

KENNEBUNK LIGHT & POWER DISTRICT  
COUNTY OF YORK  
STATE OF MAINE

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BOARD OF TRUSTEES MEETING MINUTES

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KENNEBUNK LIGHT & POWER DISTRICT  
4 FACTORY PASTURE LANE  
KENNEBUNK, ME 04043  
TUESDAY, FEBRUARY 27, 2018  
6:00 p.m.

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BOARD MEMBERS:

PRESIDENT: JONATHAN KILBOURN - (PRESENT)

VICE-PRESIDENT: - DAVID CLUFF - (PRESENT)

GENERAL MANAGER/TREASURER: TODD SHEA - (PRESENT)

CLERK: ROBERT EMMONS - (PRESENT)

TRUSTEE: DAN BARTILUCCI - (PRESENT)

TRUSTEE: BRADLEY "SCOTT" DUCHARME - (PRESENT)

ALSO PRESENT:

Peter Ashley, Cape Neddick

Albert Kolff, Kennebunk

*(Other members of the public may have been present but not identified.)*

Whereupon, President Kilbourn called the meeting to order at 6:00 p.m.

Whereupon, Item II, Review Regular Meeting Agenda, occurred. It was decided upon that Item X, Board Review and Approve 2018 District Goals, will be moved and occur prior to the Board moving into Executive Session.

Whereupon, Item III, Board Direction and Decision on Minutes and Recording, occurred. It was decided that a U-Tube page will be established in which one can link up via the KLPD website. There will not be live stream capacity. The written minutes will be produced in a condensed manner. The Board is pleased with the decision.

Whereupon, Item IV, Board Review January, 2018 Financials, occurred. General Manager Shea advised the Board that Business Manager Rancourt will no longer be present at all meetings. General Manager Shea advised the Board that cash-on-hand in 2018 was 1.2 million. In 2017, cash-on-hand was 2 million. The difference is due to a timing issue in which the District had not yet been invoiced for January's energy costs. Clerk Emmons asked why Business Manager Rancourt will no longer be present at the meetings. General Manager Shea advised that since there are no longer many questions in regard to the financials, his presence is not needed. It was decided that Business Manager Rancourt will attend the meetings but will be excused after the financial information has been reviewed.

Delinquent accounts were then discussed, with Trustee Ducharme being pleased with the January figures. General Manager Shea discussed the District's current use of a 28 day cycle and the impact on collection of delinquent accounts. Staff met with a representative from the PUC to review and discuss various protocols. Cash-on-hand has currently increased by seven days. The January budget will be available to the Board after the audited figures have been completed.

Whereupon, Item V, Board Decision on Moving Forward with SGC Engineering for Water Street substation Design, occurred. General Manager Shea read from a document in which he advised those present that if it is agreed upon to move forward with SGC Engineering, an estimated, not to exceed budget, will be provided to the Board. Bonding, transformer size, the bidding process, RFQs, RFPs, project scope, policy making, District operations, strategic planning, and other items regarding the Water Street substation were also discussed in detail.

Thereupon, after a thorough discussion on the matter, it was decided upon that a recommendation will be forwarded to the Board by General Manager Shea prior to the next meeting. The Board will give feedback to General Manager Shea that can be discussed at that time. A vote will occur at that meeting in regard to this issue.

Whereupon, Item VI, Board Consideration of Approval of Kennebunk Committee on Aging's Use of Available Space on Second Floor of KLPD Garage for Medical Closet Storage, occurred. General Manager Shea advised the Board that upon reading an article in the paper, he reached out to the entity. Liability has been discussed with the District's insurance agent.

Thereupon, Vice-President Cluff made a motion that the District provide the available space located at 4 Factory Pasture Lane, to the Kennebunk Committee on Aging. Clerk Emmons seconded the motion.

Trustee Bartilucci feels it's a great idea. He discussed liability further. General Manager Shea discussed the protocol that will be followed in regard to the receipt and delivery of goods. The District's role is to store the items. President Kilbourn also is in favor of the District's participation. He did inform the Board that his wife is part of the committee, but that the committee did not contact General Manager Shea in regard to this issue.

Thereupon, President Kilbourn asked for a vote and, with unanimous ayes heard, the motion passes.

Whereupon, Item VII, General Manager's Report:

A. Past Board Meeting Requests have been addressed.

B. Update on Hydro Operations and Maintenance Plan occurred. A filter has been ordered pursuant to the advice of Ron Ruel from The Hope Group. After the oil has been filtered, a sample will be sent out for testing. The fee is approximately \$1,000 per site. If contaminants are present, Ron Ruel will advise Crew how to change the oil. Kesslen Dam will be tested first, then Dane Perkins and Twine Mill.

C. Update on Tariff Review, occurred. Tariffs have been compiled and are being reviewed by Mike Hubbard to ensure that the District is in line with industry standards.

D. Asplundh Tree Trimming Update, occurred. The Wells Branch area is the primary focus currently.

E. Post Road Fiber Optic Assessment, occurred. General Manager Shea is working with various entities to discuss the feasibility and potential role-out of fiber optic services to the entirety of York County. The current focus is on internet and telemedicine.

F. Strategic Plan Draft Timeline will be provided to the Board at the March meeting.

G. FERC filings to Date Regarding Mousam River Project have been placed into the drop box for the Board's review.

H. Solar Array Progress Report occurred. Per General Manager Shea, the NextEra Energy met with the Town of Kennebunk Site Plan Review Board went well. No approvals were sought. It was more of an informational meeting. Approvals will be contingent upon the filed determinations from the DEP and the Army Corps of Engineers. The Site Plan Review Board will hold their own site visit possibly in April, a public hearing will then be held.

Whereupon, Item VIII, Public Comment Period (Limited to 15 minutes total), will occur later in the meeting.

Whereupon, Item X, Board Review and Approve 2018 District Goals, occurred. General Manager Shea's goals are as follows:

1. Substation and load shifting:

A. Board approval slated for August, 2018.

B. Out to bid by November, 2018.

2. Debt structure:

A. A discussion will occur with the Board.

B. Maine Municipal Bond Bank options will be discussed.

C. Information to be provided to the Board on a regular basis moving forward.

D. Spring of 2019 or Fall of 2019 is dependent upon timeline and design.

3. Full requirement service contract:

A. RFQ regarding a full requirement service contract by June of 2018.

B. Identify bidders by October of 2018.

C. Issuance of bid package by December of 2018.

D. Final decision on provider by June of 2019.

4. Solar Array:

A. Time and completion is out of General Manager Shea's hands due to the issue with the northern long-eared bat and their habitat, but he's pressing for completion of the project by December of 2018.

5. Building of cash reserves:

A. Target is GASBY 90-day cash goal in five to seven years.

6. FERC negotiating tactics regarding AFH is ongoing.

7. Strategic plan and rate fix is an ongoing goal.

8. Online payments, hydro focus, capital budget, and additional infrastructure needs are also goals for 2018.

President Kilbourn then took the floor and made a motion to approve the goals at the March meeting with the following changes:

1. Substation and load lifting to include selecting the firm.

2. Full Requirement Service to include completing the amendment to include related to solar.

3. Capital Budget to include a timeline and smart goal.

Vice-President Cluff seconded the motion.

Thereupon, with unanimous ayes heard, the motion passes.

Whereupon, Item VIII, Public Comment Period (Limited to 15 minutes total), occurred.

Mr. Kolff took the floor and asked for a copy of the District's goals. General Manager Shea made copies for those present from the public.

Mr. Kolff will not be attending the March of 2018 meeting. He is concerned with the increase that he saw in the January billing compared to what was seen in the December billing. General Manager Shea stated that January of 2018 was the biggest sales month that KLPD has had since August of 2016. The increase is due to the cold weather that was experienced during that time. Mr. Kolff has compared previous years to this timeframe and will forward that information on to General Manager Shea.

General Manager Shea stated that increases were felt by all of the District during this timeframe. He noted that WGME is doing an I-Team investigation on CMP in regard to this same issue. According to the report, CMP bills reflected a 600 to 700 percent increase. KLPD experienced a 20 to 25 percent increase during the same timeframe.

Mr. Ashley then discussed the equipment that will be stored above the garage and recommended the placement of sticky yellow tape and that the equipment be kept away from the southwest corner where the hydro parts are being stored.

Mr. Ashley also asked why it was agreed upon to filter the oil and not to clean out the reservoir. He described the issues with filtering. General Manager Shea will review this further. He then discussed the solar program and the implementation of a monitoring system that would enable the recording of daily totals that could be placed on the District's website. He suggested implementing the same type of system for the hydro facilities to assist in having a solid number to go by. He would also like to see a cycle counter and an hour meter on all three governors. He discussed solar and civil defense. Parasitic load and inverters were briefly discussed by those present.

Mr. Ashley then suggested that the financial renewable energy lab report could open up conversations in regard to commercial and residential accounts and the ability to connect with specific scientists to see if there will be any assistance given to small utilities in regard to renewable energy. He also discussed the height and angle of the solar array and asked if they would be high enough to push a lawnmower underneath them. General Manager Shea does not have the final design, but will see if he can get the height and angle for Mr. Ashley.

Whereupon, Item IX, Executive Session Pursuant to 1 MRSA 405.6b (A) For GM Annual Review, occurred.

Vice-President Cluff made the motion to move into Executive Session. The motion was seconded by Clerk Emmons.

Thereupon, with unanimous ayes heard, the motion carries.

Executive Session

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(Executive Session concluded at 7:55 p.m.)

Whereupon, Item XI, Next Meeting Thursday, March 8, 2018, (Rate Case Public Hearing), March 27, 2018 Business Meeting, was not discussed.

Whereupon, Item XII, Board Recommendation for Agenda Items for Next Meeting, was not discussed.

There being no additional business of the District discussed by the Board, Vice-President Cluff made a motion to adjourn. The motion was seconded by Clerk Emmons.

Thereupon, with unanimous ayes heard, the meeting adjourned at approximately 7:55 p.m.

Attest: \_\_\_\_\_  
Bob Emmons, Clerk