	146,113	3,793,725	72%
METERED SALES COMMERCIAL CUST	126,295	107,543	18,752	924,380	867,016	57,364	1,227,034	75%
METERED SALES INDUSTRIAL CUST	215,053	138,286	76,767	1,468,372	1,133,961	334,411	1,042,117	141%
METERED SALES GOVERNMENTAL	24,214	21,005	3,209	160,941	144,616	16,325	201,094	80%
PUBLIC FIRE PROTECTION	-	-	-	666,330	633,160	33,170	894,866	74%
PRIVATE FIRE PROTECTION	-	-	-	265,568	247,851	17,717	350,297	76%
SALES FOR RESALE	37,599	18,145	19,454	202,927	144,211	58,716	206,417	98%
FORFEITED DISCOUNTS & PENALTIES	4,551	3,727	824	32,495	36,962	(4,467)	50,000	65%
MISC SERVICE REVENUE	41,463	4,734	36,729	88,841	67,759	21,082	43,900	202%
OTH WATER REVENUE (SALE READ)	-	-	-	39,378	39,378	-	52,500	75%
TOTAL OPERATING REVENUES	692,271	515,355	176,915	6,574,030	5,894,798	679,232	7,861,950	84%
NON-OPERATING REVENUES								
INTEREST & DIVIDEND INCOME	29,143	29,288	(145)	257,192	236,739	20,453	250,000	103%
MISCELLANEOUS INCOME/(LOSS)	9,836	5,542	4,294	1,583,367	1,554,885	28,483	244,500	648%
TOTAL NON-OPERATING REVENUES	38,979	34,830	4,150	1,840,559	1,791,623	48,936	494,500	372%
TOTAL REVENUES	731,250	550,185	181,065	8,414,589	7,686,421	728,167	8,356,450	101%
OPERATING EXPENSES								
SALARIES & WAGES EMPLOYEES	179,435	165,425	14,010	1,565,216	1,522,437	42,779	2,216,350	71%
EMPLOYEE PENSIONS & BENEFITS	64,364	67,971	(3,607)	570,785	567,752	3,032	832,500	69%
PURCHASED POWER	40,360	30,243	10,117	304,372	251,109	53,263	311,560	98%
CHEMICALS	15,758	36,154	(20,396)	163,781	192,761	(28,980)	200,000	82%
MATERIALS & SUPPLIES	67,652	58,247	9,405	393,442	322,923	70,519	480,354	82%
CONTRACTUAL SERVICES	52,843	198,089	(145,247)	574,408	674,637	(100,229)	1,065,812	54%
RENTAL EXPENSE	1,439	3,300	(1,861)	3,277	5,447	(2,170)	7,175	46%
TRANSPORTATION EXPENSES	9,585	12,478	(2,893)	42,635	57,947	(15,312)	74,850	57%
INSURANCE	8,030	8,680	(650)	74,775	70,619	4,157	113,225	66%
TAXES OTH THAN INCOME	17,407	14,391	3,017	190,214	173,395	16,819	243,075	78%
MISCELLANEOUS EXPENSES	34,156	36,927	(2,771)	142,763	161,568	(18,805)	207,600	69%
TOTAL OPERATING EXPENSES	491,028	631,906	(140,878)	4,025,667	4,000,595	25,072	5,752,501	70%
EARNINGS BEFORE INTEREST, TAXES, DEPR & AMORT (EBITDA)	240,222	(81,721)	321,943	4,388,921	3,685,826	703,095	2,603,949	169%

KENNEBEC WATER DISTRICT
MONTHLY INCOME STATEMENT FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	2025 SEPTEMBER ACTUAL	2024 SEPTEMBER ACTUAL	MONTHLY VARIANCE	2025 YTD ACTUAL	2024 YTD ACTUAL	YTD VARIANCE	2025 BUDGET	% OF BUDGET USED
DEPRECIATION AND AMORTIZATION EXPENSE (NON-CASH ITEMS)	102,609	133,480	(30,870)	1,290,911	1,210,183	80,728	1,742,176	74%
TOTAL DEPRECIATION AND AMORTIZATION	102,609	133,480	(30,870)	1,290,911	1,210,183	80,728	1,742,176	74%
INTEREST EXP-LT DEBT	64,745	65,446	(701)	610,669	596,974	13,695	840,000	73%
TOTAL INTEREST & AMORTIZATION	64,745	65,446	(701)	610,669	596,974	13,695	840,000	73%
NET INCOME	72,867	(280,647)	353,514	2,487,342	1,878,669	608,673	21,773	11424%

**Kennebec Water District
Statement of Cash Flows
For the Period Ending September 30, 2025**

Cash Balance 08/31/2025	\$ 9,245,173.20
Utility Billing Receipts	717,180.84
Payments to Vendors	(1,377,921.61)
Interest	29,142.97
Payroll	(201,187.46)
Water System Asset Security Grant	10,000.00
MMBB Bond payments for Summer St Req #5 & #6	804,387.27
Net Monthly Activity	\$ (18,397.99)

Balance Sheet Cash Balance 09/30/2025	\$ 9,226,775.21
--	------------------------

Cash and Investment Accounts-Ending Balances

Operating Checking Account TD Bank	2,533,913.88
Certificates of Deposit	6,689,844.33
Cash Drawers & Petty Cash & Deposits	3,017.00
Cash Balance 09/30/2025	\$ 9,226,775.21

Reserve for Debt Payments

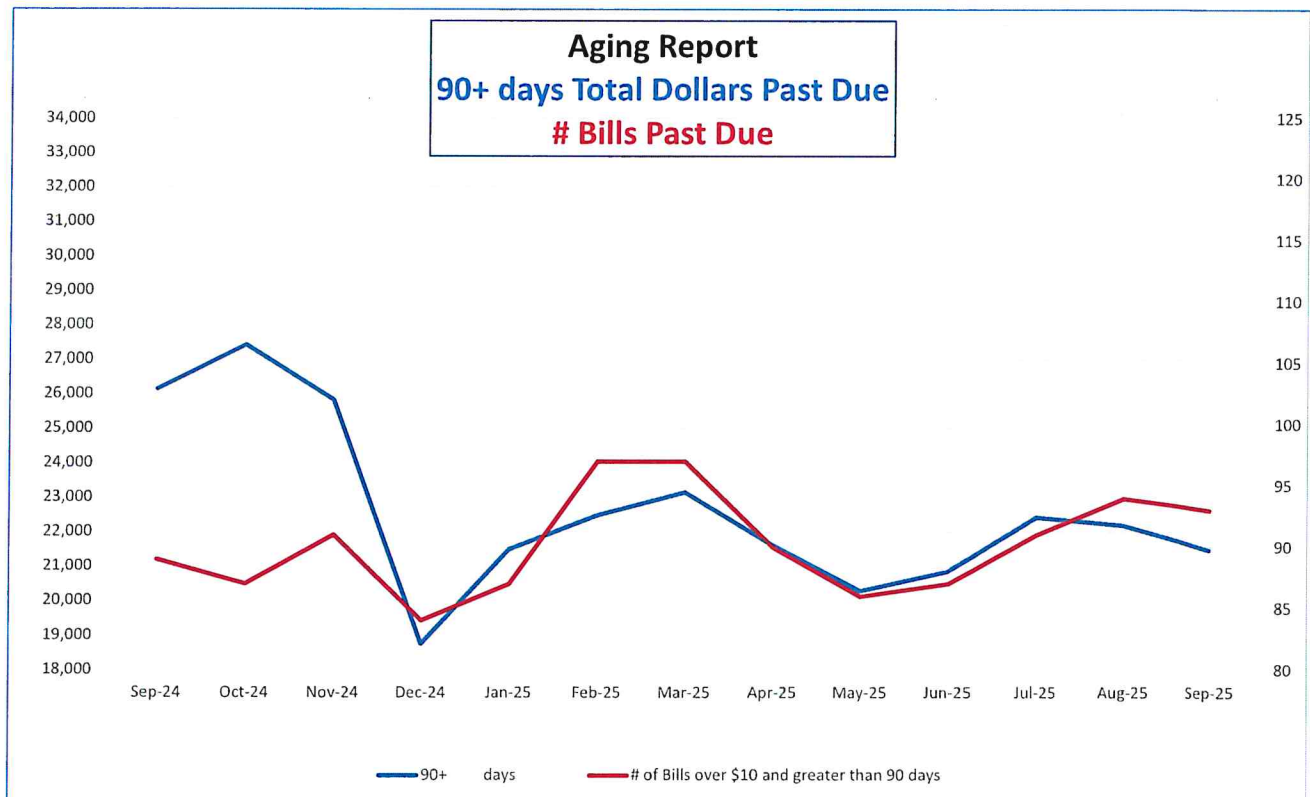
LESS RESERVE 2025 BOND PRINCIPAL	
LESS RESERVE 2025 BOND INTEREST	\$ 19,625.75
LESS RESERVE 2025 BOND PRINCIPAL	\$ 11,728.11
LESS RESERVE 2024 BOND PRINCIPAL	\$ -
LESS RESERVE 2024 BOND INTEREST	\$ 2,068.26
LESS RESERVE 2022 BOND PRINCIPAL	\$ -
LESS RESERVE 2022 BOND INTEREST	\$ 4,679.55
LESS RESERVE 2022 BOND PRINCIPAL	\$ -
LESS RESERVE 2022 BOND INTEREST	\$ 3,369.13
LESS RESERVE 2022 REVENUE BOND PRINCIPAL	\$ 425,000.00
LESS RESERVE 2022 REVENUE BOND INTEREST	\$ 710,268.76
LESS RESERVE 2021 BOND PRINCIPAL	\$ 32,661.64
LESS RESERVE 2021 BOND INTEREST	\$ 5,636.70
LESS RESERVE 2020 BOND PRINCIPAL	\$ -
LESS RESERVE 2020 BOND INTEREST	\$ 11,472.03
LESS RESERVE 2020 BOND PRINCIPAL	\$ 23,692.00
LESS RESERVE 2020 BOND INTEREST	\$ 3,695.11
LESS RESERVE 2017 BOND PRINCIPAL	\$ 136,470.00
LESS RESERVE 2017 BOND INTEREST	\$ 8,653.89
LESS RESERVE 2011 BOND PRINCIPAL	\$ -
LESS RESERVE 2011 BOND INTEREST	\$ 8,406.01
LESS RESERVE 2009 STIMULUS PRINC	\$ 7,168.71
TOTAL CASH RESERVED BONDS	\$ 1,414,595.65

Uncommitted Balance	\$ 7,812,179.56
----------------------------	------------------------

Kennebec Water District

AGING REPORT

	Current	31-60 days	61-90 days	90+ days	Total	# of Bills over \$10 and greater than 90 days
Sep-24	291,287	4,305	489	26,130	322,210	89
Oct-24	392,203	(6,165)	77	27,413	413,528	87
Nov-24	367,319	(4,185)	1,261	25,816	390,211	91
Dec-24	404,786	(2,704)	364	18,747	424,145	84
Jan-25	580,940	263	5,924	21,489	611,570	87
Feb-25	484,706	2,162	2,081	22,472	511,420	97
Mar-25	329,568	109,013	1,119	23,144	462,844	97
Apr-25	548,538	(1,904)	1,370	21,608	569,612	90
May-25	364,956	(3,400)	1,615	20,277	383,449	86
Jun-25	362,278	(3)	1,562	20,856	384,694	87
Jul-25	544,304	(2,086)	3,238	22,417	567,872	91
Aug-25	377,553	(3,611)	1,454	22,194	397,590	94
Sep-25	352,304	724	1,654	21,472	376,153	93



Kennebec Water District
Proposed 2026 Capital Budget
October 31, 2025

Department	Item	Estimate	Description and Justification
Water Quality	Building Access Control at WTP	\$20,000	In 2025, Cayer Security installed a new security monitoring system at the Water Treatment Plant (WTP) utilizing MDWPP Water System Asset Security Grant. Building on that foundation, this security project will enhance facility security by installing electrified hardware on employee and process area doors, enabling integration with a card reader access system. To support this initiative, KWD will apply for a \$10,000 from the Water System Asset Security Grant from the Maine CDC Drinking Water Program.
Water Quality	Upgrade Level Sensors at Reservoir Tanks Site	\$10,000	KWD currently measures tank level within the two 6MG reservoir tanks using pressure transducers located below ground in the pipelines adjacent to the tanks. In general this provides adequate data, however, during high demand events (i.e. main breaks, fires, and Huhtamaki usage) the pressure in the pipeline decreases due to high flow creating an inaccurate tank level reading. By installing an ultrasonic level transducers in the tanks we will be able to maintain a reliable tank level in all operating scenarios. Some provisions for this upgrade were made in 2019 when the tank mixers were installed at this location including conduit to the top of the tanks reducing the overall cost for this project substernal.
Water Quality	PFAS Mitigation Project - Design	\$1,300,000	This line item budgets for the engineering of the modification to the current infrastructure at the water treatment plant to facilitate the treatment of PFAS compounds. The intent is to apply for these design funds utilizing the DWSRF, thus meeting the 10% funding requirement of the \$8,000,000 construction grant provided by the Maine Drinking Water Program Emerging Contaminant fund. The current timeline placed design to be completed in 2026 and construction to begin in 2027 for final compliance in 2029.
Water Quality	Replacement of Pneumatic Actuators	\$175,000	This ongoing project seeks to replace the remainder of the pneumatically controlled process valves with electrically controlled actuators. This replacement was recommended in the 2018 Master Plan as electric actuators are more efficient, reliable, and require less routine maintenance. To date, water quality department personnel have updated 36 of the 55 control and flow control valves (14 completed in 2024 and 12 completed in 2025) plant wide. All remaining valves are 16"-20" in size and located in hard to access locations.
Water Quality	Forklift	\$35,000	Loading and unloading equipment and chemical totes from trucks and moving equipment around the WTP are critical components to the operations of the WTP. When this type of work is expected at the WTP, equipment (Backhoe with forks) is borrowed from the distribution department. This option raises several concerns such as consistent utilization of Distribution Department equipment causing delays in construction projects due to operational inefficiencies derived from the travel time between locations, incompatibility of timelines between departments, and removal of critical equipment from it's "Home Location" in case of emergency. With a forklift dedicated to the WTP efficiencies will be gained in several aspects of KWD operations.
Total Water Quality		\$1,505,000	

Department	Item	Estimate	Description and Justification
Distribution	Skid Steer	\$50,000	Purchase a used skid steer to enhance safety and efficiency when loading materials into 1-ton dump trucks and during snow removal operations. Additional attachments may be considered in the future to further expand its functionality.
			To support the safe and efficient execution of future 2" water main installations and other emergency or planned water infrastructure work, we propose the acquisition of an 8'x12' adjustable shielding box with legs. This will provide proper trench protection in longer excavation areas, especially where traditional boxes are insufficient. The adjustable design and integrated legs offer flexibility across varied site conditions, reducing setup time and improving operational efficiency. Investing in this shielding box aligns with our commitment to safety, regulatory compliance, and readiness for both routine and emergency water system work.
Distribution	New Shielding Box	\$16,000	
Distribution	700lb Compactor	\$12,000	Replace existing compactor nearing the end of its useful life.
	Total Distribution	\$78,000	
Facility	Quonset Hut Relocation Project	\$10,000	This project involves relocating an existing Quonset hut from the South Street location to the Drummond office to provide additional covered storage for equipment, protecting it from snow and rain. While the existing frame will be reused, a new canvas and updated footings will be required to complete the installation.
	Total Facility	\$10,000	
Engineering	West River Rd Main Replacement	\$500,000	Replacement of approximately 430 feet of 1971 cast iron water main on West River Rd in Waterville from John Ave to Franklin St. This section of main has had six main breaks and 344 feet of the adjoining section had previously been replaced in 1996. Breaks on this main are typically complicated and expensive to repair.
Engineering	2026 Sanger and Boutelle Main Replacement	\$4,116,750	Replacement of cast iron water main on Sanger Ave, Boutelle Ave, Colonial St and Main St ranging in age from the 1800s to the 1930s. KWD has been awarded DWSRF funding for this project and has a contract signed for the work to be completed in 2026 although a portion work will need to be completed in 2025 to satisfy funding requirements.
Engineering	Chase Avenue Pump Station Rehabilitation	\$1,225,000	This project will rehabilitate the pump station by replacing aging components with new pumps, updated controls, SCADA, and the addition of on-site backup power generation. While the station has reliably served KWD for decades, sourcing replacement parts for the original 1974 equipment has become increasingly difficult. Currently, the facility lacks backup power, leaving it vulnerable during outages. We plan to apply for Drinking Water State Revolving Fund (DWSRF) funding.

Department	Item	Estimate	Description and Justification
Engineering	2027 Sunset Heights Main Replacement Project	\$100,000	This project is to replace cast iron water mains from the 1950s and 1960s in the Sunset Heights area of Winslow including Joe Ave, Helen St, Sam St, Hemlock St, and Paine St. We have had numerous main breaks in this area and the Town of Winslow is working on replacing the storm and sewer lines in the near future. KWD will apply for DWSRF funding. The majority of this project is to be completed in 2027, however, DWSWRF funding requires that a portion of the project be completed in 2026.
Engineering	Miscellaneous Projects - various locations	\$130,000	Hydrants, valves, and other work yet to be determined.
Engineering	Future capital projects design work	\$25,000	Engineering staff time to survey, permit, and design future projects
Engineering	In-House Main Projects	\$150,000	Complete two in-house main projects, one on Totman Court in Fairfield and another on Canal Street in Vassalboro.
Engineering	Correction of Non-Conforming Services	\$50,000	Funds to support our Policy for Correcting Non-Conforming Services with KWD Funds. Non-conforming services create risks for KWD including operational and revenue collection challenges and barriers to future development.
	Total Engineering	\$6,296,750	
	Total-All Departments	\$7,891,750	
Projects Carried Over from the Previous Year			
Engineering	2025 Summer and Grove Streets Main Replacement	\$2,000	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.
	Total Carried over into 2026	\$2,000	
	Total-All Departments	\$7,891,750	
	DWSRF Funding Grants and Loans	\$6,763,750	KWD has been awarded DWSRF loans (with 35% principal forgiveness) for Sanger and Boutelle main replacement and Summer Street main replacement. We have applied for DWSRF loans for the Sunset Heights main replacement, Chase Ave Pump Station, and the PFAS Mitigation design work. A \$10,000 grant is anticipated for the WTP access control project.
	Trade-ins on Replacement Vehicles and Equipment	\$0	None
	Estimated 2026 Cash Spending	\$1,128,000	
	Estimated 2026 New Debt Obligation	\$4,317,138	Remaining principal of new DWSRF projects

Kennebec Water District

Proposed 2026 Operating Budget

Note: Revenue and Income shown as (negative) numbers

Updated: 10/31/2025

Category	2024 Actuals	2025 Year-End (Estimated)	2025 Budget	2026 Proposed Budget	Source of 2025 Budget Estimate
----------	--------------	------------------------------	-------------	-------------------------	--------------------------------

Operating Revenues

Metered Sales	\$ (6,424,848)	\$ (6,980,181)	\$ (6,263,970)	\$ (6,208,619)	2025 budget revenue + 8% rate increase. Anticipated decrease in Huhtamaki consumption.
Fire Protection	\$ (1,174,902)	\$ (1,242,614)	\$ (1,245,163)	\$ (1,330,833)	2025 budget revenue + 8% rate increase.
Wholesale and Bulk Water Sales	\$ (200,168)	\$ (272,000)	\$ (206,417)	\$ (266,000)	2025 budget revenue + 8% rate increase.
Other Water Revenue	\$ (181,026)	\$ (148,000)	\$ (131,400)	\$ (151,525)	2025 budget revenue + 8% rate increase.
Total Operating Revenues	\$ (7,980,944)	\$ (8,642,795)	\$ (7,846,950)	\$ (7,956,977)	

Operating Expenses

Salary and Wages	\$ 2,169,750	\$ 2,184,333	\$ 2,216,350	\$ 2,330,250	2.8% COLA plus salary step adjustments.
Employee Pensions and Benefits	\$ 758,197	\$ 761,687	\$ 832,500	\$ 867,175	9% increase in health insurance, plus pension increases in proportion to salaries.
Purchased Power	\$ 336,779	\$ 405,829	\$ 311,560	\$ 324,600	Aggregated department budgets
Treatment Chemicals	\$ 248,099	\$ 211,000	\$ 200,000	\$ 175,000	Aggregated department budgets
Materials and Supplies	\$ 449,135	\$ 524,589	\$ 480,354	\$ 601,500	Aggregated department budgets
Contract Services	\$ 929,481	\$ 782,000	\$ 1,065,813	\$ 881,000	Aggregated department budgets
Rental Property and Equipment	\$ 7,201	\$ 6,667	\$ 7,175	\$ 4,450	Aggregated department budgets
Transportation Expenses	\$ 59,588	\$ 36,667	\$ 74,850	\$ 59,750	Aggregated department budgets
Insurances	\$ 97,216	\$ 99,700	\$ 113,225	\$ 115,297	Based upon actual insurance rates from July 2025-June 2026 and estimated 5% increase for the balance of the year.
Miscellaneous Expenses	\$ 206,989	\$ 190,351	\$ 207,600	\$ 225,416	Use 2025 estimate plus DWSRF fees on borrowing.
Total Operating Expenses	\$ 5,262,434	\$ 5,202,823	\$ 5,509,427	\$ 5,584,438	

Depreciation and Taxes

Depreciation	\$ 1,880,436	\$ 1,936,000	\$ 2,100,000	\$ 2,098,085	Estimated based upon asset changes in 2026
Taxes Other Than Income	\$ 231,331	\$ 243,000	\$ 243,075	\$ 255,450	Based upon July through June actual bills and planned increased in payroll.
Total Depreciation and Taxes	\$ 2,111,767	\$ 2,179,000	\$ 2,343,075	\$ 2,353,535	

Kennebec Water District

Proposed 2026 Operating Budget

Note: Revenue and Income shown as (negative) numbers

Updated: 10/31/2025

Category	2024 Actuals	2025 Year-End (Estimated)	2025 Budget	2026 Proposed Budget	Source of 2025 Budget Estimate
<u>Deductions from Income</u>					
Amortization Adjustment	\$ (308,639)	\$ (375,232)	\$ (357,825)	\$ (464,971)	Amortize forgiveness of debt from DWSRF loans.
Interest Expenses	\$ 804,952	\$ 814,225	\$ 840,000	\$ 900,750	Calculated based upon debt payment schedule.
Total Deductions from Income	\$ 496,313	\$ 438,993	\$ 482,175	\$ 435,779	
<u>Other Income</u>					
Contribution in Aid of Construction	\$ (470,472)	\$ (73,187)	\$ -	\$ (50,000)	
Total Other Income	\$ (470,472)	\$ (73,187)	\$ -	\$ (50,000)	
<u>Non-Operating Revenues</u>					
Net Revenues from Jobbing	\$ (46,047)	\$ (55,000)	\$ (15,000)	\$ (20,000)	Jobbing revenue less jobbing expense.
Interest and Dividend Income	\$ (316,617)	\$ (323,192)	\$ (250,000)	\$ (200,000)	Interest rates on KWD cash reserves is anticipated to remain between 3% and 4.0%.
Non-Operating Income	\$ (911,260)	\$ (2,395,388)	\$ (244,500)	\$ (203,000)	Power curtailment credits, net energy credits, insurance claims, PFAS settlements, sale of scrap materials, and non-amortized grants.
Total Non-Operating Revenues	\$ (1,273,924)	\$ (2,773,580)	\$ (509,500)	\$ (423,000)	
<u>Summary</u>					
Total Revenue and Income	\$ (9,725,340)	\$ (11,489,561)	\$ (8,356,450)	\$ (8,429,977)	
Total Expenses	\$ 7,870,514	\$ 7,820,816	\$ 8,334,677	\$ 8,373,752	
Net Income	\$ (1,854,826)	\$ (3,668,745)	\$ (21,773)	\$ (56,225)	

Kennebec Water District Proposed Cash Budget

Updated: 10/31/25

2025 Projections

Date	Purpose	(Decreases)/Increases (All Numbers are Estimates)	Cash Reserve Balance	Description
12/31/2024	Starting Balance		\$ 7,964,315	Actual 2024 Year-End.
12/31/2025	2025 Total Expenses	\$ (7,820,816)	\$ 143,499	From operating budget
12/31/2025	2025 Depreciation Expense	\$ 1,936,000	\$ 2,079,499	Add depreciation expense back into cash budget (Depreciation is an expense but it does not reduce the cash balance)
12/31/2025	2025 Revenues and Income	\$ 11,111,369	\$ 13,190,868	Actual thru October and estimate for November & December.
12/31/2025	2025 Capital Expenditures	\$ (5,216,418)	\$ 7,974,450	Actual thru September, estimate for October, November & December
12/31/2025	2025 Bond Principal Payments	\$ (1,270,667)	\$ 6,703,783	Actual bond principal payments
12/31/2025	2025 Loan Disbursements	\$ 4,058,291	\$ 10,762,074	DWSRF loans for pipe replacement projects, Pleasant Street, Summer Street
12/31/2025	Contribution in Aid of Construction	\$ (73,187)	\$ 10,688,887	Non-cash revenue
12/31/2025	2025 Amortization Adjustment	\$ (375,232)	\$ 10,386,842	Amortization adjustment back into cash budget (Amortization is an adjustment but it does not reduce the cash balance)
12/31/2025	Ending Cash Balance		\$ 10,386,842	Estimated 2025 Year-End

2026 Projections

Date	Purpose	(Decreases)/Increases (All Numbers are Estimates)	Cash Reserve Balance	Description
12/31/2025	Starting Balance		\$ 10,386,842	Estimated 2025 Year-End
12/31/2026	2026 Total Expenses	\$ (8,373,752)	\$ 2,013,090	From operating budget
12/31/2026	2026 Depreciation Expense	\$ 2,098,085	\$ 4,111,175	Add depreciation expense back into cash budget (Depreciation is an expense but it does not reduce the cash balance)
12/31/2026	2026 Revenues and Income	\$ 8,429,977	\$ 12,541,152	From operating budget
12/31/2026	2026 Capital Expenditures	\$ (7,891,750)	\$ 4,649,402	2026 capital budget
12/31/2026	2026 Bond Principal Payments	\$ (1,153,500)	\$ 3,495,902	Actual bond principal payments
12/31/2026	Loan Disbursements for 2025 and 2026 projects	\$ 6,763,750	\$ 10,259,652	DWSRF loans for pipe replacement projects, Chase Avenue pump station rehabilitation, PFAS mitigation design work and lead service line investigation
12/31/2026	Contribution in Aid of Construction	\$ (50,000)	\$ 10,209,652	Non-cash revenue
12/31/2026	2026 Amortization Adjustment	\$ (464,971)	\$ 9,744,681	Amortization adjustment back into cash budget (Amortization is an adjustment but it does not reduce the cash balance).
12/31/2026	Ending Cash Balance		\$ 9,744,681	Estimated 2026 Year-End.

Increase/(Decrease) in cash from 12/31/2025

\$ (642,161)



MEMO

November 6, 2025

To: Kennebec Water District Board of Trustees

From: Amy Dyer, Finance Manager

Cc: Roger Crouse, General Manager

Subject: Request for Approval of Auditing Services for a three-year term from 2025-2027 with pricing for an optional two-year term.

Need/Background:

Per the requirements of the Public Utilities Commission (as well as judicious financial management practices), KWD must have a third-party conduct an audit of the financial system. RKO (Runyon Kersteen Oullette) has performed KWD's annual audit for the past ten years. We are currently in the third year of a three-year agreement. The final 2024 Annual Financial Statement Audit reports are still pending.

On September 25, 2025, we solicited proposals from five auditing firms. Three firms (RKO, Wipfli LLC, and Nicholson, Michaud & Nadeau submit proposals. Wipfli LLC is a large national firm with Maine Public Utilities Commission auditing experience. Nicholson, Michaud & Nadeau is a local firm in Waterville with government auditing experience including the City of Waterville and Kennebec Sanitary Treatment District. RKO is our current auditing firm.

Proposals

Based upon the proposals submitted, all three firms appear to have the experience and expertise to provide KWD with the auditing services needed. A summary of the cost proposals from each firm can be found below:

Audit Period	Firm and Fees*		
	Nicholson, Michaud & Nadeau	RKO	Wipfli
2025	\$15,000	\$25,250	\$18,550
2026	\$15,000	\$26,000	\$19,292
2027	\$15,000	\$26,750	\$22,760
2028**	\$15,500	\$27,500	\$23,354
2029**	\$16,000	\$28,250	\$24,176
Totals	\$76,500	\$133,750	\$108,132
*Includes annual financial statements and single audit			
** KWD's request for proposal solicited fees for a three-year contract and a supplemental proposal for an additional two years.			

I have conducted informal discussions with multiple entities regarding their current audit services and experiences.

The Greater Augusta Water District and the Town of York both reported that they have not yet received their 2024 audited financial statements from RKO. In addition, both the Greater Augusta Water District and the City of Augusta have recently transitioned away from RKO and selected Nicholson, Michaud & Nadeau for future audit services.

Feedback from other entities was consistently positive.

- The Town of Millinocket's Town Administrator expressed a high level of satisfaction with Wipfli, citing their timely issuance of reports and a smooth audit.
- The Wells Sanitary District also spoke very highly of Wipfli, describing them as "top-notch."
- The Kennebec Sanitary Treatment District reported a very positive experience with Nicholson, Michaud & Nadeau. The firm begins preparation before the end and consistently issues audited financial statements by the end of February. The engagement partner, Erik Nadeau, is highly involved throughout the process and is readily accessible when needed.
- City of Waterville also noted strong, positive experiences with Nicholson, Michaud & Nadeau, highlighting their timely delivery of audited financial statements and excellent communication.

While all three firms are very well qualified, communication and responsiveness issues experienced with RKO over the past year remain a concern. Additionally, Nicholson, Michaud & Nadeau provided a significantly more competitive pricing structure compared to both Wipfli and RKO. Their reputation for timeliness, quality of service, and cost-effectiveness aligns well with our needs.

Request:

Based on these positive references and competitive pricing, I am requesting Board of Trustees approval to enter into a three-year agreement with Nicholson, Michaud & Nadeau for auditing services for \$15,000 per year and the discretion to extend the agreement for an additional two years at \$15,500 and \$16,000, respectively, if performance is satisfactory.



**November 6, 2025
Trustee Meeting
General Manager Report**

1. Notable accomplishments/successes since last report (including personnel commendations):

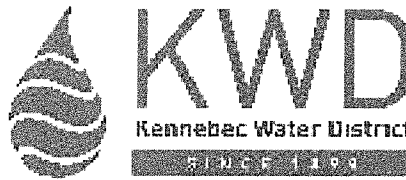
- a. The development of the proposed 2026 budgets involved a lot of work by all managers. Their commitment to our mission and our core value of maintaining reasonable rates continues to be apparent. A special thanks to Amy for her work pulling the budget together.
- b. Kudos to Robbie Bickford and Matt Zetterman for their rapid response to the WTP data recording failure on October 27, 2025 (see the Water Quality Department report for more information). Their leadership and problem-solving abilities are exceptional.

2. Progress report on items presented at the previous Trustee meeting:

- a. On October 23, 2025, I made a presentation at the Waterville Historical Society on the history of the Kennebec Water District. Approximately 20 people were in attendance.
- b. A good will payment of \$1,738.90 was paid to the owners of 107 Halifax Street in Winslow in follow-up to the main break that occurred on August 21, 2025.
- c. As of October 31st, there has been no interest from Fairfield residents to fill the trustee vacancy created by Bruce William's resignation.

3. New or upcoming items of significance:

- a. We will be having our annual December all-staff meeting during the first week of December (date and time TBD).
- b. November is the month of employee performance review. Managers will be meeting with each employee to review their performance over the past 12 months.



November 6, 2025

Trustee Meeting

Monthly Department Reports

Department: Engineering

Submitted by: Matt Zetterman

1. Notable accomplishments/successes since last report (including personnel commendations):

N/A

2. Progress report on items presented at the previous Trustee meeting:

- a. 2025 Summer Street Area Water Main Replacement Project – Eastwood Construction has replaced the existing main on Wilson Park in Waterville (a 2-inch main from 1925) and has started connecting the services to the new main. Other than paving, it's expected that this work will be completed by October 31st. This is the last section of water main being replaced under this contract.
- b. PFAS Mitigation Project – We had a productive meeting with the Maine Drinking Water Program (Maine DWP) on September 25th regarding CDM Smith's engineering evaluation and recommendations for our PFAS project. Based upon recent communication with DWP staff, it appears that EPA has accepted our project plan for spending the \$8 million previously awarded. In the last month we also applied for Drinking Water State Revolving Fund (SRF) funds for the design portion of the project. We will now be developing a design services scope of work with CDM Smith.
- c. Evaluating Cellphone Carriers – As of October 21st we have cut over all our cellphones from Verizon to T-Mobile. This change will result in cost savings, and we expect to see some moderate improvements in cellular service.
- d. 2027 Sunset Heights Water Main Replacement Project – We have applied for Drinking Water SRF funds to replace cast iron water mains from the 1950s and 1960s in the Sunset Heights area of Winslow including Joe Avenue, Helen Street, Sam Street, Hemlock Street, and Paine Street. This project would mostly be completed in 2027 but a portion would be completed early in 2026 due to paving planned by MaineDOT on Cushman Road which connects to both Joe Avenue and Paine Street.

3. New or upcoming items of significance:

- a. Sunset Heights Sewer and Storm Improvement Project – We recently had a productive meeting with the Town of Winslow regarding their upcoming sewer and storm project in the Sunset Heights area of Winslow. The potential impact on the District over the next 2+ years is significant as there are a number of potential conflicts between the water infrastructure and the Town's proposed infrastructure. Not only could it result in offsets and relocations of our water infrastructure, but it could demand a lot of staff time in both our Engineering and Distribution departments. We continue to work with them to avoid and resolve these conflicts. This phase of their project does not overlap with our 2027 main replacement project in Sunset Heights but considerations are being made in our main replacement design to avoid conflicts with future phases of the project.
- b. SCADA Data Dashboard – We have been working diligently to build a new dashboard to make SCADA data more available to staff outside of the water treatment plant. The data is limited to flow, pressure, and tank level at remote sites, but will make it easier for Distribution and Engineering staff to evaluate the distribution system conditions during a main break. The first iteration of the dashboard is nearing completion and should be rolled out soon.



**November 6, 2025
Trustee Meeting
Monthly Department Report**

Department: Service

Submitted by: Benny LaPlante

1. Notable accomplishments/successes since last report (including personnel commendations):

- a. Our Safety and Health Award for Public Employers (SHAPE) renewal has been completed. All corrections have been made, and KWD will remain in the program. The next renewal will be in 2027.

2. Progress on items presented in previous monthly department reports:

- a. N/A

3. New or upcoming items of significance:

- a. Our Maine Municipal Association – Workers’ Compensation Safety Incentive Program: Tier III renewal was conducted on October 14, 2025. James Toman reviewed our written safety programs, training records, safety committee minutes, and our SHAPE report. He conducted an inspection and identified the following hazards:
 - The boiler at 131 Drummond Ave had not been inspected.
 - A 3-step stool in the garage was found to be residential grade, not commercial or industrial. It has been discarded and replaced with a commercial grade step stool.
 - There was no sign above the eyewash station in the garage. A sign was purchased and installed.
 - Shelves in the warehouse, tool room, flammable room, and storage closet were lacking load capacity labels. All have been labeled appropriately.

While we are awaiting the boiler inspection by Travelers Insurance, the rest have been corrected.



**November 6, 2025
Trustee Meeting
Department Reports**

Department: Water Quality

Submitted by: Robbie Bickford

1. Notable accomplishments/successes since last report (including personnel commendations):

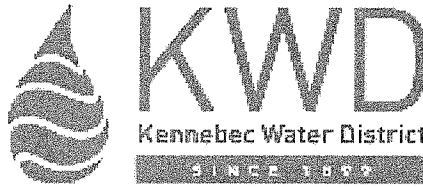
- a. The application has been submitted for an additional \$1.3M of funding through the Drinking Water State Revolving Fund for design of modifications to the WTP for PFAS mitigation.

2. Progress report on items presented at the previous Trustee meeting:

- a. China Lake (Lake Elevation: 170.0 feet or 18 inches below spillway)
 - i. KWD was awarded \$10,000 of grant funding through the MDWP Source Water Protection Grant Program for updated signage and buffer plantings around China Lake.
 - ii. On October 23, 2025, the lake was almost completely mixed, and the fall drawdown was begun. With the level at 18" below spillway when the drawdown was started, there will only be 12" of water removed from the lake during this drawdown vs the optimal 30". The lower than normal lake level was due in part to drought conditions experienced this summer and fall.
- b. PFAS Mitigation Project:
 - i. Samples continue to be collected, analyzed, and trended to review the effectiveness of the new GAC within our existing gravity filters.
- c. Lagoon Discharge Project:
 - i. The outfall was fully completed by September 30, 2025, marking a completion to all work needing to be completed in the shoreland zone.

3. New or upcoming items of significance:

- a. On October 27, 2025, from 12:15 am until 6:22 am no data from the operation of the water treatment plant was recorded in the SCADA system. This data includes flowrates, turbidity, chlorine, fluoride, pH, and temperature. We are confident that the water treatment plant produced water that meets all requirements of the Safe Drinking Water Act during this time, however data is required to confirm this. With help from Matt, we were able to manually extract data from the turbidimeters, however no data was able to be recovered from the Chlorine analyzers leading to a potential compliance concern. We are in ongoing communication with staff at the Drinking Water Program regarding this event.



November 6, 2025
Trustee Meeting
Department Reports

Department: Finance Department

Submitted by: Amy Dyer

1. Notable accomplishments/successes since the last report (including personnel commendations):
 - a. We received three proposals for the annual financial audit. Our current auditors submitted the highest bid for 2025 which was \$6,750 higher than the 2024 audit. Wipfli LLC, a large national firm submitted a bid for 2025 that was \$50 higher than the 2024 audit. Nicholson, Michaud & Nadeau, CPAs, a Waterville firm, offered the most competitive price which was \$3,500 lower than our 2024 audit.
 - b. I have opened two CDs at Northeast Bank. They were offering 4.25 percent APR, which is 0.50 percent higher than the best rate currently available at TD Bank. One CD has a twelve-month term for \$1,319,937.52 which represents the PFAS settlement funds received. The other CD has a six-month term for \$1,000,000. These two CDs will earn us \$9,100 more than if they were at TD Bank.
 - c. Operating and cash budgets are completed and waiting approval from the board.
2. Progress report on items presented at the previous Trustee meeting:
 - a. The auditors are continuing to work on the audit reports. I have received a draft report, but do not know when we will see the final report.
 - b. The Annual Report for the MPUC is on hold until I have final figures from the audit.
 - c. I am preparing open enrollment updates for benefits. Open enrollment runs from November 15th to December 15th. Dental insurance is increasing by six percent. I am waiting for the health insurance rates. We will have a new vendor for vision care.
 - d. Tammy Martin-Littlefield and I have been working on revising the standard operating procedures related to our ACH (Automated Clearing House) payments.
3. New or upcoming items of significance:
 - a. N/A



**November 6, 2025
Trustee Meeting
Monthly Department Reports**

Department: Distribution

Submitted by: Jared Bragdon

1. Notable accomplishments/successes since the last report (including personnel commendations):

- a. On October 6, 2025, Ross Desjardins successfully passed the State of Maine Drinking Water Operator Class 3 Distribution Exam. Congratulations to Ross on this significant professional achievement and his continued dedication to excellence in our field.

2. Progress on items presented in previous monthly department reports:

- a. Hydrant Painting- The hydrant painting project is complete for the season with a total of 14 hydrants painted.
- b. Hydrant Flushing -Complete

3. New or upcoming items of significance:

- a. Hydrant checks-Inspect and drain all hydrants ahead of freezing temperatures.

4. Main Break Summary:

DATE OF LEAK	LOCATION (STREET)	MUNICIPALITY	PIPE SIZE	PIPE/SERVICE INSTALLED DATE	MATERIAL	TYPE OF LEAK
9/24/25	18 Water St	Waterville	0.75	1933	Brass	Compression Fitting Failed
9/28/25	Court St at Main St	Vassalboro	2"	1932	Cast Iron (Lined)	Hole