



**Kennebec Water District Board of Trustees
Regular Meeting
Thursday, June 4, 2026 – 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 May 7, 2026
3. Review and approval of account warrant
4. Review of April 2026 financial reports
5. Approvals/motions needed:
 - a. Adoption of borrowing resolution for Chase Avenue Pump Station
 - b. After-the-fact approval of electricity purchase agreement
 - c. Approval of revision to KWD's Procurement Policy
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 – MAY 7, 2026 at 7:30 AM**

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

Trustees present: Ben Murray, President; Frank Richards, Vice-President; Jeff Earickson, Treasurer; J. Michael Talbot, Assistant Treasurer; Sarah Whateley, Clerk; Allan Fuller, Trustee; Nathan Saunders, Trustee; Paul Fongemie, Trustee; Alex Lelchuk, Trustee

Trustees absent: Amy Stabins, Trustee

Also present: Roger Crouse, KWD General Manager; Amy Dyer, KWD Finance Manager; Matt Zetterman, KWD Engineering Manager (Remote Access); Benny LaPlante, KWD Service Manager (Remote Access); Jared Bragdon, KWD Distribution Manager (Remote Access); Robbie Bickford, KWD Water Quality Manager; Sue Markatine, KWD Recording Secretary

ITEM 1: INTRODUCTION OF GUESTS

The Trustees welcomed Trustee-Appointee Lelchuk. Trustee Lelchuk is fulfilling the term for Matthew Bulmer, Waterville representative, who recently resigned from the Board.

ITEM 2: REVIEW AND APPROVE THE MINUTES OF THE REGULAR BOARD OF TRUSTEES' MEETING OF APRIL 2, 2026

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' meeting of April 2, 2026," seconded by Trustee Richards.

Trustee Saunders suggested a minor change for further clarification.

Vote: 8 in favor, Trustee Earickson abstained, motion carried.

ITEM 3: REVIEW AND APPROVAL OF ACCOUNT WARRANT

Motion by Trustee Earickson, "to ratify the May 7, 2026 total warrant of checks released for \$401,657.20," seconded by Trustee Talbot.

In response to a question from Trustee Saunders, Mr. Crouse briefly explained the KWD meter replacement program.

Vote: Motion carried unanimously.

ITEM 4: REVIEW OF MARCH 2026 FINANCIAL REPORTS

The Trustees were provided with the March 2026 Financial Statements and Accounts Receivable Aging Report, and a brief review was conducted.

On behalf of the Board members, President Murray thanked Ms. Dyer for the review of the financial statements.

ITEM 5: APPROVALS/MOTIONS NEEDED

A. Approval of Fuel Contract Agreement – After-the-Fact

The Trustees were provided with a request for authorization memo explaining that Mr. Bickford had reviewed the bids solicited by the Power Options fuel oil program. After the bid offerings, vendors request an almost immediate commitment; therefore, Mr. Bickford accepted a bid price for the annual fuel supply for the Water Treatment Plant (WTP) 2026 – 2027 heating season.

Motion by Trustee Fongemie, “to ratify the agreement with Fielding’s Oil for a fixed price of \$3.0975 per gallon for up to 12,000 gallons of fuel oil for the WTP 2026 – 2027 heating season,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

B. Approval of Agreement for PFAS Eng. Final Design and Bidding Services

The Trustees were provided with a copy of the CDM Smith proposal and a request for authorization memo to approve the agreement between KWD and CDM Smith for engineering final design services and bidding support services for PFAS mitigation. Mr. Crouse reviewed the overall project cost, which the Drinking Water Program has now permitted to be combined with the Lagoon Discharge project, and grant awards to offset a portion of the cost. Mr. Crouse and Mr. Bickford answered technical questions from the Trustees regarding the specifics of the project.

Motion by Trustee Earickson, “to approve the agreement amendment with CDM Smith to complete final design and bidding support services for the PFAS mitigation upgrades to the Water Treatment Plant for an amount not to exceed \$704,013.00,” seconded by Trustee Fongemie.

Vote: Motion carried unanimously.

C. Other

The Trustees were provided with a request for authorization memo to contribute financially to the City of Waterville’s Crescent Street pavement project. Mr. Crouse explained KWD is replacing a water main in this street and is required to install new pavement in the areas disturbed due to construction. In lieu of this, KWD has negotiated an alternate plan with the City to provide this payment directly to the City, and the City will be responsible for paving and maintaining the totality of the street.

Motion by Trustee Fongemie, “to approve the request for a one-time financial contribution to the City of Waterville for \$20,644.00 in lieu of KWD paving restoration on Crescent Street,” seconded by Trustee Fuller.

Vote: Motion carried unanimously.

ITEM 6: GENERAL MANAGER’S REPORT

As part of their Board packet, the Trustees were provided with the General Manager’s report, and a brief review was conducted by Mr. Crouse.

In addition to his report, Mr. Crouse informed the Trustees that the Halifax Street, Winslow, main replacement project Congressionally Directed Spending grant application has advanced to both the House and Senate Appropriations Committees.

Referring to his report, Mr. Crouse updated the Trustees on the current progress working with the Waterworth team in developing the KWD financial model and the multiple scenarios. There will be a Trustee workshop to review several model options on June 5, 2026, time to be determined, for interested Trustees.

Mr. Crouse informed the Trustees that the three-year contract with Constellation Energy for electricity supply for KWD's three high electricity usage sites expires in November 2026. Currently, the cost is above the previous contract of \$0.10710 per kWh. Mr. Crouse will continue to monitor the cost and possibly opt for a one-year contract if the rates are not as favorable.

Mr. Crouse mentioned that there is a documentary entitled "Unless Something Goes Terribly Wrong" which chronicled a year of the day-to-day operations of the City of Portland Waste-Water System staff. The themes include the urgent need for investment in water and wastewater systems, the unseen work that keeps communities' water clean and safe, the technical and bureaucratic challenges, and public awareness of the wastewater industry's critical role. Mr. Crouse and Nick Champagne, Superintendent of the Kennebec Sanitary Treatment District, are hoping to have an evening showing of this film in the Waterville area.

On behalf of the Board members, President Murray thanked Mr. Crouse for the General Manager's 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 the request of Trustee Saunders, Mr. Zetterman explained the functioning process of the Gutermann leak detection sensors which were provided to KWD on a trial basis.

In response to a question from Trustee Murray regarding the Sunset Heights, Winslow, water main improvement project, Mr. Crouse explained the reason for declining all the project bids and rebidding the project later this year. Specifically, KWD is waiting to learn if financing will be awarded by the Drinking Water State Revolving Fund program and KWD's intent to add additional scope to the project.

There was a brief discussion regarding the planned demolition of the KWD building at 5 South Street, Waterville. For security purposes, this building will not be sold or leased as it is located adjacent to KWD's transmission main and pump station.

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

ITEM 8: TRUSTEE COMMENTS, CONCERNS, AND/DEPARTMENT REPORTS

A. Review of Trustee Term Expiration Dates

The status of terms for the present Board of Trustees was reviewed. The appropriate municipalities will be notified of the upcoming openings for the general election in November. Trustees interested in running for re-election should speak to their respective city/town officials regarding the appropriate steps necessary to be placed on the ballot.

On another note, Trustee Earickson suggested a couple of changes to the KWD web site.

Trustee Fuller reiterated his opinion that KWD should continue to seek means to expand the KWD buffer zone around the China Lake West Basin.

The Board discussed the July meeting schedule and decided to hold one meeting on Thursday, July 16, 2025.

ITEM 9: PUBLIC PARTICIPATION

None

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

None

ITEM 11: ADJOURNMENT

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

Vote: Motion carried unanimously.

Meeting adjourned at 8:50 a.m.

Sue Markatine, Recording Secretary

A. WARRANT JUNE 4, 2026

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
1	05/01/2026	TREASURER, STATE OF MAINE	MONTHLY SALES TAX	3,884.38
2	05/04/2026	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	2,094.84
3	05/05/2026	MAINEPERS	MONTHLY EMPLOYER RETIREMENT CONTRIBUTION	23,151.69
4	05/05/2026	MAINEPERS	MONTHLY GROUP LIFE PREMIUMS	1,304.79
5	05/05/2026	THE HARTFORD	MONTHLY GROUP LIFE PREMIUMS	67.19
6	05/08/2026	ADVANCE 1 CLEANING SERVICES, INC.	MONTHLY CLEANING SERVICE	1,350.00
7	05/08/2026	DOSTIE'S TOWING WATERVILLE	OIL CHANGE/TIRE ROTATION-1 VEHICLE	142.90
8	05/08/2026	ERGOS TECHNOLOGY PARTNERS, INC.	BACKUP SERVICES	160.00
9	05/08/2026	FASTENAL COMPANY	VALVE MAINTENANCE NUTS	66.21
10	05/08/2026	GENERAL ALUM N.E. CORP.	ALUM-WTP	5,677.00
11	05/08/2026	MESSALONSKEE STREAM HYDRO, LLC	ENERGY CREDITS	2,056.00
12	05/08/2026	FANADO PELOTTE CONTRACTOR	CONTRACTOR SERVICES-VARIOUS LOCATIONS	16,985.50
13	05/08/2026	TECHNOLOGY SOLUTIONS OF MAINE	MONTHLY ANSWERING SERVICE	105.30
14	05/08/2026	CINTAS	EMPLOYEES UNIFORM/CLOTHING SERVICE	158.11
15	05/08/2026	CORE & MAIN LP	ANNUAL METER DATA MGMT SOFTWARE & EQUIP.	31,645.50
16	05/08/2026	DEAD RIVER COMPANY	PROPANE	261.96
17	05/08/2026	DIG SAFE SYSTEM, INC.	MONTHLY COST OF OPERATIONS	767.20
18	05/08/2026	HUSSEY COMMUNICATIONS, INC.	MONTHLY INTERNET SERVICE	182.00
19	05/08/2026	INFOSEND, INC.	MONTHLY BILL PROCESSING AND MAILING	2,646.77
20	05/08/2026	KENNEBEC COUNTY REGISTRY OF DEEDS	ONE LIEN RECORDING FEE	25.00
21	05/08/2026	QUILL CORPORATION	TRUSTEE NAME PLATE	24.58
22	05/08/2026	SOMERSET COUNTY-REGISTRY OF DEEDS	ONE LIEN RECORDING FEE	25.00
23	05/08/2026	T-MOBILE	MONTHLY TELEPHONE/DATA SERVICE-WTP	365.67
24	05/08/2026	VERIZON	MONTHLY VEHICLE DATA SERVICE	303.20
25	05/08/2026	PORTLAND-W.W. WILLIAMS CO, LLC	GENERATOR PREVENTIVE MAINTENANCE SERVICE	750.00
26	05/08/2026	WATERVILLE SEWERAGE DIST	QUARTERLY SEWER BILLS-2 LOCATIONS	106.92
27	05/08/2026	F.W. WEBB COMPANY	BOLTS/CLAMPS/NUTS/VALVE BOX COVERS/ COUPLINGS/WHEELS/AIR FILTERS/FREIGHT	5,808.31
28	05/11/2026	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	1,016.89
29	05/15/2026	ADVANCED ANALYTICAL SOULTIONS, LLC	WTP LAB SUPPLIES	675.91
30	05/15/2026	ANALYTICAL SERVICES, INC.	WATER TEST	55.00
31	05/15/2026	CAPITAL ONE TRADE CREDIT-AUBUCHON	GRASS SEED	113.99
32	05/15/2026	BARD AND SONS PAVING	PAVEMENT PATCHES-VARIOUS LOCATIONS	8,277.88
33	05/15/2026	JORDAN EQUIPMENT CO.	NYLON SLINGS FOR SHIELDING BOXES	751.16
34	05/15/2026	TREASURER, STATE OF MAINE-HETL	WATER TEST	45.00
35	05/15/2026	CARPARTS DIST. CENTER-MOTOR SUPPLY	BATTERY	67.53
36	05/15/2026	PINE TREE WASTE, INC.	RUBBISH REMOVAL	234.00
37	05/15/2026	PULSE MARKETING AGENCY	ADA COMPLIANCE AUDIT AND REPORT	275.00
38	05/15/2026	CITY OF WATERVILLE	MONTHLY VEHICLE FUEL USAGE	2,694.35
39	05/15/2026	F.W. WEBB COMPANY	FILTERS/WATER SYSTEM PARTS	1,968.23
40	05/15/2026	CSX TRANSPORTATION	RAILROAD PROTECTIVE LIABILITY	2,005.00
41	05/15/2026	AQUA BACKFLOW, INC.	PROGRAM MANAGEMENT SERVICES	892.50
42	05/15/2026	ERGOS TECHNOLOGY PARTNERS, INC.	REMOTE IT SERVICES	218.75
43	05/15/2026	HAMMOND LUMBER COMPANY	HARDWOOD GRADE STAKES	65.90
44	05/15/2026	HERC RENTALS INC.	CORNER BRACKETS FOR SHIELDING BOX	3,400.00
45	05/15/2026	INFORMATION TECH. EXCHANGE, INC.	RECYCLING SERVICES	17.75
46	05/15/2026	BRAY INTERNATIONAL, INC.	VALVE UPGRADE PROJECT	131,569.66
47	05/15/2026	KENNEBEC EQUIPMENT RENTAL FAIRFIELD	HAMMER RENTAL/JACK HAMMER PURCHASE	1,156.15
48	05/15/2026	MAINE MUNICIPAL BOND BANK	LOAN INTEREST PAYMENT	34,500.32
49	05/15/2026	MODERN INDUSTRIES, INC.	WATER TEST	580.00
50	05/15/2026	DAVID MORIN	LAWN SERVICES-VARIOUS LOCATIONS	660.00
51	05/15/2026	VERTEXONE SOFTWARE, LLC	MONTHLY WATERSMART DOCUMENT STORAGE	46.84

A. WARRANT JUNE 4, 2026

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
52	05/15/2026	BILL (FORMERLY DIVVY) VISA CARD	BANGOR DAILY NEWS SUB./PARTS FOR VFD	
			REPLACEMENT/SHIPPING CHARGES/HOSE/SAFETY HARNESES/BUOY MOORING PARTS/FUEL/	
			GOOGLE SUB./MICROSOFT SUBS./DOOR LUBRICANT/SHREDDER/LAPTOP BATTERY/TOOLS/	
			MEETING FOOD/VALVE REPLACEMENT MATERIALS/MNTHLY TELEPHONE SERVICE/AWWA	
			MEMBERSHIP RENEWAL/NEWWA MEMBERSHIP RENEWAL/CANNED AIR	3,952.86
53	05/18/2026	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	658.76
54	05/19/2026	PAYMENTUS	MONTHLY CUSTOMER CC TRANSACTIONS FEES	3,294.15
55	05/20/2026	MAINEPERS	ADJUSTMENT FOR RETIRED EMPLOYEE	804.33
56	05/22/2026	BARD AND SONS PAVING	PAVEMENT PATCHES-VARIOUS LOCATIONS	11,141.64
57	05/22/2026	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-DRUMMOND AVE	1,207.05
58	05/22/2026	CINTAS	EMPS UNIFORM/CLOTHING SERVICE-2 WEEKS	320.77
59	05/22/2026	DEAD RIVER COMPANY	PROPANE-DRUMMOND AVE	1,553.58
60	05/22/2026	JUDDI L HALLOWELL	208 YARDS GRAVEL	3,848.00
61	05/22/2026	TREASURER, STATE OF MAINE	WATER TESTS	330.00
62	05/22/2026	PDQ DOOR	DOOR MOTOR REMOUNT-DRUMMOND AVE	294.00
63	05/22/2026	PINE TREE WASTE, INC.	PORTAPOTTY RENTAL	245.00
64	05/22/2026	PORTLAND PAPER PRODUCTS	TOWELS/TRASH BAGS	170.94
65	05/22/2026	ANALYTICHEM USA, INC.	WATER TESTS	215.00
66	05/22/2026	CDM SMITH, INC.	PFAS MITIGATION DESIGN SERVICES	26,812.80
67	05/22/2026	EUROFINS DRINKING WATER AND	WATER TESTS	590.00
68	05/22/2026	HR MAINE CONSULTING	HUMAN RESOURCE CONSULTING	150.00
69	05/22/2026	KENNEBEC EQUIPMENT RENTAL FAIRFIELD	CHISEL/SCISSOR LIFT RENTAL	595.41
70	05/22/2026	USA BLUE BOOK	WTP LAB SUPPLIES	665.45
71	05/22/2026	VERRILL	LEGAL SERVICES	1,761.00
72	05/22/2026	TOWN OF WINSLOW	HIGHWAY OPENING PERMITS	323.30
73	05/22/2026	FRANCOTYP-POSTALIA, INC.	POSTAGE MACHINE POSTAGE	2,000.00
74	05/26/2026	FLORES & ASSOCIATES	HEALTH INS. DEDUCTIBLE REIMBURSEMENT	901.49
75	05/28/2026	MAINE MUNICIPAL EMPS. HEALTH TRUST	MONTHLY HEALTH INSURANCE PREMIUMS	40,027.70
76	05/28/2026	NORTHEAST DELTA DENTAL	MONTHLY DENTAL INSURANCE PREMIUMS	1,125.80
TOTAL WARRANT				394,392.86

Kennebec Water District
Balance Sheet
As of April 30, 2026

	April 2026	April 2025	Variance
ASSETS			
Current Assets			
Cash	10,690,013.06	7,292,550.52	3,397,462.54
Accounts Receivables	672,495.18	568,406.34	104,088.84
Grants and Loans Receivable	-	1,164,346.38	(1,164,346.38)
Unbilled services	800,774.32	839,770.66	(38,996.34)
Prepaid expenses	139,059.37	76,501.11	62,558.26
Inventory	646,755.74	419,917.99	226,837.75
Total Current Assets	12,949,097.67	10,361,493.00	2,587,604.67
Non-Current Assets			
Other Assets	48,209.98	51,108.06	(2,898.08)
Total Non-Current Assets Excluding Capital	48,209.98	51,108.06	(2,898.08)
Capital Assets			
Capital assets, not being depreciated	1,284,799.99	1,455,237.25	(170,437.26)
Capital assets, being depreciated	92,748,937.03	88,262,266.32	4,486,670.71
Accumulated Depreciation	(31,963,729.16)	(30,962,722.02)	(1,001,007.14)
Total Capital Assets	62,070,007.86	58,754,781.55	3,315,226.31
DEFERRED OUTFLOWS OF RESORUCES			
Deferred Other Post Employee Benefits	70,431.18	70,431.18	-
Deferred Pension Benefits	360,099.75	360,099.75	-
Total Deferred Outflows of Resources	430,530.93	430,530.93	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	75,497,846.44	69,597,913.54	5,899,932.90
LIABILITIES			
Current Liabilities			
Accounts Payable	81,045.16	12,379.84	68,665.32
Jobbing Deposits	25,172.00	-	25,172.00
Accrued Expenses	9,132.46	172,777.22	(163,644.76)
Accrued wages and benefits	63,163.06	120,087.30	(56,924.24)
Accrued Interest Payable	334,850.39	326,853.94	7,996.45
Short-Term Debt	3,343,207.99	1,538,585.89	1,804,622.10
Current portion of LT Debt	1,004,973.47	989,787.81	15,185.66
Total Current Liabilities	4,861,544.53	3,160,472.00	1,701,072.53
Non-Current Liabilities			
Other Post Employee Benefits Liabilities	285,984.00	285,984.00	-
Net Pension Liability	839,659.00	839,659.00	-
Accrued Compensated Balances	440,044.22	431,638.06	8,406.16
Unamortized bond premium, less current	296,312.80	317,877.06	(21,564.26)
Long-Term Debt (Net)	23,835,550.48	23,327,700.07	507,850.41
Total Non-Current Liabilities	25,697,550.50	25,202,858.19	494,692.31
TOTAL LIABILITIES	30,559,095.03	28,363,330.19	2,195,764.84
DEFERRED INFLOWS OF RESOURCES			
Deferred Credits	2,549,872.65	2,802,068.19	(252,195.54)
Deferred Other Post Employee Benefits	71,009.27	71,009.27	-
Deferred-Pension Benefits	87,303.15	87,303.15	-
TOTAL DEFERRED INFLOWS OF RESOURCES	2,708,185.07	2,960,380.61	(252,195.54)
NET POSITION	42,230,566.34	38,274,202.74	3,956,363.60
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	75,497,846.44	69,597,913.54	5,899,932.90

KENNEBEC WATER DISTRICT

MONTHLY INCOME STATEMENT FOR THE PERIOD ENDING APRIL 30, 2026

	2026 APRIL ACTUAL	2025 APRIL ACTUAL	2026 MONTHLY VARIANCE	2026 YTD ACTUAL	2025 YTD ACTUAL	2026 YTD VARIANCE	2026 BUDGET	% OF BUDGET USED
OPERATING REVENUES								
METERED SALES RESIDENTIAL CUST	359,685	333,598	26,087	1,333,663	1,242,083	91,580	4,019,224	33%
METERED SALES COMMERCIAL CUST	113,076	106,640	6,436	409,000	401,807	7,193	1,292,898	32%
METERED SALES INDUSTRIAL CUST	138,633	151,422	(12,790)	227,225	579,374	(352,150)	675,000	34%
METERED SALES GOVERNMENTAL	16,599	16,874	(275)	66,435	63,742	2,693	221,497	30%
PUBLIC FIRE PROTECTION	239,864	220,490	19,374	479,728	444,220	35,508	959,515	50%
PRIVATE FIRE PROTECTION	94,917	88,153	6,764	189,534	176,224	13,311	382,418	50%
SALES FOR RESALE	19,786	16,281	3,506	83,223	66,178	17,045	266,000	31%
FORFEITED DISCOUNTS & PENALTIES	4,272	5,184	(912)	18,589	15,243	3,346	45,000	41%
MISC SERVICE REVENUE	3,957	3,676	281	27,719	16,236	11,483	71,400	39%
OTH WATER REVENUE (SALE READ)	6,927	6,927	-	20,053	20,053	-	55,125	36%
TOTAL OPERATING REVENUES	998,315	949,243	49,072	2,859,133	3,025,809	(166,676)	7,988,077	36%
NON-OPERATING REVENUES								
INTEREST & DIVIDEND INCOME	31,590	22,393	9,196	125,401	90,161	35,240	200,000	63%
MISCELLANEOUS INCOME/(LOSS)	25,491	59,617	(34,125)	31,060	66,353	(35,293)	248,000	13%
TOTAL NON-OPERATING REVENUES	57,081	82,010	(24,929)	156,461	156,514	(53)	448,000	35%
TOTAL REVENUES	1,055,396	1,031,253	24,143	3,015,594	3,182,323	(166,728)	8,436,077	36%
OPERATING EXPENSES								
SALARIES & WAGES EMPLOYEES	179,174	165,392	13,782	738,028	689,227	48,800	2,330,250	32%
EMPLOYEE PENSIONS & BENEFITS	64,963	64,257	707	279,346	264,758	14,589	867,175	32%
PURCHASED POWER	34,044	29,645	4,399	123,294	126,605	(3,311)	324,600	38%
CHEMICALS	11,494	24,688	(13,194)	46,244	64,924	(18,679)	175,000	26%
MATERIALS & SUPPLIES	42,475	36,864	5,612	162,912	148,412	14,500	601,500	27%
CONTRACTUAL SERVICES	40,358	96,154	(55,796)	141,803	306,997	(165,194)	884,750	16%
RENTAL EXPENSE	145	526	(381)	710	1,032	(322)	4,450	16%
TRANSPORTATION EXPENSES	4,085	13,333	(9,248)	22,541	29,244	(6,703)	56,000	40%
INSURANCE	8,559	8,448	111	34,234	33,791	443	115,297	30%
ADVERTISING EXPENSES	-	-	-	-	-	-	500	0%
TAXES OTH THAN INCOME	17,196	16,630	566	64,452	63,876	576	255,450	25%
MISCELLANEOUS EXPENSES	4,384	5,524	(1,139)	71,339	65,608	5,731	224,916	32%
TOTAL OPERATING EXPENSES	406,877	461,459	(54,582)	1,684,905	1,794,474	(109,569)	5,839,888	29%
EARNINGS BEFORE INTEREST, TAXES, DEPR & AMORT (EBITDA)	648,519	569,794	78,725	1,330,689	1,387,849	(57,160)	2,596,189	51%

**KENNEBEC WATER DISTRICT
MONTHLY INCOME STATEMENT FOR THE PERIOD ENDING APRIL 30, 2026**

	2026 APRIL ACTUAL	2025 APRIL ACTUAL	MONTHLY VARIANCE	2026 YTD ACTUAL	2025 YTD ACTUAL	YTD VARIANCE	2026 BUDGET	% OF BUDGET USED
DEPRECIATION AND AMORTIZATION EXPENSE (NON-CASH ITEMS)	143,658	150,523	(6,865)	574,633	602,093	(27,460)	1,633,114	35%
TOTAL DEPRECIATION AND AMORTIZATION	143,658	150,523	(6,865)	574,633	602,093	(27,460)	1,633,114	35%
INTEREST EXPENSE - LT DEBT	72,914	68,245	4,669	269,320	273,304	(3,984)	900,750	30%
TOTAL INTEREST & AMORTIZATION	72,914	68,245	4,669	269,320	273,304	(3,984)	900,750	30%
EXTRAORDINARY INCOME	-	-	-	257,345	-	257,345	-	-
NET INCOME	431,946	351,025	80,921	744,081	512,452	231,629	62,325	1194%

**Kennebec Water District
Statement of Cash Flows
For the Period Ending April 30, 2026**

Cash Balance 03/31/26	\$ 10,587,225.10
Utility Billing Receipts	728,554.68
Payments to Vendors	(401,650.09)
Interest	31,589.64
Payroll	(255,706.27)
Net Monthly Activity	\$ 102,787.96

Cash Balance 04/30/26	\$ 10,690,013.06
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Cash and Investment Accounts-Ending Balances

Operating Checking Account TD Bank	1,288,398.42
Checking Account-Northeast Bank	2,931.86
Certificates of Deposit TD Bank	3,129,160.98
Certificates of Deposit Northeast Bank	6,265,685.02
Cash Drawers & Petty Cash & Deposits	3,836.78
Cash Balance 04/30/26	\$ 10,690,013.06

Reserve for Debt Payments

LESS RESERVE 2025 BOND PRINCIPAL	\$ 68,598.69
LESS RESERVE 2025 BOND INTEREST	\$ 22,921.15
LESS RESERVE 2025 BOND PRINCIPAL	\$ 27,453.92
LESS RESERVE 2024 BOND PRINCIPAL	\$ 21,089.00
LESS RESERVE 2024 BOND INTEREST	\$ 4,031.08
LESS RESERVE 2022 BOND PRINCIPAL	\$ 50,780.63
LESS RESERVE 2022 BOND INTEREST	\$ 9,105.19
LESS RESERVE 2022 BOND PRINCIPAL	\$ 36,560.54
LESS RESERVE 2022 BOND INTEREST	\$ 6,555.46
LESS RESERVE 2022 REVENUE BOND PRINCIPAL	\$ 425,000.00
LESS RESERVE 2022 REVENUE BOND INTEREST	\$ 699,643.76
LESS RESERVE 2021 BOND PRINCIPAL	\$ 32,661.64
LESS RESERVE 2021 BOND INTEREST	\$ 5,473.39
LESS RESERVE 2020 BOND PRINCIPAL	\$ 142,537.00
LESS RESERVE 2020 BOND INTEREST	\$ 22,231.38
LESS RESERVE 2020 BOND PRINCIPAL	\$ 23,928.00
LESS RESERVE 2020 BOND INTEREST	\$ 3,576.65
LESS RESERVE 2017 BOND PRINCIPAL	\$ 137,834.00
LESS RESERVE 2017 BOND INTEREST	\$ 15,943.08
LESS RESERVE 2011 BOND PRINCIPAL	\$ 72,542.00
LESS RESERVE 2011 BOND INTEREST	\$ 16,630.33
LESS RESERVE 2009 STIMULUS PRINC	\$ 14,337.42
TOTAL CASH RESERVED BONDS	\$ 1,859,434.31

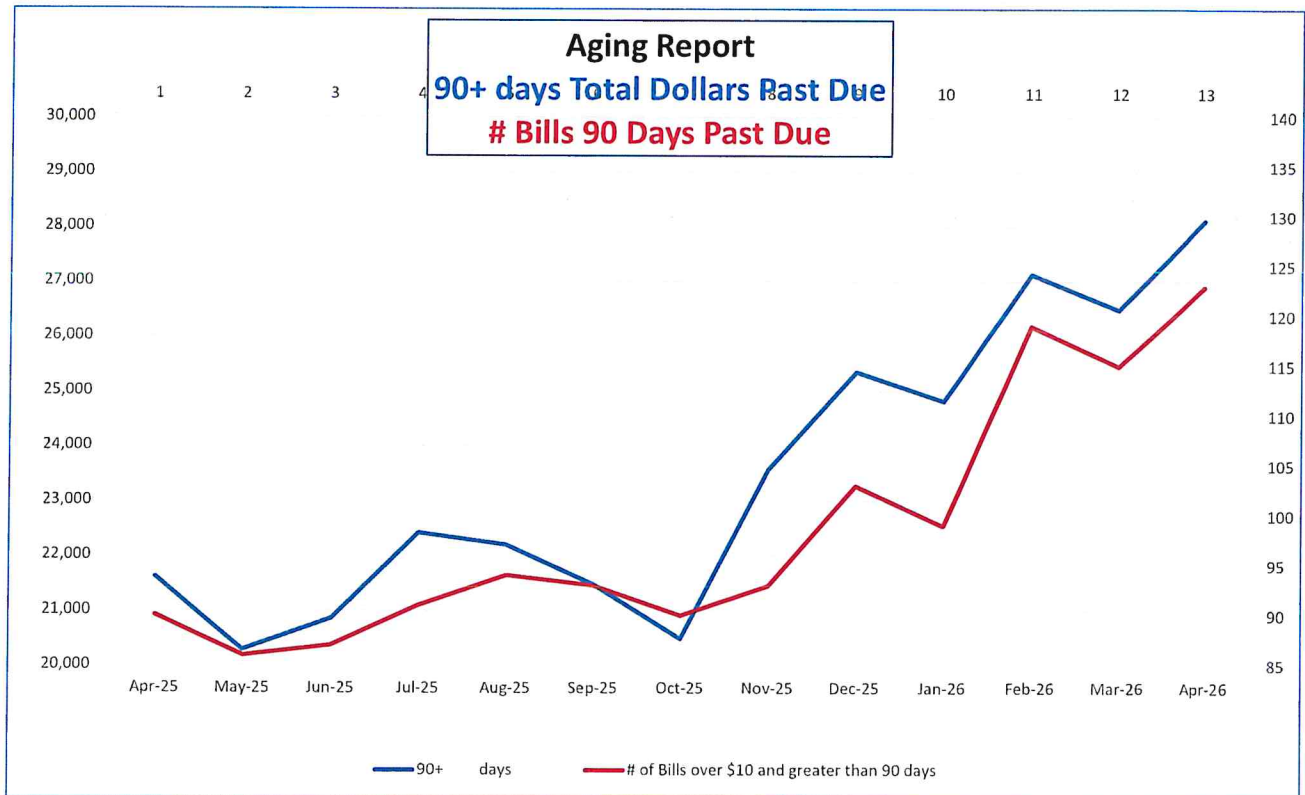
Uncommitted Balance	\$ 8,830,578.75
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Kennebec Water District

AGING REPORT

	Current	31-60 days	61-90 days	90+ days	Total	# of Bills over \$10 and greater than 90 days
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
Oct-25	569,408	(771)	2,995	20,482	592,114	90
Nov-25	462,363	940	3,013	23,580	489,896	93
Dec-25	350,120	(3,132)	1,728	25,348	374,064	103
Jan-26	531,309	8,983	3,438	24,822	568,552	99
Feb-26	398,683	(70)	2,451	27,133	428,197	119
Mar-26	364,772	(1,284)	2,739	26,483	392,710	115
Apr-26	644,117	(3,942)	4,209	28,125	672,509	123

* Adjusted from 105





MEMO

June 4, 2026

To: Kennebec Water District Board of Trustees
From: Roger Crouse, General Manager
Subject: Request for adoption of Borrowing Resolution

Need/Background:

The Chase Avenue Pump Station was originally constructed in 1974. Most of the existing equipment and controls are original to the initial construction. The design and construction Chase Avenue Pump Station Upgrades project were approved in previous Board of Trustees meetings.

To finance this project (design and construction), KWD successfully received a notice of award from the Maine CDC Drinking Water Program for \$1,296,100. The funding will consist of a low interest loan (two percent below the market rate at the time of closing on the long-term loan) with 35 percent of the principal forgiven.

Initially, KWD will receive an interim (construction) loan. Interest accrued during the interim financing will be incorporated into the long-term loan. Unless extended, the interim loan will be one-year or less.

The loan application process requires the submittal of a borrowing resolution adopted by the Board of Trustees. The attached borrow resolution was prepared by KWD's bond counsel, Mark Googins, at Verrill.

Request:

I am requesting Board of Trustee adoption of the attached borrowing resolution.

KENNEBEC WATER DISTRICT

2026 Maine Municipal Bond Bank – Chase Avenue Pump Station Upgrade Project
(\$1,296,100.00)
Resolution

The Kennebec Water District (the “**District**”) hereby resolves as follows:

1. Pursuant to Chapter 200 of Private and Special Laws of 1899, as amended, the District is hereby authorized to borrow up to the aggregate principal amount of **One Million Two Hundred Ninety Six Thousand One Hundred and 00/100 Dollars (\$1,296,100.00)** (the “**Loan**”) from the **Maine Municipal Bond Bank**, Augusta, Maine (the “**Bond Bank**”), with up to \$453,635 in loan forgiveness, all in accordance with the terms and conditions of an approval letter from the Maine Department of Health and Human Services to the District dated April 17, 2026, as the same may be amended, and, if the District’s loan application is accepted, to execute and implement a Loan Agreement with the Bond Bank in the form prescribed by the Bond Bank (the “**Loan Agreement**”) for the purpose of financing construction and improvements of the District’s pump station at Chase Avenue, together with related costs and expenses, including the costs of issuance (collectively, the “**Project**”).
2. Pursuant to the Loan Agreement, and as evidence of the Loan, the District is hereby authorized to issue and sell to the Bond Bank interest bearing and/or non-interest bearing note(s) or bond(s) of the District in the aggregate principal amount of up to **One Million Two Hundred Ninety Six Thousand One Hundred and 00/100 Dollars (\$1,296,100.00)** (the “**Bonds**”).
3. The Bonds shall bear such date or dates as the Bond Bank shall request, bear such interest rate or rates, be in such denominations, maturities, and be redeemable at such price or prices, all as shall be set forth in the Loan Agreement and the Bonds, and as may hereafter be determined by the Treasurer and the President of the Board of Trustees to be necessary or advisable, the execution of the Loan Agreement and the Bonds to be conclusive evidence of their determination of the terms and provisions thereof.
4. Each of the Bonds shall bear on its face the words “Kennebec Water District” and shall be signed by the Treasurer and shall be countersigned by the manual or facsimile signature of the President of the Board of Trustees of the District, and shall be in substantially the same form as prescribed in the Loan Agreement or otherwise as prescribed by the Bond Bank.
5. In anticipation of the Bonds heretofore authorized, the District is also hereby authorized to borrow the aggregate principal amount of up to \$1,296,100.00 from the Bond Bank for the Project (the “**SRF Interim Loan**”); (ii) to execute and deliver a Loan Agreement with the Bond Bank in the form prescribed by the Bond Bank (the “**SRF Interim Loan Agreement**”) for the SRF Interim Loan; and (iii) to execute and deliver to the Bond Bank

a note in anticipation of the Bonds in the aggregate principal amount of up to \$1,296,100.00 (the “**SRF Interim Note**”) for the Project, in the form prescribed by the Bond Bank. The SRF Interim Note shall be sold at the par value thereof to the Bond Bank, bear interest at a rate determined by the Bond Bank, and shall mature upon the issuance of the Bonds, or 12 months from the date of the SRF Interim Note, whichever occurs first. The SRF Interim Note shall contain such other terms and provisions as may hereafter be determined by the Treasurer and President of the Board of Trustees to be necessary or advisable, their execution of the SRF Interim Note to be conclusive evidence of their determination of the terms and provisions thereof.

6. The SRF Interim Note shall bear on its face the words “Kennebec Water District” and “General Obligation Note” and shall be signed by the Treasurer and shall be countersigned by the manual or facsimile signature of the President of the Board of Trustees of the District.
7. The District covenants to establish, maintain, revise, and collect rates and charges for water services furnished by the District sufficient to provide revenues to pay when due current expenses of operating and maintaining the water system; to pay when due interest on the outstanding indebtedness of the District incurred or assumed for District purposes; and to pay or provide for the payment of all indebtedness created or assumed by the District.
8. All actions taken to date by the Board of Trustees and the officers of the District with respect to the authorization, issuance, and sale of the Bonds and SRF Interim Note and consistent with the foregoing resolutions are hereby ratified and confirmed. The President of the Board of Trustees, Treasurer, General Manager, and other officers of the District are, and each of them singly is, hereby authorized to take such action, and to execute and deliver the following with respect to the Bonds and with respect to any SRF Interim Note: a Loan Agreement, a Signature and No Litigation Certificate, and such additional documents, certificates and instruments and any amendments thereto as may be deemed by them as necessary or appropriate to effectuate the issuance of the Bonds and SRF Interim Note heretofore authorized.
9. Any prior resolutions of the Trustees restricting the amount of authorized loans or issuance of bonds and notes, to the extent they conflict with the foregoing resolutions, are hereby superseded.



MEMO

June 4, 2026

To: Kennebec Water District Board of Trustees

From: Roger Crouse, General Manager

Subject: Request for After-the-Fact Approval – Electricity Supply Agreement

Need/Background:

KWD has nine electric accounts with Central Maine Power. Three of these accounts are considered medium usage sites (water treatment plant, Western Avenue Pump Station, and Chase Avenue Pump Station) and are on a three-year electricity supply contract with Constellation Energy that expires in November 2026. The contracted supply rate is \$0.10710 per kilowatt-hour (kWh). KWD needs to enter a new contract before November or switch to the Standard Offer rate.

PowerOptions serves as KWD's broker for electricity supply purchase. PowerOptions negotiates with electricity suppliers and selects one supplier for all PowerOptions customers. Constellation Energy is currently PowerOptions's supplier.

Pricing on electricity contracts is only held by suppliers for a few hours after proposals are submitted. Therefore, Trustee approval before the proposal is accepted is difficult under Maine's open meeting law requirements. Consequently, approval of the agreements has historically been done after-the-fact by the Board of Trustees.

Contract Cost Increases

In March 2025, ISO-New England introduced Day-Ahead Ancillary Services Initiative (DASI) designed to secure grid reliability services a day in advance. Because this was a new market mechanism, it is an additional cost on top of our current contract with Constellation Energy. With the cost of DASI added onto our supply pricing, prices ranged from \$0.11050 to \$0.12070 (current rate).

Before the start of our next contract period, we will be able to lock in a rate for DASI. Therefore, we will not experience the price fluctuation we are currently experiencing (at least not from DASI).

Contract Options

Constellation Energy has been sending me a weekly market watch update since December 2025. Additionally, I have had discussions with PowerOptions and Constellation Energy staff to solicit advice about the various options for establishing a new contract. While there have been some dramatic fluctuations in pricing, the longer term (48 months) contract options have been close to the rate we established three years ago. There remains significant volatility in the world energy markets. The

consensus from the professionals I have spoken with is that there is greater risk of price increases versus the opportunities for price decreases over the remainder of 2026.

Given the increases in the Standard Offer prices, the upward pressures on the World's natural gas markets, and the ongoing Middle East instability, and the favorable four-year contract rate (compared to what we are currently paying and compared to the shorter term options), I determined that now was an appropriate time to establish a new contract with Constellation Energy.

However, Constellation Energy has indicated that the DASI component of the energy supply cost is likely to decrease this fall. Therefore, based upon the recommendation from Constellation Energy, we have locked in all costs except the DASI component. ISO-New England will be making another adjustment to the DASI rate in August or September 2026. This is anticipated to be a downward adjustment. After this adjustment occurs, we will lock in the DASI rate for the same contract period.

Pricing

On May 27, 2026, we were able to secure a four-year agreement rate of \$0.09997 per kWh. The DASI rate will likely be secured in August or September at an estimated rate between \$0.007 to \$0.008 per kWh. Therefore, the total rate will be between \$0.10697 and \$0.10797 per kWh. (This rate is effectively the same rate we were able to secure three years ago.)

Request:

I am requesting after-the-fact Board of Trustee approval for an agreement with Constellation Energy for electricity for KWD's three medium usage sites at a per kWh rate of \$0.09997 from November 2026 to November 2030. Additionally, I am seeking Board approval to enter into an agreement with Constellation Energy before November 2026 for the cost of ISO-New England's Day-Ahead Ancillary Service Initiative for the same four-year period.



MEMO

June 4, 2026

To: Kennebec Water District Board of Trustees

From: Roger Crouse, General Manager

Subject: Request for Approval of Modifications to the Procurement Policy

I am requesting Board of Trustees approval of revisions to KWD's Procurement Policy. The policy sets high-level standards for KWD's procurement activities and clarifies the respective responsibilities of the Board and staff.

The Procurement Policy with proposed changes shown is attached. A summary of substantive revisions can be found below.

Section	Description Of Change	Purpose
Responsibilities	Removed reference to approval limit for department managers	Removal of redundant information. Approval limits are found in section 2.
Definitions	<p>Capital assets -Replaced capitalization dollar amount with reference to KWD's Capitalization Policy.</p> <p>Quote -added language allowing quotes to exceed \$25,000 with General Manager approval.</p> <p>Added a definition for Inventory.</p>	<p>Referencing the Capitalization Policy rather than the specific dollar amount, prevents the need to change the dollar amount in two documents when a change occurs.</p> <p>Allowing the use of quotes (with General Manager approval) for procurement above \$25,000 enables staff to balance the need for specificity vs. the staff time required to create the specificity.</p> <p>A definition of inventory was needed to improve clarity.</p>

1. General	Decreased bond threshold requirement from \$200,000 to \$100,000.	Staff determined that a \$100,000 threshold was more protective of KWD.
2. Authorization Levels	<p>Increased department manager approval level from \$2,500 to \$4,000.</p> <p>Added clarification that the Facilities and Fleet Coordinator is considered a supervisor.</p> <p>Language added exempting payroll expenses and electricity bills from Trustee approval.</p> <p>Simplified language on annual spending reporting to trustees – removed paragraph c and modified paragraph e.</p>	<p>The department manager approval level has been at \$2,500 since 2018. With increasing costs, this approval increase would streamline some purchasing.</p> <p>Aligns the policy with how we have been operating.</p> <p>Aligns the policy with how we have been operating.</p> <p>Expectations in paragraphs c. and e. were similar. The one annual report provided to Trustees on vendor payments has been a hybrid of these two expectations. This change would align the policy with how we have been operating.</p>



Procurement Policy

PURPOSE: This policy was created to ensure that expenditures are made in a cost-effective manner, to provide for a fair and equitable purchasing process, and to establish proper accounting controls and other measures to safeguard ratepayer funds.

SCOPE: This policy applies to Kennebec Water District (KWD) procurement. KWD is a quasi-municipal organization and must adhere to all applicable laws and rules applying to local governmental entities in Maine including the requirements of the Maine Freedom of Access Act.

ORIGINATOR: Roger Crouse

CURRENT OWNER: Board of Trustees

RESPONSIBILITIES:

1. Board of Trustees – The Trustees have overall responsibility for the financial health of KWD. The approval process by the Trustees exists to ensure adequate public disclosure and proper vetting of procurement decisions.
2. General Manager – The General Manager has the overall responsibility to ensure staff are properly trained on this policy and the policy expectations are met. The General Manager has responsibility ~~to present~~for presenting all appropriate financial information to the Board of Trustees.
3. Finance Manager – The Finance Manager is responsible for reviewing all supporting documents, approving account coding, verifying adherence to procurement policy, signing procurement payments, and providing financial reports to the Board of Trustees.
4. Accounting Supervisor – The Accounting Supervisor is responsible for managing KWD's accounts payable including ensuring all necessary documentation is retained for each payment, assigning codes to payments to the proper accounts, entering data into KWD's database, and making payments.
5. Department Managers – Department managers are responsible for reviewing and approving all expenditures within their departments ~~(purchases greater than \$2,499~~

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Date of Original: August 16, 2018 Revision: D
Date of Revision: June 4, 2026 Title: Procurement Policy Prepared By:
Roger Crouse
SOP ID: KWD00002 Date: August 16, 2018
Revision: C Date of Revision: August 18, 2022

~~require additional approvals as described in this policy).~~ -Department managers are responsible for ensuring that all department employees are appropriately trained and are following KWD procurement policies and procedures.

DEFINITIONS:

1. Capital assets/purchases –Equipment, buildings, building improvements, land improvements, and infrastructure with an expected life of more than one year and with a per unit acquisition cost exceeding the threshold established in KWD’s Capitalization Policy of \$5,000 or more.
2. Agreement – A legal obligation between KWD and a third party for goods or services. Agreements can be informal or formal but are always in writing. Agreements are sometimes referred to as contracts.
3. Vendor – Any entity receiving payments for goods, materials, or services
4. Contractor – a person or company that undertakes an agreement to provide services including vendors, consultants, and contractors
5. Bids – A fixed price cost proposal from a contractor or consultant for a specific good or service. Bids are submitted to the KWD because of a competitive request for goods or services. Competitive bidding is intended to secure a specific good or service for the lowest price. Requests for bids are advertised for a specific period and require detailed specifications to ensure all bidders are submitting pricing on the same quality of work.
6. Quote – A quote is like a bid except the request for quotes is less formal and may not include the same level of specification details. Quotes are generally used for purchases under \$25,000 but may be used for higher amounts if approved by the General Manager.
7. Compliant Bidder – Compliant bidders are those which meet the requirements in the request for bids including technical specifications, past performance history, appropriate insurances and bonding, and the ability to complete the work in the time specified.
8. Non-Compliant Bidder – Non-compliant bidders are those that submit a bid and does not meet one or more bid specifications.
9. Non-Responsive Bidder – a contractor/vendor that was sent a bid package and failed to submit a bid.

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10. Proposals – Proposals are requested when the scope of work is difficult to clearly define. Proposals are reviewed based upon past performance, current resources to complete the work, and price. The cost estimates of proposals are generally not fixed but is negotiated with the firm submitting the proposal.

~~10.~~11. Inventory - the total stock of raw materials, components, and finished goods held by KWD to support operations. It is managed as a current asset intended to meet customer demand, requiring systematic tracking to balance availability with costs.

POLICY:

1. General

- a. Incremental purchases intended to subvert this policy are hereby prohibited.
- b. All purchases must be approved by a member of the management team, a supervisor, and/or the Board of Trustees as described below.
- c. Employees of KWD are required to maintain oversight to ensure contractors and vendors perform in accordance with the terms, conditions, and specifications of their agreement.
- d. Trustees and employees of KWD are required to adhere to the KWD’s conflict of interest and ethics policies when engaged in the selection, award, and administration of agreements.
- e. Employees of KWD are required to maintain sufficient records to create an audit trail- of each procurement.
- f. KWD shall award contracts only to responsible vendors/contractors possessing the ability and resources to perform successfully under the terms and conditions of a proposed procurement.
- g. Generally, for contracts greater than \$1200,000, KWD shall require performance and/or payment bonds from the contractor as part of the contractual agreement.
- h. Payments for services detailed in an agreement, either partial or full, shall not be made without written acknowledgement of the service performed by the KWD representative authorized to conduct that performance evaluation.
- i. Periodically, Trustees may be involved in the development of request for bids, proposal, and qualifications. Unless requested by the General Manager, Trustees are responsible for making their interest in participating in the document development process known to the General Manager. The General

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Manager will alert trustees of the pending development of requests for bids, proposals, and qualifications.

2. Authorization Levels - All purchases must have proper authorization as described in the following table:

Approval Authorization Levels	
Purchase Amount Range	Approval Required By
\$0 - \$2,500	Department Managers, supervisors*, -or General Manager.
<u>\$2,501 - \$4,000</u>	<u>Department Managers or General Manager</u>
<u>Over \$2,500 \$4,001 - \$15,000</u>	General Manager
Over \$ 15,000	Board of Trustees
*In addition to those with "supervisor" in their job title, the Fleet and Facility Coordinator is also considered a supervisor.	

a. Exceptions to Board of Trustee approvals

i. Payroll expenses

ii. Electricity bills

a-b. _____ When awarding agreements based upon bids, proposals, or statements of qualifications for a project, service, material, or equipment greater than \$15,000, trustees shall approve before the award occurs.

i. If the General Manager determines that waiting for trustee approval jeopardizes KWD's ability to secure favorable agreement pricing, the General Manager may make the award and seek Board approval after-the-fact.

Title: Procurement Policy

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1. Prior to the bid deadlines, the General Manager will generally alert the Board of anticipated agreements (e.g., fuel oil and electricity) that are time sensitive and may not be able to be approved by the Board prior to acceptance.

~~b-c.~~ Modifications of agreements previously approved by the Board of Trustees – Trustee approval of agreement modifications shall occur when the cost of the agreement will increase more than 10 percent.

~~c.~~ When the total value of an agreement is based on an undetermined or estimated quantity, Trustees shall be informed of the final agreement amount after the end of the calendar year.

d. Emergency purchases- During emergency situations, at the discretion of the General Manager, purchases normally requiring Trustee approval may be approved by the Board of Trustees after-the-fact.

e. Annually, in January, the Finance Manager will provide a list to the Board of Trustee of vendors/contractors, ~~routinely used by KWD,~~ where the annual cost exceeds \$15,000, ~~and there is no anticipated change in the vendor/contractor level of service (e.g. CMP, MMEHT, FW Webb (water works inventory supply)).~~

3. Routine- Purchasing (Purchases up to \$2,500)

When purchasing materials and supplies for routine operational needs, vendors should be selected based on the best value for the District. This not only encompasses price but may also include quality, sustainability, suitability, and availability of the goods/service, and location and service reputation of the vendor.

Where practical, a written agreement should be created with the vendor to ensure a documented set of terms and deliverables, including warranty information if applicable. At the discretion of the General Manager, agreements with vendors may be required.

4. Selection of Contractors, Consultants, and Suppliers (not already described above)

The District may develop lists of pre-selected bidders/proposers provided that the General Manager approves the written criteria for the selection of the bidder/proposer list.

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This process may require public notification in a manner to be determined by the General Manager.

a. Obtaining Competitive Bids (or quotes for purchases under \$25,000)

Solicitations for goods and services shall provide the following:

- i. A clear and accurate description of the technical requirements for the material, product, or service desired. The description shall not be designed to limit competitive solicitation from multiple vendors.
- ii. Requirements that the bidder must fulfill and all other factors to be used in evaluating bids and proposals.
- iii. A description of the technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- iv. The specific features of “brand name or equal” descriptions that bidders are required to meet. However, whenever possible, solicitations for goods and services should be based upon performance specifications rather than specific vendors or designs to increase the number of possible bidders.
- v. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources, protect the environment, and are energy efficient.
- vi. The bid shall be advertised by the most efficient means possible to encourage the widest possible competition.

Competitive bids are generally awarded to the lowest “compliant bidder.” However, the General Manager or Trustees may select a “non-compliant” bidder if, based upon the recommendation of the General Manager, the Trustees believe that the reason for the non-compliance will not create liabilities or additional costs for the KWD. Awards shall not be made to non-compliant bidders if the non-complaint bidder is proposing any substantive specification changes. A substantive specification change would include any change that could alter the bid price by: 1) more than five percent or 2) the bid price difference between the two lowest bidders, whichever is less. If upon review of bids, the General Manager decides to waive any substantive specification, the General Manager shall allow all bidders the opportunity to submit an updated bid based upon the modified specification.

Additionally, the General Manager or Trustees may select a bidder that is not the lowest bidder if the bidder provides other value besides the lowest price.

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The General Manager or the Trustees may reject all bids for any reason. Individual bids may be rejected if the General Manager or Trustees determine the bidder is non-compliant.

Price changes, alterations or negotiations are not allowed prior to the bid award decision. Minor negotiations after the notice of award are allowed. If agreement cannot be reached, the bid may be rejected, and the award made to the next highest compliant bidder.

b. Competitive Proposals/Qualifications

If the General Manager determines it is in the best interest of the District to consider factors other than bid price when awarding an agreement, the General Manager may elect to solicit competitive proposals or statements of qualifications (RFP or RFQ). Factors that should be considered in the selection shall generally include the total cost over the life of the project or equipment, the quality of material, availability of service, and other significant factors. Cost must be considered in all selections. The method of evaluation shall be included in the RFP or RFQ.

c. Non-Competitive proposals

On occasion it may be necessary to solicit goods/services from a single contractor/vendor.

Circumstances in which non-competitive proposals/qualifications process is used include:

- i. Compatibility with Existing District Materials or Systems: -Due to reasons such as compatibility with existing equipment, timing/need, when only certain products meet the specifications of the District or if the vendor is the only available source for the goods/services.
- ii. Lack of Competition: -Competition is determined to be inadequate after solicitation because of technical requirements (precision, reliability) or past performance by other vendors (poor service, availability of parts.)
- iii. Emergency Purchases: The General Manager has the authority to authorize the emergency purchase of capital or operating items to ensure the safety of customers and employees and to prevent the disruption of the operations of the water district.

For purchases greater than \$15,000, the Board of Trustees must authorize the use of non-competitive selections except in the instance of emergency purchases. The General Manager will alert the Board of Trustees of emergency spending as soon as possible.

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If outside finance agencies are providing funding for a project, the District may need to receive authorization from the funding agency before using a non-competitive award process (e.g. DWSRF). KWD may need to follow the purchase procedures of the funding agency.

5. ~~Purchase of Class C Vehicles~~

- a. The KWD Management Team will identify through the annual capital budget development and approval process which vehicles need to be replaced.
- b. Through the capital budget development and approval process, the KWD Management Team will determine if changes are needed in the functionality or size of the vehicle (e.g. is a larger truck body needed for the current purposes of the vehicle?). The Trustees will be informed of any vehicle upsizing through the budget approval process.
- c. Once the Board of Trustees has approved the vehicle replacement as part of the capital budget, the appropriate department manager will research brands and models of vehicles that will meet the department needs.
- d. Once a preferred make and model has been identified, the department manager will review the selection with the General Manager.
- e. If the General Manager agrees with the selection, the department manager will develop a specification of the make, model, needed features and add-ons.
- f. The department manager will get a cost estimate from one local dealer and review cost and all features and dealer added items with the General Manager.
- g. Once the General Manager approves the specifications and price, the department manager will develop a request for bids. The request for bids will be sent to at least three dealerships within 60 miles of Waterville that sell the make of vehicle.
- h. After the bids are submitted, KWD managers will prepare a summary and request for approval for the Board of Trustees.
- i. After Board of Trustee approval, the vehicle purchase will be made.

6. Other General Policies:

Title: Procurement Policy

SOP ID: _____

~~KWD00002~~ Prepared By: Roger Crouse

~~Date of Original: August 16, 2018~~ SOP ID: ~~KWD00002~~

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Revision: ~~DC~~
~~2022~~ ~~May~~ ~~June 4-8, 2026~~

Date of Revision: ~~August 18,~~

- a. Petty Cash – Petty cash is intended to reimburse employees for small purchases paid for by the employee for District purposes. Such items may include tolls, meals, or fees. Petty cash is for reimbursement up to \$50.
 - b. Credit Cards - Department Managers, supervisors, and the General Manager will possess company issued credit cards to be used in accordance with purchasing guidelines above. All documentation and receipts for the sales transactions for the cards should be retained by the employees making the purchase and submitted with credit card statement.
 - c. Approvals – Annual operating and capital expenditure budgets are reviewed and approved by the Board of Trustees and provide authorization for expenditures. The General Manager and/or Finance Manager will provide the Board of Trustees with regular reports of expenditures.
7. Good Will Payments to Homeowner Impacted by a Main Break
 KWD recognizes that occasionally breaks occur in a KWD water main resulting in damage to nearby property. Based upon advice of counsel and insurance professionals, KWD understands that under the law, including the Maine Tort Claims Act, KWD is not legally responsible for compensating property owners for any damage to their property because of a main break. However, KWD recognizes that for some homeowners who suffer property damage, the financial consequences may be burdensome. Accordingly, KWD will review any request for compensation and may, depending upon the specific circumstances, elect to voluntarily provide a good will payment at the sole discretion of the Board of Trustees. In the event KWD elects to provide a good will payment, KWD will require the homeowner to acknowledge in writing that by accepting the compensation, the homeowner waives any claims against KWD arising out of the specific main break.

ASSOCIATED DOCUMENTS:

Procurement Procedure – KWD00003
 Personnel Manual -KWD00028
[Capitalization Policy – KWD00052](#)

SUPERCEDED DOCUMENTS: None

APPENDICES: None

RETENTION:

Title: Procurement Policy SOP ID: _____
 KWD00002 Prepared By: Roger Grouse
 Date of Original: August 16, 2018 SOP ID: KWD00002 Date: _____
 August 16, 2018 Revision: D
 Revision: DC Date of Revision: August 18,
 2022 May June 4-8, 2026

~~1. This document is retained per the KWD Record Retention Schedules.~~

REVISION LOG:

Section	Page	Rev.	Date	Description Of Change	Approved by:
			8/16/18	Original	Board of Trustees
Policy 5.	7	A	1/17/19	Added a new section for the purchase of class C vehicles.	Board of Trustee
Policy 6.	8	A	1/17/19	Renumbered <i>Other General Policies</i> section after the insertion of Class C vehicle purchase section (was section 5)	Board of Trustees
Policy 7.	8	B	12/17/2020	Added: Good Will Payments to Homeowner Impacted by a Main Break	Board of Trustees
Various		C	8/18/2022	Numerous grammatical and clarifying edits throughout the document	Board of Trustees
Definitions	2	C	8/18/2022	Replaced definition of vendor.	Board of Trustees
Policy 1. a.	2	C	8/18/2022	Added section 1.a regarding incremental purchases.	Board of Trustees
Policy 1. g.	3	C	8/18/2022	Increased threshold of contracts requiring bonds to \$200,000.	Board of Trustees

Title: Procurement Policy SOP ID: _____
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 May June 4-8, 2026

Policy 1. h. & i.	3	C	8/18/2022	Removal of Section h. which described Trustee participation in the development of requests for bids, proposals, and qualifications. Replaced with new Section i. describing a limited or non-role in the bid, proposal, and qualifications process for Trustees.	Board of Trustees
Policy 2.	3	C	8/18/2022	Clarified General Manager authorization needed for all purchases over \$2,500. Trustee authorization level increased to \$15,000. Added Sections 2. a – e. providing additional details on the interaction of the Board and General Manager in approvals. Additional requirements on financial reporting to the Board established.	Board of Trustees
Policy 4.a.vi.	5-6	C	8/18/2022	Inserted General Manager as one who, in addition to the Board, may authorize the selection of a bidder that is non-compliant or not the lowest.	Board of Trustees
Policy 4.b.	6	C	8/18/2022	Removal of paragraph stating Trustee approval above	Board of Trustees

Title: Procurement Policy

SOP ID: _____

KWD00002 Prepared By: Roger Crouse

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				\$5,000 because this paragraph was redundant to Section 2.	
Policy 4.c.	6	C	8/18/2022	Added requirement for the General Manager to alert the Board as soon as possible if emergency spending occurs above \$15,000.	Board of Trustees
Associated Documents	8	C	8/18/2022	Removed reference to documents that have not been developed or have been included in the Personnel Manual.	Board of Trustees
<u>All</u>	<u>All</u>	<u>D</u>	<u>6/4/2026</u>	<u>Format to match current SOP and policy template</u>	<u>Board of Trustees</u>
<u>Numerous</u>		<u>D</u>	<u>6/4/2026</u>	<u>Grammar, formatting, and clarifying language changes</u>	<u>Board of Trustees</u>
<u>Responsibilities</u>	<u>1</u>	<u>D</u>	<u>6/4/2026</u>	<u>Removed reference to approval limit for department managers</u>	<u>Board of Trustees</u>
<u>Definitions</u>	<u>2</u>	<u>D</u>	<u>6/4/2026</u>	<u>Capital assets -Replaced capitalization dollar amount with reference to KWD's Capitalization Policy. Quote - added language allowing quotes to exceed \$25,000 with General Manager approval. Added a definition for Inventory.</u>	<u>Board of Trustees</u>

Title: Procurement Policy

SOP ID: _____

~~KWD00002~~ Prepared By: Roger Crouse

~~Date of Original: August 16, 2018~~ SOP ID: ~~KWD00002~~

Date: _____

~~August 16, 2018~~

Revision: D

Revision: DC
2022 May June 4-8, 2026

Date of Revision: August 18,

<u>1. General</u>	<u>3</u>	<u>D</u>	<u>6/4/2026</u>	<u>Decreased bond threshold requirement from \$200,000 to \$100,000.</u>	<u>Board of Trustees</u>
<u>2. Authorization Levels</u>	<u>4</u>	<u>D</u>	<u>6/4/2026</u>	<u>Increased department manager approval level from \$2,500 to \$4,000. Added clarification that the Facilities and Fleet Coordinator is considered a supervisor. Language added exempting payroll expenses and electricity bills from Trustee approval. Simplified language on annual spending reporting to trustees – removed paragraph c and modified paragraph e.</u>	<u>Board of Trustees</u>
<u>Associated Documents</u>	<u>8</u>	<u>D</u>	<u>6/4/2026</u>	<u>Added reference to Capitalization Policy – KWD 00052.</u>	<u>Board of Trustees</u>

Title: Procurement Policy

SOP ID: _____

KWD00002 Prepared By: Roger Creuse

Date of Original: August 16, 2018 SOP ID: KWD00002

Date: _____

August 16, 2018

Revision: D

Revision: DC

Date of Revision: August 18,

2022 May June 4-8, 2026



May 7, 2026
Trustee Meeting
General Manager Report

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

a. N/A

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

a. On May 8, 2026, we receive a payment of \$255,016.89 as part of the Tyco PFAS settlement. To date we have received the following:

Tyco:	\$255,016.89
BASF:	\$103,816.04
Dupont:	\$257,420.09
3M:	\$1,317,342.69
Total	\$1,933,595.71

Payments from 3M are scheduled through 2033 with a total payout of around \$2.2 million.

- b. There have been no updates from the US House or Senate on our applications for Congressionally Directed Spending.
- c. The Board Workshop with WaterWorth and KWD staff will be held on June 5th at 11 am. Trustees can attend in person at Drummond Avenue or via Zoom. Contact me for the Zoom link.

3. New or upcoming items of significance:

- a. Maine Water Utilities Association and Maine Water Environment Association are sponsoring the annual Water and Wastewater Professionals Day at the June 20th Sea Dogs game in Portland.
- b. We are working with Career Management Associates to bring some leadership development classes to KWD for existing managers, supervisors, and up and coming leaders.



**June 4, 2026
Trustee Meeting
Monthly Department Report**

Department: Service

Submitted by: Benny LaPlante

- 1. Notable accomplishments/successes since last report (including personnel commendations):**
 - a. The Annual Southern Maine Children’s Water Festival was a success. The “Water Utility 101” presentations went very well again this year. In all four sessions, the kids were engaged, very well-behaved, and asked a lot of great questions. In two of the sessions, teachers had connections to China Lake and Vassalboro. They were very appreciative of the information shared during the presentation.

- 2. Progress on items presented in previous monthly department reports:**
 - a. KWD is still awaiting the boiler inspection by Travelers Insurance to complete our Maine Municipal Association – Workers’ Compensation Safety Incentive Program: Tier III renewal.
 - b. I have spoken with MPUC staff and the revisions to the Terms and Conditions will be sent for processing soon. I am told we are still on schedule for the effective date of June 1, 2026.

- 3. New or upcoming items of significance:**
 - a. N/A

Meter Installations - March 2026

Meter Size:	5/8x3/4"	3/4"	1"	1-1/2"	2"	3"	4"	6"	Total
Meter Totals:	50	1	3	2	1	0	0	0	57

Meter Installations - April 2026

Meter Size:	5/8x3/4"	3/4"	1"	1-1/2"	2"	3"	4"	6"	Total
Meter Totals:	62	0	4	3	3	1	0	0	73

Note: This table includes replacements, new installations, formerly vacant accounts, and seasonal accounts with both new and used meters.



June 4, 2026
Trustee Meeting
Department Reports

Department: Water Quality

Submitted by: Robbie Bickford

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

- a. With KWD's support, the China Region Lakes Alliance has begun Courtesy Boat Inspections (CBI) at boat launches at China Lake, Webber Pond, Threemile Pond, and Togus Pond (new for 2026). Eighteen CBI inspectors have been hired and will be inspecting boats on Fridays, Saturdays, and Sundays until Labor Day to educate boaters on invasive aquatic species and intercept plant material that may enter the water bodies.

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

- a. China Lake (Lake Elevation: 172.0 feet or 6 inches above spillway)
 - i. Plants for the 2026 China Lake Buffer Bundle Program are scheduled for delivery June 5, 2026, with distribution scheduled for June 6, 2026.
 - ii. Lake sampling continues with the most recent Secchi Disk reading in the West Basin being 6.2m, almost a full meter more than this time last year.
 - iii. Alewives have started arriving in China Lake for their annual spawning. As of , more than 1.8 million fish have been counted entering China Lake.
- b. PFAS Mitigation Project:
 - i. The PFAS 10% design memo was finalized, and work has begun on the final design phase of the project.
- c. Pneumatic Valve Upgrade
 - i. Five of the eighteen electrically actuated valves scheduled for replacement at the water treatment plant have been installed and are waiting for electrical connection by the electrician (anticipated the week of June 1st). Work is continuing on the remaining thirteen valves as staff availability allows.

3. New or upcoming items of significance:

- a. China Region Lakes Alliance (CRLA) is in the process of a name change to the Kennebec Valley Lakes Alliance (KVLA) and an update to the articles of incorporation and by-laws. This name change and update to core documents of the group will differentiate CRLA from the China Lake Association (CLA) and will allow for the addition of Togus Pond and Threecorner pond into the group.



**June 4, 2026
Trustee Meeting
Monthly Department Reports**

Department: Distribution

Submitted by: Jared Bragdon

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

a. N/A

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

- a. Spring Hydrant Flushing-Complete
- b. Sunset Heights Winslow project- Crews continue supporting the project on an as-needed basis. They routinely coordinate with project leadership to ensure KWD infrastructure is properly identified and protected, and reconfigure service lines when conflicts arise with new sewer and storm drain installations.
- c. Crescent St 2" Water main improvement project- The water main improvement portion of the project has been completed successfully. The work was finished in a timely manner and remained under budget.
- d. Cushman Rd paving project (MDOT)- Milling is scheduled for 6/8/26. On 5/28/26, crews are scheduled to install a new 8" gate valve in advance of the road project and in preparation for KWD water main replacement work planned for 2027 in the Sunset Heights neighborhood. Crews also began lowering valve boxes during the week of 5/25/26 in preparation for milling and paving. Paving is scheduled for 6/17/26.
- e. Benton Ave paving project (MDOT)-Milling scheduled for 7/24/26. Paving is scheduled for 8/3/26.
- f. Clinton Ave/Outer Clinton Ave paving project (MDOT) - Crews began lowering valve boxes during the week of 5/25/26 in preparation for milling and paving, which are scheduled for 6/11/26. Paving is scheduled for 8/6/26.
- g. Town of Fairfield paving-valve boxes have been lowered on King St, Water St, Pleasant St, and Dyer Ct. in preparation for paving operations scheduled for 6/8/26

3. New or upcoming items of significance:

- a. Single hydrant flow testing system wide – In 2026 we will start the process of evaluating the flow rate of each hydrant in our system. This data, when complete will be provided to our local fire departments.

Main Break Summary:

DATE OF LEAK	LOCATION (STREET)	MUNICIPALITY	PIPE SIZE	PIPE/SERVICE/VALVE INSTALLED DATE	MATERIAL	TYPE OF LEAK
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No new leaks to report.



June 4, 2026
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. Chase Avenue Pump Station Upgrade Project – A pre-construction meeting was held on May 19 with Apex Construction, Dirigo Engineering, and the Maine Drinking Water Program. At this meeting, Apex indicated that construction is anticipated to begin in July, starting with site and building improvements, along with preliminary electrical work. Delivery of the pumps and generator is not expected until at least September, therefore, removal of the existing pumps and controls will be deferred until that time.
- b. West River Road Water Main Project – This project is now substantially complete, with only punch list items remaining. More than 500 feet of new water main was installed including 100+ feet of pipe beyond the original budget estimate due to historical records overstating the extent of pipe replaced in the 1990s.
- c. 2026 Sanger-Boutelle Water Main Improvement Project – Work has commenced on Sanger Avenue in Waterville with the installation of the temporary water system. Eastwood Contractors plan to begin installation of the water main during the week of June 1.
- d. 5 South Street Building Demolition – We are currently awaiting feedback from the City of Waterville regarding the conditions required for issuance of a permit for demolition. If all goes well, we should be sending out a Request for Bids (RFB) in June.

3. New or upcoming items of significance:

- a. Transmission Main Maintenance Planning– We are having ongoing discussions about long-term planning for accessing and evaluating our transmission mains. Last year we completed a survey of our right of way, which sets us up nicely to improve access and start replacing valves to improve isolation and to allow us to cut into the pipe to evaluate condition. The goal would be for next year to start working on access, especially in harder to reach areas of the right of way.



June 4, 2026

**Trustee Meeting
Department Reports**

Department: Finance Department

Submitted by: Amy Dyer

1. Notable accomplishments/successes since the last report (including personnel commendations):
 - a. Maine Public Utility Commission 2025 Annual Report has been filed.
 - b. Beginning Monday, June 1, 2026 we are launching a new 6-month e-billing campaign aimed at boosting paperless enrollment and reducing operational costs. Customers who sign up for e-billing during this period will automatically be entered into a drawing, with four lucky customers winning a \$250 Visa gift card. To ensure maximum visibility, we are promoting this campaign through multiple channels:
 1. **Lobby Displays:** A promotional poster will be prominently placed in our main lobby.
 2. **Direct Billing:** We are adding a targeted notification message directly onto physical water bills.
 3. **Digital Outreach:** The campaign details will be featured on our website and the customer portal which has paperless billing signup links.

We anticipate this multi-channel approach will be a great way to drive paperless enrollment and reduce our long-term printing and mailing costs.

The Visa gift cards are provided by Paymentus, KWD's credit card processing company.

2. Progress report on items presented at the previous Trustee meeting:
 - a. I am currently working with Paymentus to implement bank bill pay functionality, which will allow for electronic deposits directly into our account. This will eliminate the two-week time that it takes for us to receive customer payments from the banks. This will also help customers' payments from being returned because they have not updated our address with their bank. In addition, I am exploring the integration of other digital payment options, including Venmo and PayPal, to provide greater flexibility and convenience for payments.
 - b. We have been working with Erik Nadeau from Nicholson, Michaud & Nadeau, CPAs on our 2025 year-end audit. I am looking forward to an efficient and timely audit this year.
 - c. I have been working with the Waterworth software to project future cash balances with various borrowing and cash spending scenarios and the effect on our debt service coverage ratio.
 - d. The loan application for the Summer Street Water Main Improvement Project (long-term loan) is complete. We anticipate closing on the loan in early June.
3. New or upcoming items of significance:
 - a. I will be finalizing loan applications for the Sanger Avenue & Boutelle Avenue Water Main Improvements and Chase Avenue Pump Station Upgrades projects (interim financing).