



**Kennebec Water District Board of Trustees
Regular Meeting
Thursday, October 1, 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 September 3, 2026
3. Review and approval of account warrant
4. Review August 2026 financial reports
5. 2026 Comprehensive Water System Facilities Master Plan presentation
6. Summary of employee satisfaction survey
7. Financial Planning Discussion/water main replacement resolution
8. Approvals/motions needed:
 - a. Approval 2027 Cost-of-Living-Adjustment (if August 2026 data is published)
 - b. Approval of purchase of ALFX leak detection system
 - c. Adoption of water main replacement resolution
 - d. Adoption of water rate increase (4 percent on January 1, 2027)
9. General Manager report
10. Department reports
11. Trustee comments, concerns, and/or ideas
12. Public participation
13. As needed: Executive session 1 MRS §405. 6.
14. Date of next meeting
15. Adjournment

**KENNEBEC WATER DISTRICT
REGULAR BOARD OF TRUSTEES MEETING
THURSDAY – SEPTEMBER 3, 2026 at 7:30 AM**

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

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

Trustees absent: Frank Richards, Vice-President; Amy Stabins, Trustee

Allan Fuller, Trustee, joined the meeting at 7:40 a.m.

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); 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 AUGUST 6, 2026

Motion by Trustee Talbot, "to accept the minutes of the Regular Board of Trustees' meeting of August 6, 2026," seconded by Trustee Fongemie.

Vote: Motion carried unanimously.

ITEM 3: REVIEW AND APPROVAL OF ACCOUNT WARRANT

Motion by Trustee Earickson, "to ratify the September 3, 2026, total warrant of checks released for \$753,515.12," seconded by Trustee Talbot.

Vote: Motion carried unanimously.

ITEM 4: REVIEW OF JULY 2026 FINANCIAL REPORTS

The Trustees were provided with the July 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: FINANCIAL PLANNING DISCUSSION – CONTINUED

The Trustees briefly reviewed a few of the points of interest if KWD was to move toward a pay-as-you-go system for long-term funding of water main replacement. Included in this discussion was overall funding possibilities for capital projects, the expectation of a future reduction in available Drinking Water State Revolving Funds, and potential water rate impacts. Mr. Crouse also reviewed the Summary of Activities Required to Develop and Implement a Long-Term Water Main Replacement Program document.

ITEM 6: APPROVALS/MOTIONS NEEDED

A. Approval of Agreement for Pavement Restoration

The Trustees were provided with a request for authorization memo to employ ProSeal, LLC for the remainder of 2026 as well as the 2027 construction season for pavement restoration.

Motion by Trustee Fongemie, “to approve ProSeal, LLC for pavement restoration services for the unit prices as stated in the agreement for the remainder of the 2026 construction season and for the 2027 construction season,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

B. Approval of Agreement to Remove Water Treatment Residuals – Sole Source

The Trustees were provided with a sole-source request memo to authorize Waste Management to remove and dispose of the alum residuals at the water treatment plant (WTP). This memo also explains the means in which these residuals are generated during the routine water treatment process and air dried prior to removal. Mr. Crouse and Mr. Bickford answered questions regarding this proposal including the justification for the sole-source request.

Motion by Trustee Earickson, “to execute a sole-source agreement with Waste Management for the removal and disposal of the WTP alum residuals at a price of \$88.00 per ton,” seconded by Trustee Talbot.

Vote: Motion carried unanimously.

C. Approval of Agreement of Auditing Services

The Trustees were provided with a request for authorization memo explaining that KWD’s current auditor, Nicholson, Michaud, & Nadeau, is transitioning away from municipal audit services, and, based on the previous bids, recommending engaging Wipfli, LLP for audit services for the 2026 and 2027 fiscal years with the option of a two-year extension. Mr. Crouse and Ms. Dyer answered questions from the Board members regarding this request.

Motion by Trustee Fongemie, “to accept the proposal from Wipfli, LLP for the annual audit service for \$19,292.00 for 2026 and \$20,064.00 for 2027, and the discretion to extend the agreement for an additional two years at \$20,866.00 and \$21,700.00 respectively,” seconded by Trustee Earickson.

Vote: Motion carried unanimously.

D. Payment for Tyler Technologies for Annual Application Services (licensing, Software as a Service, etc.) for software used for billing, general ledger, payroll, record retention, asset management, etc. – \$63,191.88, a five percent increase over 2025 (2025 payment – \$60,182.73).

Mr. Crouse informed the Trustees that the renewal fee with Tyler Technologies for the annual software application services is now due. The contract includes support, upgrades, information back-up, and security services.

Motion by Trustee Earickson, “to authorize the payment to Tyler Technologies for the annual software application services in the amount of \$63,191.88,” seconded by Trustee Talbot.

Vote: Motion carried unanimously.

ITEM 7: 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.

Mr. Crouse informed the Trustees that Mr. Zetterman and Mr. Kenney anticipate conducting a presentation of the recently completed Comprehensive Water System Facilities Plan at the October 1, 2026, Board meeting.

After a brief discussion, the decision was made to hold a budget workshop with KWD staff and interested Trustees at 7:30 a.m. on October 22, 2026.

On behalf of the Board members, President Murray thanked Mr. Crouse for the General Manager’s report.

ITEM 8: DEPARTMENT REPORTS

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

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

ITEM 9: TRUSTEE COMMENTS, CONCERNS, AND/DEPARTMENT REPORTS

a. Board Quorum Requirement (7 Members Require) – Should we seek a charter change?

Mr. Crouse introduced the notion of decreasing the Board quorum requirement which would necessitate a KWD Charter change approved by the Maine State Legislature. Mr. Crouse polled a number of water and wastewater facilities, and none of the respondents required a super majority of members to achieve a quorum. The Board discussed the proposed change and a motion was made.

Motion by Trustee Earickson, “to request a legislative change to the KWD charter by reducing the Board of Trustees quorum requirement from seven Trustees to six Trustees,” seconded by Trustee Fongemie.

Vote: 7 in favor, Trustee Talbot opposed, motion carried.

Trustee Whately inquired about the status of the potentially new KWD Source Protection Coordinator position. Mr. Crouse replied the financial impact of adding this position will be incorporated into the 2027 Operating Budget and can be discussed further at the budget workshop. Trustee Fuller commented there were numerous programs and funding opportunities for source water protection presented at the Maine Water Utilities Association Annual Drinking Water Seminar he recently attended. He remains an advocate for the new KWD Source Protection Coordinator position.

ITEM 10: PUBLIC PARTICIPATION

None

ITEM 11: AS NEEDED: EXECUTIVE SESSION – 1 MRS §405. EXECUTIVE SESSION

None

ITEM 12: ADJOURNMENT

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

Vote: Motion carried unanimously.

Meeting adjourned at 8:42 a.m.

Sue Markatine, Recording Secretary

ACCOUNT WARRANT OCTOBER 1, 2026

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
1	08/15/2026	BILL(FORMERLY DIVVY) VISA CARD	FANS/MEETING FOOD/MICROSOFT SUBSCRIPTIONS/ SAFETY GLASSES/SHIPPING FEES/EMPLOYEE SURVEY/TELEPHONE SERVICE/NETWORK SCANNING MEMBERSHIP/WTP SUPPLIES/GIS CLOUD STORAGE/EZPASS/AUTO DIAL CALLS/CLEANING SUPPLES/VINEGAR/HOE/SHOVEL/GOOGLE SUBSCRIPTION/LAB SUPPLIES/SEATCOVERS/ CHECK STOCK/DIALMYCALLS SUBSCRIPTION/OFFICE SUPPLIES/LUBRICANT/BOAT GAS/ NEWWA ANNUAL CONFERENCE/TAX SYMPOSIUM/INSECT SPRAY/KNIVES/MISC SUPPLIES/ GARAGE HOOKS/PIPE CUTTER/TOOLS	5,391.48
2	08/28/2026	MAINEPERS	MONTHLY EMPLOYER RETIREMENT CONTRIBUTION	18,280.10
3	09/01/2026	TREASURER, STATE OF MAINE	MONTHLY SALES TAX	3,466.85
4	09/03/2026	CAREER MANAGEMENT ASSOCIATES	MILEAGE FOR TRAINING	124.64
5	09/03/2026	CENTRAL MAINE POWER	MONTHLY ELECTRICITY-VARIOUS LOCATIONS	18,057.69
6	09/03/2026	CHADWICK-BAROSS, INC.	VACUUM TRUCK SERVICE	2,198.90
7	09/03/2026	CINTAS	EMPLOYEES UNIFORM SERVICE	146.73
8	09/03/2026	EAGLE RENTAL	LIFT RENTAL FOR TWIN TANKS LEVEL SENSORS	412.00
9	09/03/2026	EXPRESS ELECTRIC, EEC	WTP ELECTRICAL SERVICE	230.00
10	09/03/2026	KODIAK STEEL COMPANY	MULTI-GRADE STOCK FOR HYDRANT SHAFTS	136.70
11	09/03/2026	MAINE HYDRAULICS	STANLEY HYDRO HANDLE REPAIR	779.88
12	09/03/2026	TREASURER, STATE OF MAINE-HETL	WATER TESTS	915.00
13	09/03/2026	T-MOBILE	MONTHLY TELEPHONE & INTERNET SERVICE	625.43
14	09/03/2026	CITY OF WATERVILLE	MONTHLY VEHICLE FUEL USAGE	2,852.16
15	09/03/2026	F.W. WEBB COMPANY	WTP FIRE SYSTEM PARTS/PAINT/SHOP SUPPLIES	828.19
16	09/03/2026	ADVANCE 1 CLEANING SERVICES, INC.	MONTHLY CLEANING SERVICE	1,080.00
17	09/03/2026	ANALYTICHEM USA, INC.	WATER TESTS	450.00
18	09/03/2026	CDM SMITH, INC.	PFAS MITIGATION UPGRADES	86,863.88
19	09/03/2026	ERGOS TECHNOLOGY PARTNERS, INC.	BACKUP SERVICES/APPLIANCE RENTAL	238.00
20	09/03/2026	HALL'S HOMES RE, LLC	MONTHLY LAWN SERVICE-DRUMMOND AVE	525.00
21	09/03/2026	KENNEBEC EQUIPMENT RENTAL FAIRFIELD	HAY BLOWER RENTAL-DRUMMOND AVE	125.00
22	09/03/2026	MID-MAINE CHAMBER OF COMMERCE	LEADERSHIP LUNCHEON	35.00
23	09/03/2026	PORTLAND PAPER PRODUCTS	TISSUE	354.04
24	09/03/2026	PROSEAL, LLC	PAVEMENT PATCHES-VARIOUS LOCATIONS	2,639.00
25	09/03/2026	SPILLER'S	CONSTRUCTION MARKING PAINT	570.00
26	09/03/2026	MAINEPERS	MONTHLY GROUP LIFE PREMIUMS	1,307.71
27	09/08/2026	FLORES & ASSOCIATES	HEALTH INSURANCE DEDUCTIBLE REIMBURSEMENT	2,032.32
28	09/11/2026	ADVANCED ANALYTICAL SOULTIONS, LLC	LAB COMPLIANCE DEMO CAPABILITIES	1,462.46
29	09/11/2026	ASSURED FLOW SALES, INC.	HYDRANT FLOW TAGS	2,887.47
30	09/11/2026	CAPITAL ONE TRADE CREDIT-AUBUCHON	BUCKETS	12.14
31	09/11/2026	TOWN OF CHINA	ANNUAL REAL ESTATE TAXES	955.89
32	09/11/2026	CINTAS	EMPLOYEES UNIFORM SERVICE	139.58
33	09/11/2026	CSX TRANSPORTATION	EASEMENT FEE-WATERVILLE PIPE	842.42
34	09/11/2026	EAGLE RENTAL	LIFT RENTAL FOR TWIN TANKS LEVEL SENSORS	400.00
35	09/11/2026	HEATHER HUSSEY	REFUND-SELLER AND CLOSING COMP PAID FINAL BILLS	76.70
36	09/11/2026	INFOSEND, INC.	MONTHLY BILL PROCESSING AND MAILING	2,529.64
37	09/11/2026	MAINE RURAL WATER ASSOCIATION	LEADERSHIP TRAINING-1 EMPLOYEE	800.00
38	09/11/2026	MAINE TRUST FOR LOCAL NEWS	PUBLIC NOTICE WTP SECURITY DOOR GRANT	294.26
39	09/11/2026	TREASURER, STATE OF MAINE-HETL	WATER TESTS	290.00
40	09/11/2026	MICHAEL L LOUBIER	REFUND-INITIAL BILL & PAID FOR WRONG SIZE METER	67.00
41	09/11/2026	SOMERSET COUNTY-REGISTRY OF DEEDS	LIEN-1 PROPERTY	25.00
42	09/11/2026	TOWN OF VASSALBORO	ANNUAL REAL ESTATE TAXES	14,857.09
43	09/11/2026	VERIZON	MONTHLY VEHICLE DATA SERVICE	303.20
44	09/11/2026	F.W. WEBB COMPANY	PRESSURE GAUGES/WATER SYSTEM ITEMS	3,442.35
45	09/11/2026	ANALYTICHEM USA, INC.	WATER TESTS	55.00
46	09/11/2026	AQUA BACKFLOW, INC.	PROGRAM MANAGEMENT SERVICE	433.50
47	09/11/2026	DIG SAFE SYSTEM, INC.	MONTHLY COST OF OPERATIONS	767.20
48	09/11/2026	FASTENAL COMPANY	VALVE REPLACEMENT PROJECT-WTP	357.10
49	09/11/2026	GRAINGER	VALVE REPLACEMENT PROJECT-WTP	92.63
50	09/11/2026	HAMMOND LUMBER COMPANY	PARA CORD FOR CORRELATORS	12.99
51	09/11/2026	HUSSEY COMMUNICATIONS, INC.	MONTHLY INTERNET SERVICE	182.00

ACCOUNT WARRANT OCTOBER 1, 2026

NO.	CHECK DATE	VENDOR NAME	DESCRIPTION	DOLLAR AMOUNT
52	09/11/2026	MAINE LABORATORIES, LLC	WATER TESTS	1,590.00
53	09/11/2026	ROKI REPAIR SHOP	PREVENTIVE MAINTENANCE-3 VEHICLES	3,305.63
54	09/11/2026	DAVID MORIN	MONTHLY LAWN SERVICE-VARIOUS LOCATIONS	4,725.50
55	09/11/2026	SULLIVAN TIRE COMPANY, INC.	TRAILER TWO TIRES MOUNT AND BALANCE	318.96
56	09/11/2026	TECHNOLOGY SOLUTIONS OF MAINE	MONTHLY ANSWERING SERVICE	105.30
57	09/11/2026	USA BLUE BOOK	LAB EQUIPMENT-WTP	647.62
58	09/14/2026	FLORES & ASSOCIATES	HEALTH INSURANCE DEDUCTIBLE REIMBURSEMENT	182.68
59	09/16/2026	THE HARTFORD	MONTHLY GROUP LIFE PREMIUMS	67.19
60	09/18/2026	CINTAS	EMPLOYEES UNIFORM SERVICE-2 WEEKS	287.68
61	09/18/2026	CREATIVE PRINT SERVICES	5,000 WINDOW ENVELOPES	480.63
62	09/18/2026	EXPRESS ELECTRIC, EEC	ELECTRICAL SERVICES-TRANSMITTERS & VALVES	8,515.24
63	09/18/2026	WORKPLACE HEALTH	EMPLOYEE DRUG SCREENING	50.50
64	09/18/2026	CARPARTS DIST. CENTER-MOTOR SUPPLY	SOCKETS/WINDSHIELD WASHER FLUID	593.76
65	09/18/2026	TOWN OF OAKLAND	ANNUAL REAL ESTATE TAXES	335.24
66	09/18/2026	PINE TREE WASTE, INC.	PORTAPOTTY RENTAL/RUBBISH REMOVAL	404.00
67	09/18/2026	PULSE MARKETING AGENCY	MARKETING SERVICES-RATE INCREASE POSTCARDS	62.50
68	09/18/2026	SATURN BUSINESS SERVICES, INC.	RATE INCREASE POSTCARDS-PRINT & MAIL	5,750.21
69	09/18/2026	TYLER TECHNOLOGIES, INC.	ANNUAL IT APPLICATIONS SERVICES	63,191.88
70	09/18/2026	VASSALBORO CAR CARE	OIL CHG-1 VEHICLE/OIL CHG & INSPECT-1 VEHICLE	180.02
71	09/18/2026	F.W. WEBB COMPANY	TOOLS/WATER SYSTEM REPLACEMENT ITEMS	9,248.10
72	09/18/2026	ANALYTICHEM USA, INC.	WATER TESTS	1,290.00
73	09/18/2026	DOSTIE'S TOWING WATERTOWN	OIL CHANGE/TIRE REPAIR/TIRE ROTATION-1 VEHICLE	142.90
74	09/18/2026	FASTENAL COMPANY	STAINLESS STEEL HARDWARE STOCK	1,317.26
75	09/18/2026	GENERAL ALUM N.E. CORP.	ALUM-WTP	5,691.00
76	09/18/2026	MAINE MUNICIPAL BOND BANK	LOANS-ADMIN FEE/INTEREST/PRINCIPAL	532,153.17
77	09/18/2026	MID-MAINE CHAMBER OF COMMERCE	BUSINESS MEETING	28.00
78	09/18/2026	PROSEAL, LLC	PAVEMENT PATCHES-VARIOUS LOCATIONS	6,233.33
79	09/18/2026	ROKI REPAIR SHOP	COMMERCIAL STATE INSPECTION	100.00
80	09/18/2026	TECHNOLOGY SOLUTIONS OF MAINE	MONTHLY ANSWERING SERVICE	160.68
81	09/18/2026	US BANK CORPORATE TRUST BOSTON	LOAN-PRINCIPAL & INTEREST	80,948.01
82	09/18/2026	VERTEXONE SOFTWARE, LLC	MONTHLY WATERSMART DOCUMENT STORAGE	84.26
83	09/18/2026	PAYMENTUS	MONTHLY CUSTOMER CC TRANSACTIONS FEES	3,758.37
84	09/24/2026	MAINE MUNICIPAL EMP. HEALTH TRUST	MONTHLY HEALTH INSURANCE PREMIUMS	38,961.70
85	09/24/2026	NORTHEAST DELTA DENTAL	MONTHLY DENTAL INSURANCE PREMIUMS	1,125.80
86	09/24/2026	EUROFINS DRINKING WATER	WATER TESTS	206.00
87	09/24/2026	MESSALONSKEE STREAM HYDRO, LLC	ENERGY CREDITS	721.52
88	09/24/2026	ANYWHERE'S, LLC	TABLES & CHAIRS RENTAL-ALL STAFF MEETING	440.00
89	09/24/2026	CINTAS	EMPLOYEES UNIFORM SERVICE	146.73
90	09/24/2026	ROBERT DURAND	CATERING SERVICE-ALL STAFF MEETING	250.00
TOTAL WARRANT				955,752.69

Kennebec Water District

Balance Sheet

As of August 31, 2026

	August 2026	August 2025	Variance
ASSETS			
Current Assets			
Cash	10,520,176.92	9,245,173.20	1,275,003.72
Accounts Receivables	377,993.71	394,689.26	(16,695.55)
Grants and Loans Receivable	-	16.00	(16.00)
Unbilled services	800,774.32	839,770.66	(38,996.34)
Prepaid expenses	153,129.20	78,597.91	74,531.29
Inventory	547,261.47	504,633.13	42,628.34
Total Current Assets	12,399,335.62	11,062,880.16	1,336,455.46
Non-Current Assets			
Other Assets	47,261.21	50,133.38	(2,872.17)
Total Non-Current Assets Excluding Capital	47,261.21	50,133.38	(2,872.17)
Capital Assets			
Capital assets, not being depreciated	2,972,334.46	3,963,587.84	(991,253.38)
Capital assets, being depreciated	92,761,544.28	88,222,417.53	4,539,126.75
Accumulated Depreciation	(32,659,241.65)	(31,079,343.41)	(1,579,898.24)
Total Capital Assets	63,074,637.09	61,106,661.96	1,967,975.13
DEFERRED OUTFLOWS OF RESORUCES			
Deferred Other Post Employee Benefits	94,024.18	70,431.18	23,593.00
Deferred Pension Benefits	341,050.75	360,099.75	(19,049.00)
Total Deferred Outflows of Resources	435,074.93	430,530.93	4,544.00
TOTAL ASSETS AND DEFERRED OUTFLOWS	75,956,308.85	72,650,206.43	3,306,102.42
LIABILITIES			
Current Liabilities			
Accounts Payable	140,855.13	8,986.92	131,868.21
Accrued Expenses	14,536.27	34,733.84	(20,197.57)
Accrued wages and benefits	85,687.24	67,205.47	18,481.77
Accrued Interest Payable	227,711.32	220,651.03	7,060.29
Short-Term Debt	-	1,806,901.66	(1,806,901.66)
Current portion of LT Debt	1,011,387.41	954,048.26	57,339.15
Total Current Liabilities	1,480,177.37	3,092,527.18	(1,612,349.81)
Non-Current Liabilities			
Other Post Employee Benefits Liabilities	289,711.00	285,984.00	3,727.00
Net Pension Liability	661,490.00	839,659.00	(178,169.00)
Accrued Compensated Balances	434,793.13	433,774.66	1,018.47
Unamortized bond premium, less current	289,329.94	310,666.60	(21,336.66)
Long-Term Debt (Net)	25,707,392.10	24,477,002.30	1,230,389.80
Total Non-Current Liabilities	27,382,716.17	26,347,086.56	1,035,629.61
TOTAL LIABILITIES	28,862,893.54	29,439,613.74	(576,720.20)
DEFERRED INFLOWS OF RESOURCES			
Deferred Credits	3,673,530.48	2,873,872.90	799,657.58
Deferred Other Post Employee Benefits	105,786.27	71,009.27	34,777.00
Deferred-Pension Benefits	144,630.15	87,303.15	57,327.00
TOTAL DEFERRED INFLOWS OF RESOURCES	3,923,946.90	3,032,185.32	891,761.58
NET POSITION			
Net Investment in Capital Assets	36,066,527.64	33,558,043.14	2,508,484.50
Restricted	-	-	-
Unrestricted	7,102,940.77	6,620,364.23	482,576.54
NET POSITION	43,169,468.41	40,178,407.37	2,991,061.04
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	75,956,308.85	72,650,206.43	3,306,102.42

Monthly Income Statement For The Period Ending August 31, 2026

	2026 August Actual	2025 August Actual	Monthly Variance	2026 YTD Actual	2025 YTD Actual	YTD Variance	2026 Budget	2026 % Of Budget Used
Operating Revenues								
Metered Sales Residential Cust	304,611	287,727	16,884	2,658,093	2,481,002	177,091	4,019,224	66%
Metered Sales Commercial Cust	83,082	85,706	(2,624)	812,025	798,085	13,940	1,292,898	63%
Metered Sales Industrial Cust	69,468	215,891	(146,422)	601,757	1,253,320	(651,563)	675,000	89%
Metered Sales Governmental	17,065	15,888	1,177	143,609	136,727	6,882	221,497	65%
Public Fire Protection	-	-	-	719,592	666,330	53,263	959,515	75%
Private Fire Protection	14	-	14	284,994	285,568	19,426	382,418	75%
Sales For Resale	32,708	37,722	(5,014)	184,459	165,328	19,131	266,000	69%
Forfeited Discounts & Penalties	3,354	3,088	266	37,993	27,944	10,049	45,000	84%
Bulk Water Fees	-	50	(50)	4,215	700	3,515	-	0%
Misc Service Revenue	8,655	3,972	4,683	87,832	47,378	40,455	71,400	123%
Oth Water Revenue (Sale Read)	6,509	6,199	310	40,034	39,378	656	55,125	73%
Total Operating Revenues	525,467	656,243	(130,777)	5,574,605	5,881,759	(307,154)	7,988,077	70%
Non-Operating Revenues								
Interest & Dividend Income	32,619	28,947	3,672	252,316	228,049	24,267	200,000	126%
Miscellaneous Income/(Loss)	(3,865)	467,348	(471,213)	28,558	1,573,531	(1,544,973)	98,000	29%
Total Non-Operating Revenues	28,753	496,295	(467,542)	280,875	1,801,580	(1,520,705)	298,000	94%
Total Revenues	554,220	1,152,538	(598,318)	5,855,479	7,683,339	(1,827,860)	8,286,077	71%
Operating Expenses								
Salaries & Wages Employees	182,532	174,859	7,673	1,498,997	1,385,781	113,216	2,330,250	64%
Employee Pensions & Benefits	96,631	68,901	27,730	571,909	506,421	65,488	867,175	66%
Purchased Power	30,782	40,122	(9,341)	240,856	264,012	(23,156)	324,600	74%
Chemicals	16,103	22,666	(6,564)	113,152	148,023	(34,871)	175,000	65%
Materials & Supplies	68,854	40,896	27,959	379,740	325,790	53,950	601,500	63%
Contractual Services	94,141	48,721	45,420	395,755	521,565	(125,810)	884,750	45%
Rental Expense	295	-	295	2,289	1,837	452	4,450	51%
Transportation Expenses	15,315	5,593	9,721	36,539	33,050	3,489	56,000	65%
Insurance	9,078	8,030	1,049	69,508	66,746	2,762	115,297	60%
Advertising Expenses	-	-	-	-	-	-	500	0%
Taxes Oth Than Income	16,684	16,048	636	186,193	172,806	13,387	255,450	73%
Miscellaneous Expenses	3,843	8,662	(4,819)	126,484	108,608	17,877	224,916	56%
Total Operating Expenses	534,257	434,498	99,758	3,621,422	3,534,639	86,783	5,839,888	62%
Earnings Before Interest, Taxes, Depr & Amort (EBITDA)	19,964	718,040	(698,076)	2,234,057	4,148,700	(1,914,643)	2,446,189	91%

Monthly Income Statement For The Period Ending August 31, 2026

	2026 August Actual	2025 August Actual	Monthly Variance	2026 YTD Actual	2025 YTD Actual	YTD Variance	2026 Budget	% Of Budget Used
Depreciation And Amortization Expense (Non-Cash Items)	134,234	123,526	10,708	1,120,340	1,188,301	(67,961)	1,633,114	69%
Total Depreciation And Amortization	134,234	123,526	10,708	1,120,340	1,188,301	(67,961)	1,633,114	69%
Deductions From Income								
Interest Expense - LI Debt	69,701	68,310	1,391	547,374	545,923	1,451	900,750	61%
Total Interest & Amortization	69,701	68,310	1,391	547,374	545,923	1,451	900,750	61%
Extraordinary Income	-	-	-	1,038,467	-	1,038,467	150,000	692%
Net Income	(183,971)	526,203	(710,175)	1,604,810	2,414,475	(809,665)	62,325	2575%

**Kennebec Water District
Statement Of Cash Flows**

For The Period Ending August 31, 2026

Cash Balance 07/31/26	\$10,579,590.26
Utility Billing Receipts	\$623,095.14
Payments to Vendors	(\$764,674.64)
PFAS Settlement - 3M 3rd Payment	\$250,937.27
Interest	\$32,618.83
Payroll	(\$201,389.94)
Net Monthly Activity	(\$59,413.34)

Cash Balance 08/31/26	\$10,520,176.92
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Cash And Investment Accounts-Ending Balances

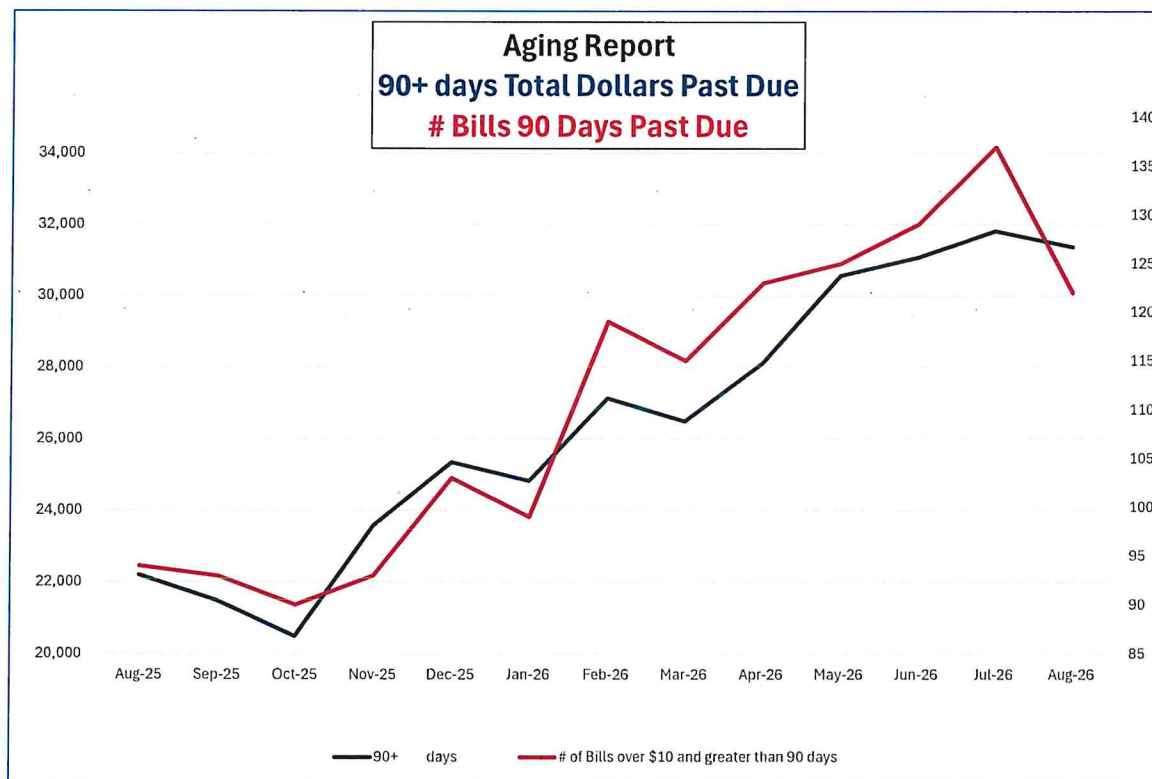
Operating Checking Account TD Bank	\$1,253,826.43
Checking Account-Northeast Bank	\$3,158.43
Certificates of Deposit TD Bank	\$2,127,824.92
Certificates of Deposit Northeast Bank	\$7,131,530.36
Cash Drawers & Petty Cash & Deposits	\$3,836.78
Cash Balance 08/31/26	\$10,520,176.92

Reserve For Debt Payments

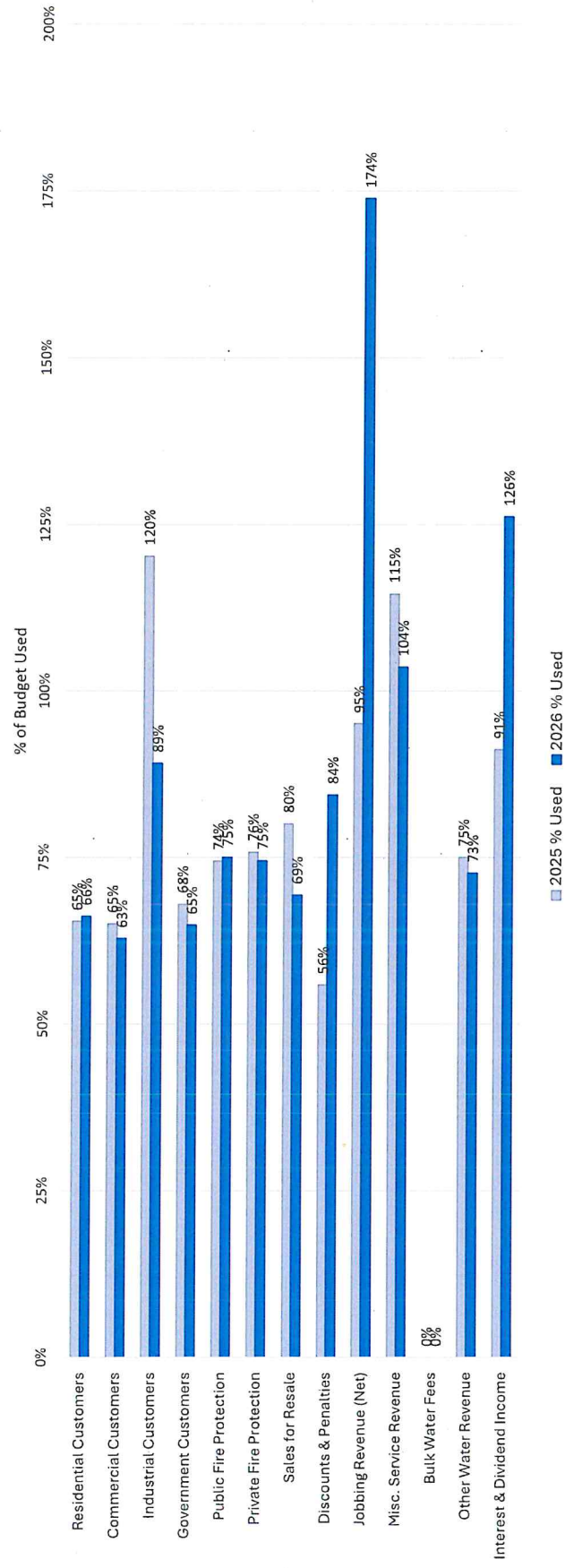
Less Reserve 2026 Bond Principal	\$96,150.09
Less Reserve 2026 Bond Interest	\$37,585.70
Less Reserve 2025 Bond Principal	\$68,598.69
Less Reserve 2025 Bond Interest	\$22,921.15
Less Reserve 2025 Bond Principal	\$27,453.92
Less Reserve 2024 Bond Principal	\$21,089.00
Less Reserve 2024 Bond Interest	\$4,031.08
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	\$430,000.00
Less Reserve 2022 Revenue Bond Interest	\$689,018.76
Less Reserve 2021 Bond Principal	\$32,988.26
Less Reserve 2021 Bond Interest	\$5,310.08
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	\$3,457.01
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	\$1,987,588.77

Uncommitted Balance	\$8,532,588.15
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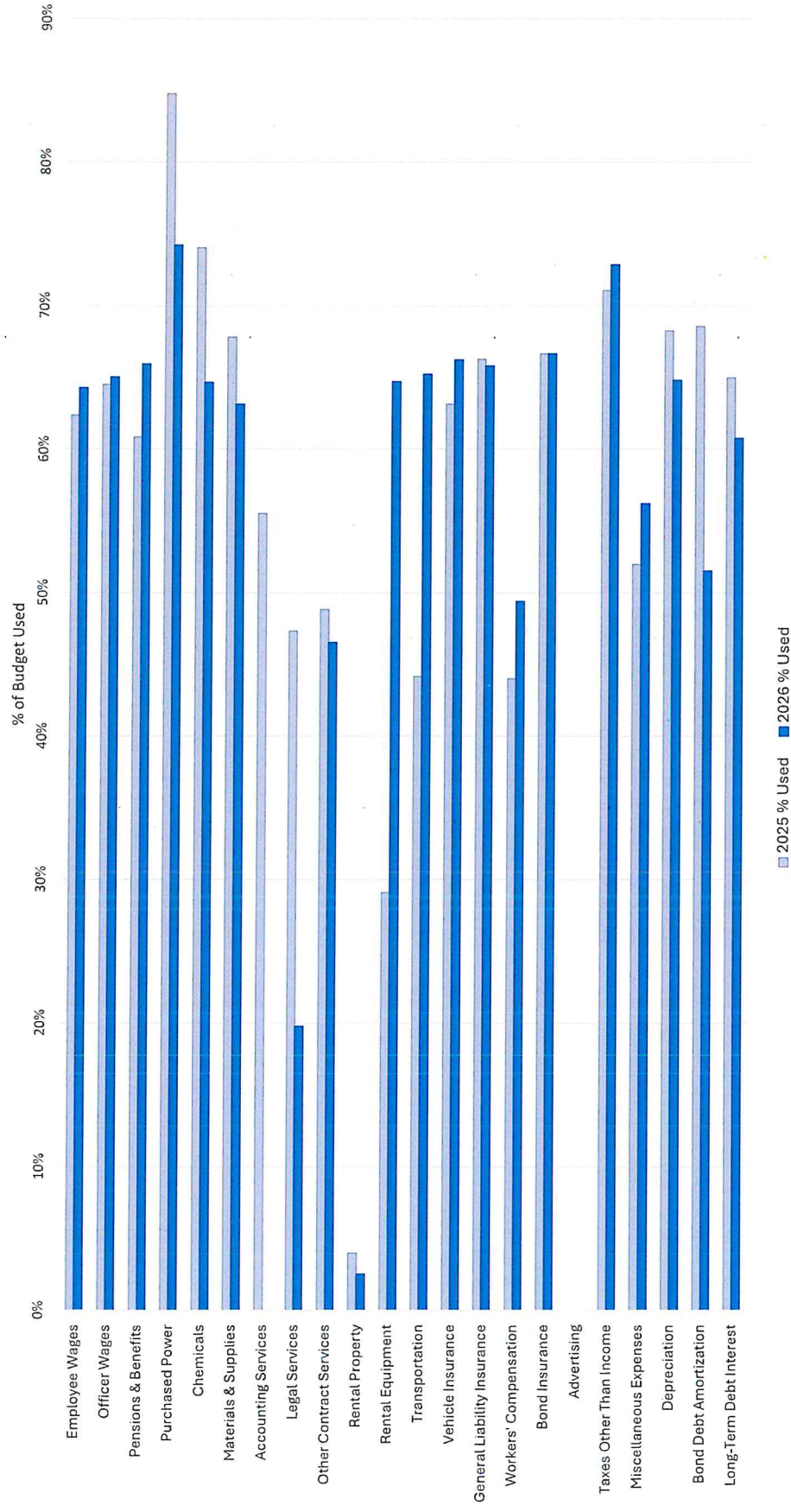
Kennebec Water District						
AGING REPORT						
	Current	31-60 days	61-90 days	90+ days	Total	# of Bills over \$10 and greater than 90 days
Aug-25	\$377,552.68	(\$3,611.24)	\$1,454.11	\$22,194.04	\$397,589.59	94
Sep-25	\$352,304.12	\$723.51	\$1,653.57	\$21,471.81	\$376,153.01	93
Oct-25	\$569,408.39	(\$771.04)	\$2,995.21	\$20,481.74	\$592,114.30	90
Nov-25	\$462,362.88	\$939.62	\$3,013.24	\$23,579.81	\$489,895.55	93
Dec-25	\$350,120.02	(\$3,132.24)	\$1,727.91	\$25,347.82	\$374,063.51	103
Jan-26	\$531,309.40	\$8,982.59	\$3,438.15	\$24,822.03	\$568,552.17	99
Feb-26	\$398,682.98	(\$70.16)	\$2,451.29	\$27,132.86	\$428,196.97	119
Mar-26	\$364,772.25	(\$1,283.99)	\$2,738.78	\$26,483.09	\$392,710.13	115
Apr-26	\$644,117.12	(\$3,941.79)	\$4,209.25	\$28,124.66	\$672,509.24	123
May-26	\$423,825.54	(\$1,207.21)	\$2,377.48	\$30,575.62	\$455,571.43	125
Jun-26	\$258,378.76	\$5,342.42	(\$230.35)	\$31,072.61	\$294,563.44	129
Jul-26	\$427,168.02	\$1,801.64	\$4,843.57	\$31,824.12	\$465,637.35	137
Aug-26	\$344,248.11	(\$530.29)	\$2,910.00	\$31,365.89	\$377,993.71	122



Kennebec Water District - August 2026 Revenue Budget Use



Kennebec Water District - August 2026 Expense Budget Use





MEMO

August 6, 2026

To: Kennebec Water District Board of Trustees

From: Roger Crouse, General Manager

Subject: Financial Planning for Water Main Replacement

Recommendation: I recommend that the Board approve a four percent rate increase effective January 1, 2027, and a resolution that records the Board's preferred long-term plan to fund water main replacement.

Background

At the July 16, 2026, Board of Trustees meeting, staff presented five funding scenarios using the Waterworth financial model. The Board's consensus was to move toward a pay-as-you-go system for the long-term funding of water main replacement.

The attached Table 1 presents a summary of seven transitions to pay-as-you-go - from an immediate transition to transitioning over 15 years.

As shown in Table 1, the rate impacts are very similar across the 30-year period. The projected rates in 30 years for KWD's minimum rate range from \$315 to \$342. Given the level of accuracy associated with a high-level 30-year plan, these numbers are not materially different from each other.

I recommend that Trustees focus on the transition periods and the estimated rate increases when deciding on the preferred option rather than on the specific rate outcome.

To formalize the preferred option, the Board of Trustees should adopt a resolution describing its intention to increase rates, so KWD is positioned to adequately fund water main replacement work with direct water rate revenue. Our attorney at Verrill is currently reviewing a draft resolution, which may or may not be ready for the August 6, 2026, meeting.

Implementation of the preferred option should be methodical and transparent. Table 2, Summary of Activities Required to Develop and Implement a Long-Term Water Main Replacement Program, highlights the major activities that should be completed as we move through this process. This list is not exhaustive, but it illustrates the level of work needed to successfully implement our path forward.

Because of the complexity of this effort, I strongly recommend a limited rate increase in January 2027, with the first year of more significant rate increases occurring in 2028. In each scenario presented in Table 1, I assumed a four percent rate increase for January 2027. The four percent January 2027 increase ensures KWD does not

lose ground compared with inflation while avoiding more complex rate discussions so early in the implementation of the financial plan.

Request

1. Approve a four percent rate increase effective January 1, 2027.
2. Adopt a resolution describing the Board of Trustees' preferred option and providing staff, customers, and others with clarity on the Board's intention. Adoption does not need to occur during the August 6, 2026, meeting.

Financial Planning

Model Summary August 6, 2026

The model summaries are intended to generally illustrate the high level impact of each scenario at 10 year intervals. All numbers are subject to change based upon further refinement of the scenarios.

Scenario Name	Description	General Summary of Rate Increases over 30 years (2027-2056) (4% increase in first year - all scenarios)	Minimum Quarterly Water Rate (5/8 inch meter)				Debt Balance			
			2026	2036	2046	2056	2026	2036	2046	2056
Full Pay as You Go	Fund for pipe replacement projects directly through rates (excluding projects with established funding)	25% 2028-2029, 10% in 2030, 4% (2031-2036) 2.5% (2037-2044), 2% through 2056	\$90.36	\$204.37	\$259.07	\$315.80	\$ 30,451,684	\$ 19,468,894	\$ 4,914,001	\$ -
Market Rate to Pay as You Go - 5 year transition	Assumes market rate loans for 5 years then pay as you go. Over the 5 years, the percent of borrowing decreases.	12% increase 2028-2032, 6% increase 2033-2037, 2.5% 2038-2042, 1.5% 2043-2050, 2.5% through 2056	\$90.36	\$209.09	\$266.14	\$327.58	\$ 30,451,684	\$ 25,593,939	\$ 6,338,255	\$ -
Market Rate to Pay as You Go - 7 year transition	Assumes market rate loans for 7 years then pay as you go. Over the 7 years, the percent of borrowing decreases.	10% increase 2028-2033, 7% increase 2034-2037, 4% 2038-2041, 1.5% through 2056	\$90.36	\$203.95	\$275.02	\$319.17	\$ 30,451,684	\$ 29,346,507	\$ 7,599,097	\$ -
Market Rate to Pay as You Go - 10 year transition	Assumes market rate loans for 10 years then pay as you go. Over the 10 years, the percent of borrowing decreases.	10% increase 2028-2029, 8% increase 2030-2039, 2% 2040-2046, 1.5% through 2056	\$90.36	\$194.88	\$281.99	\$327.26	\$ 30,451,684	\$ 35,378,848	\$ 10,338,251	\$ -
Market Rate to Pay as You Go - 12 year transition	Assumes market rate loans for 12 years then pay as you go. Over the 12 years, the percent of borrowing decreases.	8% increase 2027-2040, 3% 2041-2043, 1% 2044-2051, 2% through 2056	\$90.36	\$187.86	\$287.74	\$333.89	\$ 30,451,684	\$ 38,018,759	\$ 12,986,210	\$ 124,015
Market Rate to Pay as You Go - 15 year transition	Assumes market rate loans for 15 years then pay as you go. Over the 15 years, the percent of borrowing decreases.	8% increase 2028-2039, 3% 2040-2047, 1.5% increase through 2056	\$90.36	\$187.86	\$291.04	\$342.76	\$ 30,451,684	\$ 40,765,772	\$ 18,322,035	\$ 366,548

Scenario Name	Annual Interest Payments				Annual Debt Service Payments (P+I+MMBB Fees)			
	2026	2036	2046	2056	2026	2036	2046	2056
Full Pay as You Go	\$ 894,886	\$ 689,750	\$ 237,136	\$ -	\$ 2,169,269	\$ 2,357,323	\$ 1,942,113	\$ -
Market Rate to Pay as You Go - 5 year transition	\$ 894,886	\$ 962,957	\$ 322,311	\$ -	\$ 2,169,269	\$ 3,100,609	\$ 2,497,368	\$ -
Market Rate to Pay as You Go - 7 year transition	\$ 894,886	\$ 1,128,009	\$ 387,695	\$ -	\$ 2,169,269	\$ 3,514,834	\$ 2,811,924	\$ -
Market Rate to Pay as You Go - 10 year transition	\$ 894,886	\$ 1,353,167	\$ 521,285	\$ 3,255	\$ 2,169,269	\$ 4,101,851	\$ 3,545,913	\$ 38,794
Market Rate to Pay as You Go - 12 year transition	\$ 894,886	\$ 1,442,847	\$ 645,379	\$ 17,700	\$ 2,169,269	\$ 4,351,844	\$ 3,773,052	\$ 198,973
Market Rate to Pay as You Go - 15 year transition	\$ 894,886	\$ 1,536,802	\$ 889,356	\$ 70,633	\$ 2,169,269	\$ 4,610,204	\$ 4,525,975	\$ 437,181

Model Assumptions

1. Assume 0.8 percent pipe replacement rate through 2036. Increase pipe replacement rate to 1.0 percent 2037 and beyond
2. Assumes an across the board 3 percent annual inflation rate
3. All models include an annual capital cash investment in vehicles (\$150,000) and miscellaneous capital projects (\$300,000) (spending levels increased annually by 3 percent)
4. Models assume no significant capital investment beyond what is noted in #3 above other than pipe replacement (#1 above)
5. Models seek to maintain a cash balance between \$2 and \$5 million
6. Models assume a 4 percent rate increase in 2027 for all scenarios to avoid an unexpected rate increase in the middle of the municipal fiscal year

Table 2
Summary of Activities Required to Develop and Implement a
Long-Term Water Main Replacement Program

Working Draft - July 31, 2026

Activities include but are not limited to:

Activity	Description	Progress	Timeline
Water Main Replacement Rate Targets	A foundational decision in the development of a long-term main replacement plan. The replacement rate will determine the funding levels required.	Staff has proposed a water main replacement rate of 0.8 percent annually for the first 10 years, increasing to 1.0 percent thereafter. The American Water Works Association recommends a 1.0 percent replacement rate.	Proposed in July 2026
Cash Reserve Targets	The timing of rate increases is dependent upon the impact spending has on KWD's cash reserves. Identifying cash reserve targets is necessary to determine when revenues are below or above utility needs.	In developing the financial model, staff proposed that KWD's minimum cash target should be 50 percent of operating revenues plus \$3 million to maintain adequate liquidity during construction projects.	Proposed in July 2026
Financial Model	A financial model provides the utility with a tool to adjust revenue, spending, and other parameters to predict required rate changes and cash balances.	KWD retained Waterworth to develop a financial model. Various scenarios have been considered, and the model can be updated regularly to reflect changing conditions.	Base model substantially complete; ongoing updates as conditions change.
Board Resolution	To provide clarity regarding the District's intended course of action and help ensure long-term objectives are achieved, the Board of Trustees should adopt a resolution describing the District's long-term plan.	A draft resolution will be presented at or before the August 6, 2026 Board meeting.	Adoption should occur in the third quarter of 2026.
Comprehensive Water System Facilities Plan	A comprehensive water system facilities plan identifies the utility's capital investment needs over a long-term planning horizon.	KWD's Engineering Department is developing an updated Facilities Plan identifying investment needs over the next 10 years. The previous Facilities Plan was developed in 2018.	Completion anticipated in the third quarter of 2026.

Cost-of-Service Evaluation	A cost-of-service study determines the total cost to operate the system and allocates those costs equitably among customer classes.	With the financial model essentially complete, KWD staff can work with Waterworth to conduct the evaluation.	Complete by the end of 2026.
Rate and Fee Structure Evaluation	A rate and fee structure evaluation helps ensure rates and fees support utility goals and community values.	Following the cost-of-service evaluation, staff will work with Waterworth to evaluate changes requiring Board approval.	TBD (several months).
Low-Income Water Rate Assistance Program	With anticipated rate increases, lower-income customers may benefit from a water rate assistance program.	No formal efforts have been initiated to date.	2027
Monthly Billing for All Customers	Most utility services are billed monthly. As water rates rise, distributing costs through smaller monthly bills may improve affordability.	An internal kickoff meeting is planned for September 2026.	Anticipated in 2028.
Communication with the Public Utilities Commission	The Maine PUC provides financial regulatory oversight of public utilities. Rate increases require PUC approval.	KWD staff met with PUC water staff on June 22, 2026 to discuss pay-as-you-go financing and the regulatory process.	Ongoing; waiver request if needed.
Communication with the Office of the Public Advocate	The OPA advocates for the public regarding utility rates. Early engagement will be important to program success.	No formal efforts have been initiated to date.	2026 through 2027
Communication with Municipal Partners and Leaders	Rate increases will directly affect municipalities through public fire protection charges and water rates.	Although no formal outreach related to this initiative has occurred, KWD staff regularly meet with municipal leaders.	2026 through 2027
Public Messaging and Engagement	Public engagement and messaging will be essential. Use of a marketing firm may be beneficial.	KWD has a strong social media presence that can be leveraged. Additional outreach efforts will need to be identified.	Ongoing.
Rate Increases	Applications for rate increases will need to occur regularly and generally require public notices and hearings.	Seeking Board approval for a January 2027 rate increase of four percent. Additional requests are anticipated annually or biennially.	Ongoing.

**KENNEBEC WATER DISTRICT
RESOLUTION**

LONG-TERM WATER MAIN REPLACEMENT FUNDING AND ASSET SUSTAINABILITY POLICY

WHEREAS, the Kennebec Water District ("District") owns, operates, and maintains the infrastructure necessary to provide safe, reliable, and high-quality drinking water service to customers in the communities of Waterville, Winslow, Fairfield, Vassalboro, and Benton, Maine, and that service; and

WHEREAS, the District's water distribution system includes more than 150 miles of water main infrastructure, representing a substantial public asset that requires ongoing maintenance, rehabilitation, and replacement to ensure continued reliability and service to present and future generations of customers; and

WHEREAS, the Board of Trustees recognizes its responsibility to ensure that District assets are properly maintained and replaced as necessary to fulfill the District's mission and provide dependable water service to present and future generations; and

WHEREAS, the Board of Trustees finds that a long-term, predictable, and sustainable funding strategy is necessary to support ongoing water main replacement and to avoid the accumulation of deferred infrastructure needs or significant debt; and

WHEREAS, the Board of Trustees recognizes that funding ongoing water main replacement through District revenues and available cash reserves, rather than relying primarily on long-term borrowing, will reduce future debt obligations and avoid significant principal and interest costs that would otherwise be borne by District ratepayers; and

WHEREAS, the Board of Trustees acknowledges that transitioning from debt financing to cash financing will require a deliberate and phased approach while maintaining the financial stability of the District; and

WHEREAS, the Board of Trustees believes that transitioning from debt financing to cash financing will have a long-term positive impact on rate stabilization and enable the District to use its resources for operating and maintaining the infrastructure necessary to provide safe, reliable, and high-quality drinking rather than for debt service; and

WHEREAS, the Board of Trustees has determined that the transition from debt-financed water main replacement to cash-funded replacement shall commence in Calendar Year 2028 and continue through Calendar Year [??]; and

WHEREAS, the District will continue to pursue grants, principal-forgiveness programs, low-interest loans, state and federal assistance programs, and other favorable funding opportunities whenever available and beneficial to ratepayers;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Kennebec Water District as follows:

Section 1. Commitment to Ratepayer Value

The Board finds that a sustainable cash-funded water main replacement program is in the long-term best interest of District ratepayers by providing predictable investment in critical infrastructure, preserving the value and reliability of District assets, reducing dependence on debt financing, avoiding substantial future principal and interest costs, strengthening the District's financial position, and promoting the reliable delivery of safe drinking water.

Section 2. Long-Term Funding Policy

The Board hereby adopts a long-term financial strategy intended to provide for the sustainable replacement of water mains through the planned use of District revenues and cash reserves, with the ultimate objective of funding ongoing water main replacement projects on a cash basis rather than through traditional debt financing.

Section 3. Ten-Year Transition Period

The District shall implement a [??]-year transition period beginning January 1, 2028, and continuing through December 31, [?]. During this period, annual borrowing for water main replacement projects shall be progressively reduced, the use of District revenues and accumulated cash reserves shall be progressively increased, and the District shall target replacement of approximately 0.8 percent of the total water main system annually. Beginning in Calendar Year [?], the District shall have substantially completed the transition to cash funding for routine water main replacement.

Section 4. Permanent Cash-Funding Objective

Beginning in Calendar Year [?], it shall be the policy of the District to fund routine and ongoing water main replacement primarily through cash reserves and annual revenues. Following completion of the transition period, the District shall target replacement of approximately 1.0 percent of the total water main system annually, subject to operational needs, engineering priorities, financial capacity, and other circumstances determined appropriate by the Board of Trustees.

Section 5. Rate Planning

The Board recognizes that implementation of this policy will require increases in District revenues over time. Rate adjustments necessary to support this strategy shall be considered and approved by the Board through future rate proceedings. Nothing in this Resolution requires or approves any specific rate increase.

Section 6. Alternative Funding Sources

The District shall continue to seek and evaluate grants, principal-forgiveness programs, low-interest loans, state and federal funding opportunities, and other favorable financing mechanisms whenever advantageous to the District and its customers.

Section 7. Administration

The Board hereby directs and authorizes the General Manager to develop and implement the financial, operational, and capital planning measures necessary to carry out the intent of this Resolution and to periodically report to the Board regarding progress toward achieving its objectives.

Section 8. Effective Date

This Resolution shall take effect immediately upon adoption by the Board of Trustees.

ADOPTED by the Board of Trustees of the Kennebec Water District this ____ day of _____, 20____.

President, Board of Trustees

Clerk, Board of Trustees



MEMO

October 1, 2026

To: Kennebec Water District Board of Trustees

From: Matt Zetterman, Engineering Manager

Cc: Roger Crouse, General Manager; Jared Bragdon, Distribution Manager

Subject: Request for Authorization of Agreement Between KWD and Ti Sales for ALFX Leak Detection System

Need/Background:

KWD maintains approximately 170 miles of water main throughout its distribution and transmission systems. While staff have historically utilized basic acoustic listening devices to assist with leak detection, the District has not previously had access to leak correlators or a monitoring system capable of continuously surveying the distribution system over an extended period of time.

Recently, KWD purchased six Gutermann correlators, which allow staff to accurately pinpoint the location of leaks once a potential leak area has been identified. While highly effective, it would be a significant investment to purchase enough of them for continuous system-wide monitoring (they are approximately \$1,200 per sensor).

The ALFX Leak Detection System provides a more cost-effective means of monitoring a much larger portion of the distribution system. The system utilizes acoustic sensors installed on hydrants to continuously listen for leak signatures and identify areas that warrant further investigation. While the system is not intended to provide the same level of pinpoint accuracy as more sophisticated correlators, it complements the District's recent investment in Gutermann equipment. Under this approach, the ALFX system would be used to identify potential leak locations, and staff would then deploy the Gutermann correlators to more precisely locate and verify the leak.

The ability to identify leaks earlier can help reduce water loss, minimize the risk of infrastructure damage, and improve the District's ability to proactively manage its water distribution system.

Summary of Costs:

The proposed agreement cost is \$26,400 for a five-year term and includes 100 hydrant-mounted acoustic sensors.

While 100 sensors will not provide system-wide coverage, they will allow KWD to monitor a meaningful portion of the system and gain valuable experience with the technology. This initial deployment will help staff evaluate the system's effectiveness in identifying leaks and determine whether additional sensors would provide sufficient benefit to justify future expansion.

Request:

Staff requests Trustee authorization to execute a five-year agreement with Ti Sales for the ALFX Leak Detection System in the amount of \$26,400.



**October 1, 2026
Trustee Meeting
Department Reports**

Department: Water Quality

Submitted by: Robbie Bickford

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

- a. Allan Fuller joined the members of the Water Quality Department during one of our routine lake sampling events. During this outing, we completed the sampling in the West Basin and spot checked several areas around the West Basin for compliance. If other trustees are interested in joining the Water Quality Department for a China Lake sampling event, please send me an email to schedule a time.
- b. With help from the Distribution Department, the residuals in the East Lagoon have been removed and stone is being spread to fortify the bottom. Likewise, the residuals produced between 2020-2022 have been disposed of with an estimated weight of 120 tons (pending weight receipts from Waste Management).

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

- a. China Lake (Lake Elevation: 170.5 feet or 12 inches below spillway)
 - i. Secchi Disk readings from 9/17/26, in the West Basin were 3.8m (almost 12 feet).
 - ii. The 2026 Courtesy Boat Inspection Program on China Lake has concluded for the season running from Memorial Day until Labor Day. The final count for the season was 3,283 inspections of boats and/or trailers at the 6 launches in our region (China Lake, Webber Pond, Threemile Pond, and Togus Pond).
- b. PFAS Mitigation Project:
 - i. CDM Smith is working on the 90% design documents with an onsite assessment schedule for the end of September. The completion of the final design continues to be scheduled for Q4 2026.
- c. Pneumatic Valve Upgrade
 - i. 12 of the 18 valves scheduled to be upgraded in 2026 have been completed and are functioning as intended. The remaining 6 valves are scheduled to be replaced throughout the month of October 2026.
 - ii. One valve was returned to the manufacturer under warranty due to internal damage to the actuator and gear reduction system.
- d. Reservoir Level Transducers
 - i. The new level transducers are communicating with SCADA and data is being recorded. Currently we are correlating this data with known level data, to achieve accurate level reporting. One roadblock to integrating this new equipment into our existing system is access to the top of the Reservoir Tanks for calibration or maintenance.

3. New or upcoming items of significance:

- a. Nation Wide Fluoride Chemical Shortage
 - i. For the past several months, the nation has experienced a shortage of Hydrofluorosilicic Acid (Fluoride) stemming from instability in the international supply chain linked to the Middle-East.
 - ii. This shortage has affected our ability to add fluoride to the water supply twice in the past six months. From late May to Mid-June (24 days) and Mid-September to late September (13 days) we did not add fluoride to the water supply. In both instances we worked closely with our supplier (Univar) and the Drinking Water Program to resume fluoridation as soon as reasonable.
 - iii. Temporarily suspending the addition of fluoride to the water supply occurs occasionally for maintenance of the chemical injection system and does not affect the safety of the drinking water as it is added for the sole purpose of improving dental health.



**October 1, 2026
Trustee Meeting
Department Reports**

Department: Finance Department

Submitted by: Amy Dyer

1. Notable accomplishments/successes since the last report (including personnel commendations):
 - a. We have signed the agreement with DHHS for the second \$4 million grant for our PFAS project.
 - b. Tammy has worked hard and set up our Munis payroll to automatically calculate and report the "no tax on overtime" deduction amount from the One Big Beautiful Bill Act. The automation of this process saves Tammy significant time each week.
2. Progress report on items presented at the previous Trustee meeting:
 - a. We have been working with Erik Nadeau of Nicholson, Michaud & Nadeau, CPAs (NMN) on our 2025 year-end audit, and we anticipate receiving the final reports and board presentation in **November**.
 - b. Completed all the documentation required for the 2027 four percent water rate increase filing for the Maine PUC. Materials are ready for filing and the upcoming public hearing.
 - c. I have started building the budget spreadsheets for the 2027 operations budget.
 - d. We have started working with Waterworth on a cost-of-service analysis.
3. New or upcoming items of significance:
 - a. We will be hosting a meeting in October with the administrative staff of our local sewer utilities to discuss our data sharing. (KWD provides information on water consumption and changes in accounts - new and closed accounts - with sewer utilities that they in turn use for billing.) The goal of this meeting is to identify opportunities for improvement and answer questions.



**October 1, 2026
Trustee Meeting
Monthly Department Report**

Department: Service

Submitted by: Benny LaPlante

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

- a. After substantial planning and preparation, the final meter requiring manual on-site reading has been replaced. Although the meter consistently passed its annual calibration testing, it was unable to transmit usage data remotely, requiring an appointment for technicians to obtain meter readings. The 6" Metron Spectrum 440 Single Jet meter at MaineGeneral Thayer has been replaced with a new 6" Sensus Cordonel meter. The new meter provides remote usage data, eliminating the need for on-site readings and allowing the customer to monitor water usage through KWD's customer portal. In addition to remote usage readings, Cordonel meters provide pressure and temperature data that can be used to support system monitoring, troubleshooting, and help identify potential service issues.

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

- a. N/A

3. New or upcoming items of significance:

- a. We remain on track to complete the replacement of Sensus Rockwell brass-body meters prior to the end of the year. Approximately 40 of these meters are currently installed throughout the system. However, while the replacement of meters at active service locations is expected to be completed this year, a small number of brass-body meters will remain installed at vacant properties until service is reconnected and the meters can be replaced.

Meter Installations - July 2026

Meter Size:	5/8x3/4"	3/4"	1"	1-1/2"	2"	3"	4"	6"	Total
Meter Totals:	76	3	3	3	6	0	0	0	91

Meter Installations - August 2026

Meter Size:	5/8x3/4"	3/4"	1"	1-1/2"	2"	3"	4"	6"	Total
Meter Totals:	72	4	7	6	3	0	0	0	92

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



**October 1, 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. Sunset Heights Winslow project- Crews continue supporting the project on an as-needed basis.
- b. Benton Ave paving project (MDOT) – Complete
- c. Clinton Ave/Outer Clinton Ave paving project (MDOT) – Complete
- d. System wide single flow hydrant testing began in early June, prioritizing hydrants installed through waterline improvement projects since 2020. A total of 200 hydrants were tested, effort is ongoing.
- e. Fall hydrant flushing-hydrant flushing began on 9/21/26, this effort is ongoing through 10/30/26

3. New or upcoming items of significance:

a. NA

Main Break Summary:

DATE OF LEAK	LOCATION (STREET)	MUNICIPALITY	PIPE SIZE	PIPE/SERVICE/VALVE INSTALLED DATE	MATERIAL	TYPE OF LEAK
9/1/2026	Oak St	Waterville	8"	1952	Cast Iron (Unlined)	6' longitudinal split
9/21/2026	Sunset St	Winslow	6"	1970	Cast Iron (Lined)	2' longitudinal split



**October 1, 2026
Trustee Meeting
Monthly Department Reports**

Department: Engineering

Submitted by: Matt Zetterman

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

- a. 5 South Street Building Demolition – The 5 South Street building demolition has been successfully completed, and the site has been restored. The project was completed in just over three weeks. Minor concrete repairs are still needed to the concrete wall separating the site from the adjacent stream due to age-related deterioration, not demolition activities. In addition, new fencing will be installed to connect with the existing fence line along the stream corridor.

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

- a. Chase Avenue Pump Station Upgrade Project – No significant construction activities have occurred since the last update. Building improvements are scheduled to begin on September 28, with electrical and mechanical equipment installation expected to commence within the following two to three weeks. This involves setting up bypass pumping front of the pump station to allow the old equipment to be taken out and new equipment to be installed.
- b. 2026 Sanger-Boutelle Water Main Improvement Project – Construction activities on Boutelle Avenue are progressing well. However, Eastwood does not anticipate completing all work on Boutelle Avenue during the current construction season. We are still on schedule to start and complete the Main Street railroad water main crossing prior to Thanksgiving.

3. New or upcoming items of significance:

- a. 2027 Main Projects – A significant portion of funding allocated to the 2026 Sanger-Boutelle Water Main Improvement Project is expected to carry forward, providing opportunities to advance additional infrastructure investments in 2027. Staff are also pursuing 2027 funding through the Maine Drinking Water Program State Revolving Fund (SRF) for the Sunset Heights Water Main Improvement Project in Winslow since it doesn't appear we're going to make the cut for 2026 SRF funding. With funding through Congressionally Delegated Spending for the proposed 2028 Halifax Street Water Main Improvement Project still uncertain, planning for the next several years remains somewhat fluid. Staff will continue evaluating funding opportunities and project sequencing to maximize available resources and maintain progress on the District's capital improvement objectives.
- b. Roy Street Water Main Improvement Project – Staff are currently evaluating a water main replacement project on Roy Street in Winslow. The street is served by approximately 600 feet of 2.25-inch water main installed in 1966 that is approaching the end of its useful service life. Roy Street is also adjacent to the Town of Winslow's Sunset Heights sewer and stormwater improvement project, making this an ideal opportunity to complete the water main replacement before final paving is installed on the intersecting roadways.



**October 1, 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 September 25th, we held our 4th leadership development training at KWD. Two of the sessions were reserved for managers. The two other sessions were for managers, supervisors, employees in leadership roles, and employees seeking to advance. We also had leadership from the Kennebec Sanitary Treatment and Waterville Sewerage Districts join us. These sessions were beneficial and well received.
- b. KWD's summer staff meeting was held on Friday, September 18, 2026. Four retirees joined the KWD team as we enjoyed great food and team building.



3. New or upcoming items of significance:

- a. Rate increase public hearing – the rate increase public hearing will be held on Tuesday, September 29, 2026, at 7 pm at KWD's office.
- b. The Trustee Budget Workshop to review the proposed 2027 budgets will occur on Thursday, October 22, 2026, at 7:30 am at KWD's office.
- c. Annual cost-of-living adjustments have typically been approved by the Board of Trustees in October. The federal Bureau of Labor Statistics typically posts the August CPI data in September. However, as of September 25, 2026, the August 2026 data was not published. Therefore, the cost-of-living adjustment vote may need to be delayed.
- d. Maine Water Utilities Association will be hosting an Infrastructure Forum on October 28, 2026, from 8 am until noon, in Augusta to highlight the need for utilities to place greater emphasis on the replacement of aging infrastructure, particularly, again water pipes. One of the Commissioners from the Maine Public Utilities Commission and well as the Public Advocate will be in attendance. This is an excellent opportunity for Maine's utility managers and trustees to consider ways to replace aging infrastructure to ensure a resilient and sustainable utility. Please let me know if you are interested in attending this forum.