

KENNEBUNK LIGHT & POWER DISTRICT  
COUNTY OF YORK  
STATE OF MAINE

- - -

BOARD OF TRUSTEES MEETING MINUTES

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KENNEBUNK LIGHT & POWER DISTRICT  
4 FACTORY PASTURE LANE  
KENNEBUNK, ME 04043  
TUESDAY, AUGUST 29, 2017  
6:00 p.m.

- - -

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:

Ed Karytko, Kennebunk Board of Trustees

Albert Kolff, Kennebunk

Bill Grabin, Kennebunk

Bob Wuerthner, Kennebunk

Beverly Freudenreich, Kennebunk

Peter Ashley, Cape Neddick

ALSO PRESENT (continued):

Donna Teague, Kennebunk

Rachel Phipps, Kennebunk

Silas Phipps-Costin, Kennebunk

Matthew Rancourt, Business Manager

Kathleen DeMarre, Recording Secretary

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

TRANSCRIPT OF PROCEEDINGS

THE VERBATIM PORTIONS OF THIS MEETING are supplied to you on the condition that receipt thereof will certify the accuracy of the spoken word but not that of the speakers.

THE VERBATIM PORTIONS OF THIS MEETING are a transcript of the recorded proceedings and since the proceedings were not taken in front of a court reporter, accuracy in the depiction of speakers cannot be guaranteed in the colloquy of the transcript.

THE VERBATIM PORTIONS OF THIS MEETING are the only official transcript which may be relied upon for purposes of verbatim citation of the proceedings.

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

Whereupon, Item II, Review Regular Meeting Agenda, occurred. Trustee Bartilucci asked if Executive Session could be moved to after Item XII, Public Comment Period. With no objections from the Board members, the item will occur prior to Item IX, Executive Session Pursuant to 1 MRSA 405.6 (A), To Discuss a Personnel Matter. Vice-President Cluff then requested that an item be added for discussion in regard to the substation outage that occurred several weeks ago. General Manager Shea will add that item under Item VIII, Section D, Outages/Customer Concerns and Comments. Monthly reporting on the substation was then discussed by the Board and it was requested from President Kilbourn that it be added as a regular monthly item to the General Manager's Report.

Whereupon, Item III, Board Review and Approve 07/25/17 Meeting Minutes, occurred. Albert Kolff and Peter Ashley were noted twice in those minutes. President Kilbourn then made a motion to accept the July 25, 2017 meeting minutes with the noted correction. It was seconded by Clerk Emmons.

Thereupon, with unanimous ayes heard, the motion passes and the July 25, 2017 meeting minutes were accepted.

Whereupon, Item IV, Board Review July 2017 Financials, occurred. General Manager Shea took the floor and thanked Business Manager Rancourt for his efforts. He read from a prepared statement in which General Manager Shea is hopeful that a consensus can be arrived at by the Board in regard to the financial information provided by Business Manager Rancourt to the Board so as to permit Business Manager Rancourt time to work on other projects such as long term asset management plans and capital expenditures.

Business Manager Rancourt then discussed the impact of Corning in regard to revenues. 522,000 more kilowatt hours were sold this year over last. He also stated that under Energy (RNS), notes were added to permit a better comparison. Business Manager Rancourt also kept the impact of the rate increase within the delivery portion of the summary report.

Business Manager Rancourt then discussed administration expenses in which he noted that the \$5,000 overage in computers was due to the timing of the annual renewal for the Microsoft Office Suite along with a software update. Within the regulatory expense, Business Manager Rancourt noted that it was received in April of 2016. This year It was received in July. The Professional fees for hydro were due to a dam safety inspection that occurred.

The format used by Business Manager Rancourt was then discussed by the Board in which they are pleased with how items have been broken out.

President Kilbourn then asked for a better understanding of the Corning impact. Business Manager Rancourt advised the Board that Corning now has an independent energy supplier for electricity and RNS. In July of 2016, Corning was being billed for all revenues; energy, RNS, transmission, and delivery. Since Corning now has their own supplier, only transmission and delivery are billed to Corning. In order for Business Manager Rancourt to be able to explain to the Board what the variances in revenues related to sales were, he found it necessary to back out transmission and delivery in July of 2016 related to Corning. This exercise then permitted him

to compare July of 2017 to July of 2016. As an example, Energy hours were up 65,473 kilowatt hours this year over last after Corning's kilowatt hours were removed. Business Manager Rancourt further explained that the increase is due to increased sales in July of 2017 of 522,000 kilowatt hours. The same formula being used for RNS reflects an increase of 14,000 kilowatt hours this year over last, again due to additional sales. Business Manager Rancourt then noted that delivery this year over last year has increased 34,000 kilowatt hours due to increased sales.

General Manager Shea also stated that sales are kilowatt hours delivered. Kilowatt hours delivered to Corning was not adjusted as that energy was delivered to Corning and is considered revenue to KLPD. Trustee Ducharme asked if there is a way to determine delivery charges to Corning for the month of July. Business Manager Rancourt explained that a bill is sent to Corning that reflects everything except for energy. Further discussion occurred in which President Kilbourn noted that all funds received for delivery, which is approximately two cents per kilowatt hour for every kilowatt delivered, is used as the District's operating budget.

President Kilbourn asked if RNS is billed as an annual amount or per kilowatt hour. Business Manager Rancourt stated that it is charged on a per kilowatt hour basis and differs from energy as RNS is always one month in the arrears. RNS was further discussed by General Manager Shea in which he stated that the RNS rate is a fixed annual rate with adjusting factors that may occur via ISO New England. General Manager Shea then discussed the role of ISO New England in regard to this matter. Both General Manager Shea and Business Manager Rancourt further discussed generation costs, base load, grid use, and adjustments.

Trustee Bartilucci asked why sales are up this year over last. General Manager Shea stated that the colder winter, a wet spring, hot summer, new construction of both developments and businesses, are all factors to increased sales. Medicinal marijuana growers within the community have also increased consumption.

Delinquency was then discussed. Business Manager Rancourt stated that delinquency is down this year over last. He discussed the modifications to the graphs that was requested by the Board. He stated that the past due amounts remain very steady month to month regardless of sales. Cash on hand was then briefly discussed by President Kilbourn.

Whereupon, Item V, Board Review and Approve Efficiency Maine Rate Adjustment Effective First Billing of September, occurred. General Manager Shea reviewed the packet that had previously been provided to the Board. He advised the Board that KLPD's Efficiency Maine assessment has varied widely during the past three years. General Manager Shea recommends that the Energy Conservation Assessment be reduced from the current rate of 0.005518 dollars per kilowatt hour to 0.002428 dollars per kilowatt hour. The rate adjustment will keep the District in line with the 2018 assessed rate which is \$101,228.56 lower than last year. Per General Manager Shea, the 2016 assessment was \$204,622; 2017 was \$355,319; 2018 was \$254,091.32. The proposed rate will be effective through August of 2018.

Whereupon, with President Kilbourn adding that the rate adjustment is approximately two-tenths of a cent, he moved to accept the proposal to reduce the Energy Conservation Assessment rate as proposed by General Manager Shea. The motion was seconded by Clerk Emmons. Vice-President Cluff asked if the two-tenths of a cent can be moved over to the delivery side in an effort to improve cash flow. After further discussion, President Kilbourn

withdrew the motion as it was decided to table this item until September's business meeting to permit further discussion and review by General Manager Shea and Business Manager Rancourt. It was noted by General Manager Shea that his proposal will include what the impact will be if the two-tenths of a cent is transferred over to the delivery side. He will also include the consideration of a full blown rate recommendation. Management will research whether or not regulatory review will be required.

Whereupon, Item VI, Inform Board of Drawdown of Dane Perkins and Twine Mill Impoundments for further inspection of Dane Perkins Dam, occurred. General Manager Shea stated that a drawdown is needed at the Dane Perkins Dam to further inspect the concrete structure due to voids on the downstream side of the Dane Perkins impoundment that were of concern to the divers who conducted the initial inspection. The objective is to permit the engineers to fully inspect the concrete structure so that a full opinion can be given to FERC as to the condition of the facilities. It will be scheduled in October. Trustee Ducharme asked for the timeline. General Manager Shea stated that he will provide the Board with a full update at the September business meeting. It will be scheduled for mid October after all applicable agencies, entities and abutters have been notified.

Mr. Grabin asked about the impact on the two impoundments. General Manager Shea stated that Dane Perkins needs to be drawn down in order to hold the water back to enable sufficient time to complete the inspection. Neither drawdown will be considerable, but Twine Mill will need to be lowered enough to be able to see the footings, with Dane Perkins being drawn down low enough to hold the excess water from Twine Mill. General Manager Shea believes that if the weather remains consistent, the drawdown will be approximately one foot below the concrete at Dane Perkins, and only enough to expose the footings at Twine Mill. General Manager Shea will produce the elevation change to the Board at the next business meeting.

Whereupon, Item VII, Board Consideration of Offer of Meeting with Board of Selectmen on Collaborative Process Moving Forward on Dams, occurred. President Kilbourn discussed the e-mail correspondence that he has had with Selectman Morin. General Manager Shea stated that there are currently on dates scheduled for a meeting with the Board of Selectmen. He did note, however, that Mike Pardue and General Manager Shea are meeting weekly. General Manager Shea read the following statement:

"There have been several comments by the Board of Selectmen regarding KLPD declining to meet with the Town. I'm not certain of any dates certain that were missed, but if and when the issue was discussed, it has been brought to the Trustee's attention. The process of open collaboration began in December of 2015, when a separate iteration of the Wright-Pierce report was brought to the Board of Selectmen's attention. All of KLPD's meetings have been open to the public, many at Town Hall, and all are publicized in the manner in which all of our meetings are publicized.

At this time, there are no current requests for a date certain meeting that I am aware of. Mike Pardue and I have been meeting on a weekly basis to discuss how to move forward collaboratively and we are both in agreement that some sort of compromise will more than likely be necessary to help the community move through this very difficult time.

KLPD has filed its intent not to seek a subsequent license for the Mousam River Project. To date, no person or entity has officially come forward looking for the license. Just last night, a gentleman by the name of Ian Clark reached out to me asking for historical production data for our facilities. Mr. Clark is a managing partner at Dichotomy Capital and apparently may be doing business as an entity called America First Hydro, LLC. I cannot speak on the merits of the request or the potential for Mr. Clark's organization to file an NOI or PAD, but correspondence from MKRA would indicate that America First Hydro, LLC is sending questionnaires to interested parties and potentially gearing up for filing an NOI/PAD. I have not confirmed that this is the case and I'll keep the Board updated as more information becomes available to me.

I guess that is a longwinded way of saying that if anyone has reason, prior to the expiration of the NOI period, to attempt to schedule a meeting with the Board of Selectmen, I am happy to make that offer. It will be important to know what the terms of that meeting will be, what topics need to be discussed, and how it will be facilitated and I welcome your input."

Vice-President Cluff then discussed the public's opinion in regard to their belief that the Board has not been forward enough in providing information. He disagrees and feels that much information has been provided to the Board of Selectmen that includes all bids, all results, et cetera. Although Vice-President Cluff accepts the perception of the public, he noted that when President Kilbourn was asked by the Board of Trustees to contact the Chairman of the Board of Selectmen, pursuant to the comments made and heard by the public, in an effort to begin an open dialogue to move the process forward, the e-mail correspondence between the two chairmen reflects an unprofessional demeanor and off-putting tone by the Chairman of the Board of Selectmen. Vice-President Cluff then commended President Kilbourn for stepping forward, following through, and "staying above the fray". He concluded by stating that what was written by the Chairman of the Board of Selectmen was "unacceptable".

Trustee Bartilucci asked if the e-mail being discussed is dam related and if Vice-President Cluff had recused himself. Vice-President Cluff stated that he can discuss the dams, with Trustee Bartilucci disagreeing. Trustee Bartilucci then advised President Kilbourn that he believes that there is an issue with Vice-President Cluff discussing the matter. President Kilbourn stated that pursuant to the legal advice the Board has received on several occasions, his understanding is that all board members have to use their best judgment to determine whether they have a conflict of interest. Vice-President Cluff added that he was not talking about the dams, but that Chairman Dick Morin stated that KLPD is on the verge of bankruptcy. Vice-President Cluff stated that this comment along with others within the e-mail chain were unacceptable.

The discussion continued between Trustee Bartilucci and Vice-President Cluff. The recusal was discussed further in which Vice-President Cluff stated that he recused himself from the vote in regard to the dams. Trustee Bartilucci feels that since Vice-President Cluff recused himself, he cannot speak about the subject. Vice-President Cluff then briefly discussed the opinion given to him by Counsel. Trustee Bartilucci feels that Counsel is "wrong". The discussion continued with President Kilbourn interjecting the role and limitations of the Board, the advice of Counsel, and recusal. The conversation continued between Trustee Bartilucci, Vice-President Cluff, and President Kilbourn.

Trustee Ducharme then discussed his opinion in regard to this issue of the dam and speaking with the Town of Kennebunk, and the e-mail that is being discussed. He feels that the thoughts that were received from the Chairman via the e-mail were unfortunate, but in his opinion, the Board of Selectmen are now under the gun and that they need more information, which is why he suggested that President Kilbourn speak with the Chairman at the last meeting. He also stated that although Dick Morin is the Chairman of the Board of Selectmen, there are others on the Board and Trustee Ducharme asked President Kilbourn if any other board member was contacted. President Kilbourn stated that based upon the e-mail that he received from Chairman Morin, there was a declination to meet with President Kilbourn.

Trustee Ducharme asked what Mr. Pardue's opinion on the matter is. General Manager Shea advised those present that Mr. Pardue has not commented directly on the topic.

Trustee Ducharme then read an e-mail that was authored by President Kilbourn on July 26, 2017 as follows: "Based on last night's discussion and your request, we'll ask Todd to place an agenda item on the next meeting for discussion and vote if a motion is made." He continued by reading: "Is KLPD willing to, in concept, to seriously and in good faith consider giving the dams to the Town, subject to Town interest and further discussion on timing, financial impacts, regulatory requirements, and many details?" President Kilbourn discussed the efforts of KLPD to communicate with the Town; both the current board members and previous board members. Moving forward, President Kilbourn would like to know what the objectives and goals should be of this board in regard to the Board of Selectmen. He further discussed previously held joint meetings, along with the goals, accomplishments, processes, facilitation, and plan for any joint meeting to be held in the future. President Kilbourn wants to ensure that there is good communication and collaboration, but that there must be clearly established goals set prior to a joint meeting occurring.

After further discussion between President Kilbourn, Trustee Ducharme and General Manager Shea, Trustee Ducharme made a motion pursuant to the aforementioned e-mail that he read into the record as follows: "KLPD is willing to, in concept, to seriously and in good faith consider giving the dams to the Town, subject to Town interest and further discussion on timing, financial impacts, regulatory requirements, and many details." The motion was seconded by Trustee Bartilucci.

Vice-President Cluff is open to the motion and discussed his history and length of service on the KLPD board in regard to this issue. He discussed the joint meetings that have occurred between the two boards and he continues to be willing to meet with the Board of Selectmen. President Kilbourn is also open to the meeting. President Kilbourn discussed compromises and creativity. Vice-President Cluff added that the Board of Trustees were willing to sell the assets to the Town for \$1.00. The toxicity of the subject was discussed in detail and the impacts it has had on the public's perception of the matter. It was noted by President Kilbourn that General Manager Shea will continue to talk to the Town Manager. Trustee Ducharme then discussed the various options proposed by the Town at their last meeting.

Trustee Bartilucci requested an amendment to the motion to include as soon as possible. The motion now reads as follows: That KLPD is willing to, in concept, and as soon as possible, to seriously and in good faith consider giving the dams to the Town, subject to Town interest and further discussion on timing, financial impacts, regulatory requirements, and many details.



Thereupon, with no further discussion, President Kilbourn asked for a vote on the motion. Unanimous ayes were heard and the motion passes.

President Kilbourn thanked Trustee Ducharme for his efforts and his persistency in regard to this issue.

Whereupon, Item VIII, General Manager's Report, occurred as follows:

A. Address Past Meeting Board Requests:

1. The coming variance was discussed previously.
2. Management review of early payment discounts reflects that no lasting impact would be recognized on collections due to the nature of the past due balances that the District currently holds. With future abilities to accept debit and credit card payments, it is expected that delinquencies will decrease.
3. Hydro oil samples are currently not available for Dane Perkins.
4. A squirrel management policy has not been written due to other pressing matters facing the District. Squirrel guards are being installed in problematic areas and will be included in new construction and line extensions. Metal standoff brackets are being replaced with fiberglass as time allows. A comprehensive plan can be provided to the Board as time allows.
5. Management has not been able to locate any sources of funds from any government entity for tree trimming.
6. Pole rental contracts do not allow KLPD to charge for trimming and a review of the rate schedule may determine that higher costs may be necessary in the attachment agreements.

i. Solar Update:

The interconnection studies are being performed in regard to the proposed solar project adjacent to the West Kennebunk Substation. It is at a three megawatt maximum at this point in time. Attorneys for the developer and parcel owner are currently working on ingress and egress easement issues. A representative from NextEra will be invited to the September 26, 2017 meeting for a full status update if the Board so chooses.

General Manager Shea will be visiting the Madison Electric solar array with staff on Tuesday, September 5, 2017 at 2:00 p.m.

ii. Inform Board of MKRA Filing to Intervene:

FERC's e-filing library reflects recent submissions from the Town of Kennebunk, Mousam Kennebunk River Alliance, Maine Rivers, NOAA, and Save the Mousam Keep the Kennebunk Dams, LLC. The Town of Kennebunk, Mousam Kennebunk River Alliance and Maine Rivers have filed as Intervenors.

The Forest City Project, which involves a hydro storage facility and a dam below it located on the St. Croix River, was then discussed by General Manager Shea.

A report entitled Lower Mousam Project FERC Key Milestones was discussed and will be available on the District's website.

Other documents that were previously given to the Board for their review were then discussed.

iii. Meetings with Town Manager: General Manager Shea will continue to work with the Town Manager to keep him current on progress and proceedings that have occurred at the District.

B. Generator Installation at the District Office is currently in progress. It is a 65 kw diesel generator that is being installed.

C. Inform Board of Successful Asyst Upgrade and Additional Functionality and Future Abilities, occurred. A necessary upgrade to version 14 occurred in which the facilitation of outsourcing customer billings will occur in September of 2017. The bill format is being redesigned and is planned to be implemented in q4 of 2017. Online bill access and online payments will be reviewed by the PUC to ensure that the District is facilitating the programs properly.

D. Outages/Customer Concerns and Comments:

i. Telephone Scams in the District were discussed. General Manager Shea reiterated to those present the policies of the District in regard to collections on past due accounts. He stated that the District notices customers of their pending disconnection date, that the District will contact customers via telephone with a reminder of their disconnection date and the amount due, but immediate payment or threat of immediate disconnection will never occur. He advised that payment by Amazon gift cards, the use of PayPal and other similar venues are not used by KLPD.

ii. The substation outage that occurred earlier this month was due to a porcelain insulator that became faulty and became an emergent situation. Daily inspections do occur at the substations and it was during the daily inspection that the problem was realized. Trustee Ducharme then discussed that if the insulator had blown, the cleanup would have taken much longer than the approximate hour-and-a-half that power was out for. Thermograph machines were then discussed. Vice-President Cluff asked about the age of the insulator and then he discussed the issues at the substations have been an issue that has been needed to be reviewed for some time by both the Board and management. He discussed the financial loss to the District's commercial corridor due to the damaged insulator. He discussed the timing of the outage and the impact it had on the businesses of the District. He discussed proper maintenance and upkeep of the facilities. Vice-President Cluff would like to know the District's plan. Clerk Emmons stated that this topic was to be slated as an agenda item at the Board's monthly business meetings. Vice-President Cluff is tired of talking about the substations. He simply wants to see action; a plan, a budget, and what the issues are. Clerk Emmons feels that not heeding a plan could cause the District problems in the future. Vice-President Cluff asked for details in regard to the percentage of the town that was impacted by the outage. Trustee Ducharme then discussed the

demand circuit at the substation with General Manager Shea. Clerk Emmons reiterated that he has asked for this to be reviewed every month.

President Kilbourn discussed that this was to be a priority of General Manager Shea. He then discussed the reliability of electricity. President Kilbourn would like to know when and how the plan will be arrived at and how it will be financed from Management. Maintenance and replacement was then discussed by the Board. General Manager Shea discussed the costs of transformers, the cost and type of various substations that could be built, and the progress, or lack thereof, being made by Central Maine Power. He discussed the other issues that the District has been faced with including the dam issue and its financial impact along with cash-on-hand. General Manager Shea would like to see staff and management discuss the substation issues and provide the Board with detailed information.

The West Kennebunk substation was then discussed. Shifting the electricity load was also discussed. Engineering fees, bonding, startup fees, budget, and cash reserves were then discussed in detail. Trustee Ducharme asked if grants for grids are available. Per General Manager Shea, there is nothing available yet.

President Kilbourn then asked about a catastrophic plan. General Manager Shea stated that there is a plan in place. Vice-President Cluff would like to see the plan started on now and to be prepared for prior to the onset of budget meetings. Central Maine Power was then discussed and their ownership of the transmission lines. General Manager Shea will do what he can to get the Board the information that they need to make an informed decision. General Manager Shea also discussed the monitoring and maintenance of the substations.

President Kilbourn is concerned about the modest staff and the amount of high priority projects facing the District. He is concerned about what is the highest of the high priorities and the available resources. He would like to have guidance from General Manager Shea as to what is needed to accomplish this goal.

General Manager Shea is to research the age of the regulators and report back to the Board pursuant to Trustee Ducharme's request.

The priorities noted by the Board were discussed with General Manager Shea. Vice-President Cluff suggested that perhaps prioritizing needs should be reviewed and workload distribution may need to be evaluated. President Kilbourn would like to see an agenda item added for the business meeting agenda in September to review the timeline for the upcoming budget process.

Whereupon, Item XII, Public Comment Period (limited to 15 minutes total, occurred.)

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*Public Comment Period*

*Verbatim Transcription*

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MR. KOLFF: I'll only take one minute, okay? It's kind of a funny event. We got a robo-call on the planned outage after the outage came back on. So it was kind of a funny experience.

VICE-PRESIDENT CLUFF: But there were two outages.

GENERAL MANAGER SHEA: I'd like to respond to that when you're done, Albert. Or if -- do you want me to respond now; May I?

PRESIDENT KILBOURN: Sure.

GENERAL MANAGER SHEA: So, the robo-calls come from the County or from the --

PRESIDENT KILBOURN: From the County?

GENERAL MANAGER SHEA: From the county sheriff's office or from the Town of Kennebunk. And what happens is, they draw a big circle around an area after Mark spent about a half-an-hour on the phone telling them where we are having an outage and where we are not, and those robo-calls go out to anybody they circle.

So, I got the call at my house; I never lost power. So, we don't do the robo-calls and we need to find a more effective way to do them. But, yes, it came after the outage. That's good to know. I hadn't heard that one.

MR. KOLFF: Okay. The second one is, thanks so much for sending me a copy of the, what is it, DG Maine Solar proposal?

GENERAL MANAGER SHEA: Yes, sir.

MR. KOLFF: My question is, the pre-purchase agreement costs have been didacted (ph).

GENERAL MANAGER SHEA: Yes. Redacted.

MR. KOLFF: Redacted. Sorry. That means blacked out. Are we, as the ratepayers, going to see that proposal before you vote on signing the contract?

VICE-PRESIDENT CLUFF: It's already been voted on.

MR. KOLFF: If it has been voted on? I understand that I'd get a copy with the PPA not didacted (ph).

GENERAL MANAGER SHEA: They have the ability to -- and I'm still working on them in getting the PPA and the other redacted information published, but they have ability to suppress information that they request because of language in the contract. And so, at this point in time, I can't release it until the attorneys are done back and forth over that information.

MR. KOLFF: So, it doesn't become public -- I mean, in effect, you have signed a proposal without the ratepayers knowing what your --

VICE-PRESIDENT CLUFF: Have you signed it yet?

GENERAL MANAGER SHEA: Yes. I was authorized to.

MR. KOLFF: -- giving them the pre-purchase agreement?

GENERAL MANAGER SHEA: Power purchase agreement.

MR. KOLFF: Power purchase agreement. Well, I look forward to the legal pre-purchase agreement.

PRESIDENT KILBOURN: Thank you. Peter?

MR. ASHLEY: I'd ask Todd, you mentioned earlier, I believe, something about the oil?

GENERAL MANAGER SHEA: Um-hmm.

MR. ASHLEY: I presume that might be the governor?

GENERAL MANAGER SHEA: Yes. The oil sample at Dane Perkins.

MR. ASHLEY: What about the other two?

GENERAL MANAGER SHEA: I haven't -- I don't have any oil samples and they are trying to determine what is going on. That's --

MR. ASHLEY: That's, what, a year-and-a-half?

GENERAL MANAGER SHEA: I don't know if it's been a year-and-a-half.

MS. FREUDENREICH: (INAUDIBLE)

PRESIDENT KILBOURN: If we could just keep it to one person at a time, please.

GENERAL MANAGER SHEA: I haven't -- I've talked to Wayne. I've talked to Mark. I don't have any oil samples or I would give them to you.

TRUSTEE BARTILUCCI: Can we get other samples? Can we just go and get a sample right now and just get it together and send it?

GENERAL MANAGER SHEA: We could send it tomorrow morning. I just don't know what the turnaround time is, but I'll instruct Wayne to take another oil sample and send it again.

TRUSTEE BARTILUCCI: Where does he send it?

MR. ASHLEY: I hope you will -- you might as well do all three at once -- all three at once, then you can compare and I would like to see copies. I've been very patient.

GENERAL MANAGER SHEA: This was a --

MR. ASHLEY: Now, the second one I have was about your comments about the cost of, I believe, the infrared scanners if it's used, 15,000 or so --

GENERAL MANAGER SHEA: Then or now?

MR. ASHLEY: No. No. I mean, I saw costs up to 30,000 but I'm older.

GENERAL MANAGER SHEA: That was a long time ago.

MR. ASHLEY: So, now I have two and I have one bit of information for the Board: I use them both. My wife uses one of them and we find that the more we use them, the more we find ideas of things to use them on. It is very good at testing your coffee and the soups that my wife cooks on the stove.

Now, back to the next thing, is the dams. We all know that rocks move when the water moves rapidly and we've had some flows in the last 20 years or so that have exceeded 1,000 cubic feet a second and Twine Mill has been in an opportune position to have the flow move over toward the draft tube of the -- of the machine. And, I have a feeling, a gut feeling, that when the divers were going down, they should have checked it, but I think you said something about flash racks [sic] on the upstream side of the dam alone. But, if you're checking on production, and the draft tubes are a high percentage of the output of the turbine when you're talking about -- (INAUDIBLE) -- hydro, and it seems to me that the diver should go down and see how many rocks have rolled down that incline and into the area of the draft tube over at Twine Mill.

PRESIDENT KILBOURN: Thank you, Peter.

MR. ASHLEY: The water is going to get stronger soon, and, boy, October? Hmmmmm. All right.

PRESIDENT KILBOURN: If there are other suggestions that you have about how the dive team might be more effective, I'm sure you can pass that along to Todd after the meeting, or by e-mail, or by, you know, conversation.

MR. ASHLEY: We've talked about it before.

PRESIDENT KILBOURN: Okay. Great. Thank you for your comments.

MR. ASHLEY: He -- I've got three divers lined up, but he already has one, so....

PRESIDENT KILBOURN: That's his job.

Next comment, please.

MS. FREUDENREICH: Bev Freudenreich. I'm sorry, but I have a few questions on the dams. We come here and --

PRESIDENT KILBOURN: You're entitled.

MS. FREUDENREICH: We're entitled.

PRESIDENT KILBOURN: We're glad you're here.

MS. FREUDENREICH: My first question, Todd, is on Mr. Clark, the information which he requested. What was it -- what did you want, the history about the dams and --

GENERAL MANAGER SHEA: Yes. Ian Clark, looking for historical monthly production.

MS. FREUDENREICH: Was he -- did he immediately get that supplied to him?

GENERAL MANAGER SHEA: No. Because I got the e-mail last night at 6:30 and I responded to him today.

MS. FREUDENREICH: (INAUDIBLE). I just wanted to make sure he got what he needed on it. I just want to make -- just refresh other people's minds that are here that might not have realized that we did an RFP several years back, that there was a huge stack of information that was (INAUDIBLE) for the RFP and so that there is more information if people do request it and it is here. So, hopefully you won't hold it back.

My second question is, are the dams running right now?

GENERAL MANAGER SHEA: No.

MS. FREUDENREICH: I looked online and the last time -- on the website -- that they ran was in June. So, they did not run all of July and August?

GENERAL MANAGER SHEA: That is my understanding. We've got -- I don't believe they ran for all of August. I don't have the -- those numbers yet. July --

MS. FREUDENREICH: It was not online.

GENERAL MANAGER SHEA: 1,920 kilowatt hours in July. Oh, you mean online, on the website, no online -- right.

MS. FREUDENREICH: Yes. It was not on the website.

GENERAL MANAGER SHEA: I'll have that on the -- I'll have the website updated.

MS. FREUDENREICH: Yup. It was not on the website. Thank you.

GENERAL MANAGER SHEA: Yup.

MS. FREUDENREICH: But, they're not running at the present time?

GENERAL MANAGER SHEA: They are not running at the present time.

MS. FREUDENREICH: Because?

GENERAL MANAGER SHEA: Not enough water.

MS. FREUDENREICH: And the rainstorm didn't help it?

GENERAL MANAGER SHEA: It didn't do anything.

MS. FREUDENREICH: And back on the oil statement. I talked to Mark just off the cuff at the going away party for Barry Tibbetts, and he said the samples were sent in. (INAUDIBLE) Barry Tibbetts one evening was -- he said the samples were sent in. So, that was Mark's comment. I guess he was presuming -- or waiting for the results.

TRUSTEE BARTILUCCI: Where do you send these samples?

GENERAL MANAGER SHEA: A company called Doble Engineering.

TRUSTEE BARTILUCCI: And they're located where?

GENERAL MANAGER SHEA: That, I don't know.

TRUSTEE BARTILUCCI: Are they in Maine or --

GENERAL MANAGER SHEA: No.

TRUSTEE BARTILUCCI: Okay.

GENERAL MANAGER SHEA: No. Out of state.

VICE-PRESIDENT CLUFF: So, Mark is saying that they were sent in, but you are not sure that they were and if they were, we haven't received the results?

GENERAL MANAGER SHEA: That is correct.

VICE-PRESIDENT CLUFF: So, I guess, you're going to talk with Mark to see if Mark is --

GENERAL MANAGER SHEA: Yup.

VICE-PRESIDENT CLUFF: -- saying --

MS. FREUDENREICH: It was back in July.

MR. ASHLEY: It took me three hours that they never received them. I made several phone calls.

TRUSTEE BARTILUCCI: I think it would be simple to just go do it again and send it in.

GENERAL MANAGER SHEA: Yup.

VICE-PRESIDENT CLUFF: Well, I think you've got to do that, as well.

GENERAL MANAGER SHEA: Right.

VICE-PRESIDENT CLUFF: But I think you've got to find out why Mark is saying they were sent in and were they really sent in or not.



MS. FREUDENREICH: Couldn't they be sent certified so somebody has to sign for them at the company and you can get a certification back --

TRUSTEE BARTILUCCI: Yup.

MS. FREUDENREICH: -- saying that they have been received and -- (INAUDIBLE).

PRESIDENT KILBOURN: Thank you.

Do we have other comments?

MR. GRABIN: Excuse me. I just have a question. I'm not familiar with the oil samples topic that you're talking about. Could you just briefly --

MS. FREUDENREICH: (INAUDIBLE).

GENERAL MANAGER SHEA: It's samples of particulates that are in oil in the generator's governors.

MR. ASHLEY: In the governor.

GENERAL MANAGER SHEA: That's what I said. And so, it's not oil samples of what's, you know, elsewhere. It's what is contained in the machine.

MR. GRABIN: Okay.

GENERAL MANAGER SHEA: And it determines if there's too much -- too many metals, it causes issues and so --

TRUSTEE DUCHARME: Well, it also gives you the condition of the bearings.

GENERAL MANAGER SHEA: Correct.

TRUSTEE DUCHARME: And that's involving the metal in there.

GENERAL MANAGER SHEA: Yup.

TRUSTEE DUCHARME: If the bearings are failing.

GENERAL MANAGER SHEA: Exactly.

TRUSTEE DUCHARME: What type of metals, if it's battered [sic], then that would be the failure of the bearing.

PRESIDENT KILBOURN: All right.

TRUSTEE DUCHARME: Am I correct?

GENERAL MANAGER SHEA: You are correct.

PRESIDENT KILBOURN: Thanks for verifying that. Yes?

MS. PHIPPS: I've got a quick question about the e-mail exchange between the chairs of the boards. Is that accessible, like, online somewhere or how do I get that?

PRESIDENT KILBOURN: No. But it is public information.

MS. PHIPPS: Right.

PRESIDENT KILBOURN: If you'd like to get a copy, just ask Todd.

GENERAL MANAGER SHEA: Technically, for a Freedom of Access Act request, you have to give it to me in writing. If you want to send me an e-mail, Ms. Phipps --

MS. PHIPPS: I have it.

GENERAL MANAGER SHEA: Send me an e-mail and I'll forward you the -- I'll forward you the document in the morning.

MS. PHIPPS: Perfect. Thank you.

PRESIDENT KILBOURN: Thank you. Yes?

MS. TEAGUE: Donna Teague. Just on that note, because you folks were talking about public perception, and communication, and all that kind of thing. When the selectmen have a meeting, their attachments are online. So, like, I can go in and print the agenda and print the attachments if I wanted to. That might be something that would make your work a little more transparent and help us to be prepared. You know, it's great to hear Matt talk about budget and everything, but we don't see these things in these meetings so it's very difficult to follow it, so just a thought.

VICE-PRESIDENT CLUFF: Do you do that or do you have the office do that?

PRESIDENT KILBOURN: Thank you.

MS. TEAGUE: Um-hmm.

PRESIDENT KILBOURN: We appreciate that.

VICE-PRESIDENT CLUFF: Like, if we were to post the stuff online, is that you or...

GENERAL MANAGER SHEA: Kathleen can do it. I would just scan it in and Kathleen could do it.

VICE-PRESIDENT CLUFF: So, this is something that we could work on?

GENERAL MANAGER SHEA: Oh, absolutely.

VICE-PRESIDENT CLUFF: Putting -- putting all those attachments in?

GENERAL MANAGER SHEA: Yup.

VICE-PRESIDENT CLUFF: Comment on it?

MS. TEAGUE: I hate to give anybody more work.

GENERAL MANAGER SHEA: It's just a matter of scanning them in or --

VICE-PRESIDENT CLUFF: Yeah, it's getting scanned in and sent to us, so...

MS. TEAGUE: Just one more step.

VICE-PRESIDENT CLUFF: Yeah.

PRESIDENT KILBOURN: Right.

VICE-PRESIDENT CLUFF: I think that's a great comment.

PRESIDENT KILBOURN: Yes. I also think so.

GENERAL MANAGER SHEA: I have no problem with it.

PRESIDENT KILBOURN: Other comments or questions from our patient guests tonight.

(No verbal response.)

PRESIDENT KILBOURN: All right. Thank you. Thank you very much.

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*Public Comment Period and Verbatim Transcript*

*Concluded at 7:40 p.m.*

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Whereupon, Executive Session Pursuant to 1 MRSA 405.6 (A) to Discuss a Personnel Matter, occurred.

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Executive Session

- - -

Thereupon, the Board moved out of Executive Session at 8:15 p.m.

Whereupon, President Kilbourn asked for a motion in regard to the Arbor Division of KLPD. Trustee Ducharme made the following motion: To do away with the Arbor Division and

to allow severance for two months to the employees that are in that division. President Kilbourn seconded the motion noting that benefits are to be included.

Thereupon, a vote was taken and, with unanimous ayes heard, the motion carries.

Whereupon, Item X, Board Review and Comment on Proposed Tree Trimming Standard Distances, occurred. General Manager Shea would like the Board to provide to him any comments the Board members have on the RFP no later than Tuesday, September 5, 2017.

Whereupon, Item XI, Board Consideration Revision, and Agreement on Strat Plan Revised Timeline and Completion Date, occurred. The meeting is to occur on September 12, 2017. The meeting is a workshop and is open to the public. The Board then discussed other pathways including timeframe of meetings, meeting schedules, et cetera.

Whereupon, a motion was made by President Kilbourn to request General Manager Shea to send out an RFP for tree pruning services, after receipt of the Board's comments that are to be received within the next seven days. The motion was seconded by Vice-President Cluff. The Board discussed start times, and the inclusion of this item to the October business meeting.

Thereupon, a vote was brought, and with unanimous ayes heard, the motion carries.

Whereupon, Item XIII, Date of Next Business Meeting, 09/26/17, 6 PM at District Offices, occurred.

Whereupon, Item XIV, Board Recommendation for Agenda Items for Next Meeting, occurred. Trustee Ducharme would like to see that dam issues are still on the agenda. Trustee Bartilucci would like to see cash-on-hand discussed. Vice-President Cluff would like the substations added and rates, as well.

Whereupon, there being no additional business of the District discussed by the Board, President Kilbourn asked for a motion to adjourn. Clerk Emmons made the motion to adjourn and it was seconded by Trustee Bartilucci.

Whereupon, with unanimous ayes heard, the meeting adjourned at 8:29 p.m.

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