

Kittery Water District – Board of Trustees Meeting – November 3, 2021 (via Zoom)

Meeting held via Zoom and called to order at 8:05 a.m.

In Attendance: Trustees Julia O’Connell, James Golter, John Perry, Julie Pelkey, Bob Gray, Supt. Mike Rogers, Kittery Town Manager Kendra Amaral, Kittery Town Planner Adam Causey, thirteen members of the public and four KWD employees.

Agenda: Reviewed and accepted as written with one minor change in order.

Customer Survey Results presented by Kendra Amaral and Adam Causey. There were a significant number of respondents, 515, primarily residential customers from Kittery. The most desired factors for a new office building were energy efficiency and to have a minimal impact on water rates. The next most important factors in order of most to least were: lower maintenance costs, ownership preferred over leasing, and having control over how State Rd. property is developed. Comments submitted expressed the importance of water quality, no chloramine and no parking garage. The town manager stated that our next steps involve assessing the need for the District’s facilities and to review and confirm the space needed to be most cost effective and efficient.

The survey presented three choices. The first one is to stay on State Rd. This would entail finding professionals to create plans to update the present location with timelines and cost. The second choice would be to relocate. This would entail updating the appraisal of the property value and assessing the resources available to relocate by keeping in mind to have no impact on ratepayers. The third choice is to retrofit the existing building and to decide whether we keep the yard and business office on the same property as it may be less expensive to separate them. Adam Causey suggested, that in the case of the second choice, we do an RFP to find real estate professionals and a financial expert to create a program to determine what costs the District will need to pay up front for site planning before the deal is made. It would take time for the board to review and do site planning. The board would need to ascertain experience and qualifications to find the best professional partners. This can be accomplished through meetings that would allow for a transparent process.

Factors to be aware of: The value of land is still rising which could be a barrier to making a decision. Construction costs have not abated so it is now more expensive to find land and build. How the Board works together will determine how decisions are made. How will this be funded? Up front or outside sources? What are the legal and financial concerns for long term choices and can they be modified if things don’t work out?

The town of Kittery is prepared to assist the Board in the following ways: 1) draft a Request for Proposals (RFP) 2) advertise for these services on various websites 3) facilitate review of proposals. The town will not be involved in making any decisions for the Board.

Timeline (The current environment is not ideal for high level objectives)

Meeting 1 review customer feedback and objectives and finalize.

Meeting 2 decide to stay or relocate

Meeting 3 review establish process and review and finalize RFP/RFQ

Meeting 4 review proposals

Meeting 5 interview candidates

Meeting 6 select consultant/developer/designer

This presentation will be sent to the Trustees for further review. The board will work closely with the town and will need to decide on direction before establishing a timeline. The Board thanks the town officials for their expertise and time in this important process.

Secretary's Report: Minutes from the October 20, 2021 BOT meeting were accepted with one minor change.

Treasurer's Report: For November 3, 2021 -- Cash was \$101,246.06; Accounts Payable was \$67,738.37 Payroll was \$13,597.43. There were two and a half hours of overtime; eight is the norm. Two and a half were for Government St. work. Trustee Golter moved to approve the October 27, 2021 bill payments retroactively. Seconded by Trustee Pelkey. Motion carried 5-0. Trustee Golter motioned to approve the November 3, 2021 bill payments. Trustee Gray seconds. Motion carried 5-0.

President's Report: none

Superintendent's Report: Due to the sudden large demand of water by the PNS on Monday afternoon, November 1, 2021, the high velocity water caused discolored water in resident homes by Tuesday afternoon. PNS is filling their water tower for freeze protection and it is adversely impacting the District's ability to replenish our tanks in Eliot and Kittery. PNS was contacted and started to reduce their demand on Tuesday night. Hopefully this will resolve issues with discolored water and hydrants will be flushed where issues are occurring for our customers. Information was posted on our website. The Government St. water line project needs paving to be completed. The K-7 truck that was ordered from Kenworth will not be available until the second quarter of 2022. A price increase will be charged. Messer is requesting storage fees for the body and crane. Trustee Golter motioned to pay for the increased expense and Trustee Gray seconded. Motion carried 5-0. Pond levels Boulter is 1" over the spillway Middle is down 8" from spillway Upper Folly is 1" over the spillway Bell Marsh is down 8" from the spillway. We received 4.6" of precipitation at the plant last week. The plant is without a backwash bridge for #1 for the past month. The variable frequency drive has been "dropping out" and upon examining the electric motor, it was found to have a failed oil seal that caused oil to drip into the motor. Parts are being sources for the gear box which is two years old, but they are difficult to find. It will cost approximately \$3000 for a new gear box. Awaiting a price from Aquaerobics.

Duties and Responsibilities of the Board of Trustees- The Water Board Bible will be used as a reference and Trustees should read and review the 95 page manual that has been purchased for them.

Portsmouth Naval Shipyard October revenue reviewed. The monthly revenue is \$69,000 less than the five-year average and \$22,000 less than last October.

Rate Analysis and rate increase discussed. Trustee Golter motioned to approve a phased plan of 11% in 2022, 10% in 2023, 10% in 2024 along with water usage for PNS. Trustee O'Connell seconds. Motion carried 5-0.

Working Group – concept discussed- Trustee Perry proposes that one Trustee can do research and report back to other Trustees outside of meetings to minimize time discussing topics during meetings. Trustee O'Connell expressed concern about transparency and that in the past expertise has been vetted at the meetings in preauthorized forums that usually lasted half an hour and were offered for free. She requested an example of this research plan. Trustee Gray gave as an example that he will update our website and talk to vendors.

Open Discussion- Office Manager Linda Johnson reported that the District's health insurance premiums increased by 2% and the dental insurance increased by 1% at a total cost of \$7000. Trustee O'Connell reported that a water user contacted her about discolored water during today's meeting. Trustee Perry stated water users need to call the Supt. to report water issues and that input can also be emailed to the President of the Board or the Superintendent and if they would like it read into public comment they will need to request that.

Public Comment- Suzanne Sayer stated she would have liked to have asked Kendra how long a second survey would take to do (as suggested by Trustee Perry) She asked if the part needed for our VFD could be fabricated such as they do at the PNS instead of purchasing one. (answer no) She would also wanted to know if water meters for Kittery Point summer customers are located inside their homes. (answer no they are near street) Cameron Wake of Mendum Ave and also a Kittery Climate Adaptation Committee member cautioned that using the word "abnormal" for large precipitation events is not accurate as they're occurring more frequently and will continue to do so. This is normal and KWD needs to plan for these events. The State Rd. property yard is expected to flood now and in the future. The Trustees need to understand that the value of the property will change as a result of this flood risk. You may find maps with details of this on the KCAC webpage. Garvin McCurdy will send the second installment to the Trustees of his contributions and that he liked how the BOT is getting along now. He wanted to see a copy of the Water Board Bible. He appreciated Kendra's presentation. Evalyn Sorrentino sent an email with an article outlining proactive planning for droughts.

Our next BOT meeting will be held via Zoom on Wednesday, November 17, 2021 at 8 a.m.

Meeting is adjourned at 9:53 a.m.

Respectfully submitted, Julia O'Connell, Secretary

Disclaimer: The preceding minutes constitute the author's understanding of the meeting. While every effort has been made to ensure the accuracy of the information, the minutes are not intended to be a verbatim transcript of comments at the meeting, but as a summary of the discussion and actions that took place.