

AGENDA
BOARD OF TRUSTEES
PORTLAND WATER DISTRICT
1-408-418-9388
Access Code 132 263 9951, Meeting Password 66954864
6:00 p.m., Monday, November 23, 2020

- | | | |
|----|--|------------------------------------|
| 1. | <u>Roll Call</u> | Clerk |
| 2. | <u>Convene Meeting</u> with vote to conduct the meeting remotely. | Clerk |
| 3. | <u>Declaration of Election Results and Inauguration</u> for the Trustees representing Portland, Cape Elizabeth and South Portland elected on November 3, 2020. | Clerk |
| 4. | <u>Acceptance of Minutes</u> of the Regular Meeting of October 26, 2020, and the Workshop Meeting of November 9, 2020. | President Douglas |
| 5. | <u>Invitation for Public Comment</u> | President Douglas |
| 6. | <u>Reports:</u> | |
| | ▪ Operations Committee Reports | Trustee Beck |
| | ▪ Planning Committee Reports | Trustee Siviski |
| | ▪ Administration & Finance Committee Reports | Trustee Garrison |
| | ▪ General Manager's Report | General Manager |
| 7. | <u>New Business</u> | |
| | A. <u>Order 20-031</u> adopting the 2021 Budget and Wastewater Assessments with the exception of the Town of Gorham. | Administration & Finance Committee |
| | B. <u>Order 20-031A</u> adopting the 2021 Wastewater Assessment for the Town of Gorham. | Administration & Finance Committee |
| | C. <u>Order 20-032</u> adopting the 2021-2025 Capital Improvement Plan. | Administration & Finance Committee |
| | D. <u>Resolution 20-014</u> declaring the Board's intent to issue debt to reimburse costs incurred for water fund projects identified in the 2021 CIP. | Administration & Finance Committee |
| | E. <u>Resolution 20-015</u> declaring the Board's intent to issue debt to reimburse costs incurred for Cape Elizabeth wastewater fund projects identified in the 2021 CIP. | Administration & Finance Committee |
| | F. <u>Resolution 20-016</u> declaring the Board's intent to issue debt to reimburse costs incurred for Portland wastewater fund projects identified in the 2021 CIP. | Administration & Finance Committee |
| | G. <u>Resolution 20-017</u> declaring the Board's intent to issue debt to reimburse costs incurred for Westbrook, Gorham and Windham wastewater fund projects identified in the 2021 CIP. | Administration & Finance Committee |

- H. **Order 20-033** authorizing an adjustment in pension benefits for eligible retirees and annuitants. Administration & Finance Committee
- I. **Resolution 20-018** adopting the Board of Trustees meeting schedule for 2021. President Douglas
8. **Other Business.** An item may be added to this agenda provided seven trustees vote to waive the rule regarding agendas. President Douglas
9. **Second Invitation for Public Comment.** President Douglas
10. **Trustee Comments.** President Douglas
11. **Executive Session.** A motion may be made to go into Executive Session at any time during the meeting to discuss, pursuant to 1 M.R.S. §405(6)(A) personnel, 1 M.R.S. §405(6)(C) real estate, 1 M.R.S. §405 (6)(D) labor negotiations, or 1 M.R.S. §405(6)(E) legal matters. President Douglas
12. **Adjournment.** President Douglas

Donna M. Katsiaficas
Clerk

Portland Water District
Board of Trustees Regular Meeting

November 23, 2020

New Business

Agenda Items 7A-7I



Portland Water District
From Sebago Lake To Casco Bay

BOARD OF TRUSTEES / AGENDA ITEM SUMMARY

Agenda Items: 7A-G Orders 20-031 through 20-032 and
Resolutions 20-014 through 20-017
Date of Meeting: November 23, 2020
Subject: Proposed Budget Orders
Presented By: Carrie Lewis

The Administration and Finance, Operations and Planning Committees reviewed the 2021 Budget and CIP for which they have jurisdiction. Below are the recommended motions to be considered at the regular meeting.

The proposed motion accepts the 2021 budget and authorizes billing the municipalities for wastewater and billing services.

Order 20-031

ORDERED that the 2021 Budget and Wastewater Assessments as presented by the General Manager are accepted and adopted and shall be filed with the minutes of this meeting; and pursuant to Section 12 of the District’s Charter, to assess for 2021 the participating municipalities for wastewater related costs as follows:

Town of Cape Elizabeth	\$ 1,835,412
Town of Cumberland	989,268
Town of Falmouth	314,112
City of Portland	13,441,944
City of Westbrook	2,903,244
Town of Windham	410,916

and to assess non-participating municipal corporations for billing-related costs as follows:

City of South Portland	\$ 201,132
Scarborough Sanitary District	11,664

Order 20-031A

ORDERED pursuant to Section 12 of the District’s Charter, to assess for 2021 to the Town of Gorham the sum of \$1,188,840 for wastewater related costs.

The motion accepts the proposed capital improvement plan and authorizes staff to implement the 2021 projects within the restrictions stated below and in compliance with the purchasing policy guidelines.

Order 20-032

ORDERED that the 2021-2025 Capital Improvement Plan is hereby adopted and the General Manager is authorized to solicit bids or proposals for the year 2021 projects and to authorize the General Manager to award contracts for approved projects to the lowest bidder if the bid is within the project budget.;

BE IT FURTHER ORDERED that the General Manager shall solicit bids or proposals and to partner with Municipalities, MDOT and Developers for the year 2021 for the replacement and extension of water mains, services, valves and hydrants as outlined in the Water Distribution Systems Upgrades Program and to authorize the General Manager to award and enter into contracts if the bid or partnering proposals are within the overall program budget.

In compliance with Internal Revenue Service (IRS) regulation, an ‘intent to borrow’ motion must be approved by the Board before expenditures are incurred on a project that may be financed with tax-exempt financing. Resolutions 20-014 to 20-017 are intent to borrow motions for each fund. Before a bond is actually authorized or issued, a public hearing will be held. Subsequent to the hearing, the Board will consider authorizing the bond.

Resolution 20-014

RESOLVED the Board hereby declares its intent to issue debt to reimburse costs incurred by the District for water fund projects identified in the 2021 CIP. The full form of the resolution is attached hereto and incorporated herein by reference, and shall be part of the minutes of this meeting.

Resolution 20-015

RESOLVED the Board hereby declares its intent to issue debt to reimburse costs incurred by the District for the Cape Elizabeth wastewater fund projects identified in the 2021 CIP. The full form of the Resolution is attached hereto and incorporated herein by reference, and shall be part of the minutes of this meeting.

Resolution 20-016

RESOLVED the Board hereby declares its intent to issue debt to reimburse costs incurred by the District for the Portland wastewater fund projects identified in the 2021 CIP. The full form of the Resolution is attached hereto and incorporated herein by reference, and shall be a part of the minutes of this meeting.

Resolution 20-017

RESOLVED the Board hereby declares its intent to issue debt to reimburse costs incurred by the District for the Westbrook, Gorham and Windham wastewater fund projects identified in the 2021 CIP. The full form of the Resolution is attached hereto and incorporated herein by reference, and shall be a part of the minutes of this meeting.

Resolution 20-014
DECLARATION OF OFFICIAL INTENT PURSUANT TO
TREASURY REGULATION §1.150-2
(Water Fund)

WHEREAS, the Portland Water District (the “Issuer”) intends to proceed with the projects described in section 2 below (the “Projects”); and

WHEREAS, the Issuer intends to finance some or all of the costs of the Projects through the issuance of tax-exempt bonds or notes in anticipation thereof; and

WHEREAS, the Issuer may incur certain of the costs of the Projects prior to the issuance of such bonds or notes and the Issuer expects to be reimbursed from the proceeds thereof; and

WHEREAS, Treasury Regulation §1.150-2 requires that the Issuer declare its official intent to reimburse itself for such expenditures with the proceeds of such bonds or notes.

NOW, THEREFORE, the Issuer does hereby declare its official intent as follows:

1. **Declaration of Intent.** The Issuer reasonably expects to reimburse itself for expenditures made on the Projects with the proceeds of tax-exempt bonds or notes in anticipation thereof to be issued by the Issuer to finance the costs of the Projects in the maximum principal amount of \$10,675,000.
2. **General Description of Property to which Reimbursement Relates.** The following is a reasonably accurate general functional description of the type and use of the property with respect to which reimbursements will be made:
 - Construction or installation of new water mains, valves, hydrants, services and meters;
 - Acquisition of vehicles, leak detection and related equipment;
 - Renovation of various water facilities;
 - Acquisition and installation of various computer-related equipment; and
 - Building improvements at the Douglass Street facilities including the HVAC system.
3. **Public Availability of Official Intent.** This Declaration of Official Intent shall be maintained as a public record of the Issuer.
4. **Treasury Regulations.** This is a declaration of official intent pursuant to the requirements of Treasury Regulations § 1.150-2.
5. **Authority for Declaration.** This declaration is adopted pursuant to the following action of the Issuer: Resolution adopted by the Portland Water District Board of Trustees.

Resolution 20-015
DECLARATION OF OFFICIAL INTENT PURSUANT TO
TREASURY REGULATION §1.150-2
(Cape Elizabeth Sewer Fund)

WHEREAS, the Portland Water District (the “Issuer”) intends to proceed with the projects described in section 2 below (the “Projects”); and

WHEREAS, the Issuer intends to finance some or all of the costs of the Projects through the issuance of tax-exempt bonds or notes in anticipation thereof; and

WHEREAS, the Issuer may incur certain of the costs of the Projects prior to the issuance of such bonds or notes and the Issuer expects to be reimbursed from the proceeds thereof; and

WHEREAS, Treasury Regulation §1.150-2 requires that the Issuer declare its official intent to reimburse itself for such expenditures with the proceeds of such bonds or notes.

NOW, THEREFORE, the Issuer does hereby declare its official intent as follows:

1. **Declaration of Intent.** The Issuer reasonably expects to reimburse itself for expenditures made on the Projects with the proceeds of tax-exempt bonds or notes in anticipation thereof to be issued by the Issuer to finance the costs of the Projects in the maximum principal amount of \$645,000.
2. **General Description of Property to which Reimbursement Relates.** The following is a reasonably accurate general functional description of the type and use of the property located in the Town of Cape Elizabeth with respect to which reimbursements will be made:
 - Replacement of obsolete assets or installation of new equipment at various pump stations, including Peabbles Cove, Algonquin, Stonegate South and Ottawa pump stations,
 - Acquisition and installation of SCADA equipment, and
 - Replacement or installation of equipment at the treatment plant.
3. **Public Availability of Official Intent.** This Declaration of Official Intent shall be maintained as a public record of the Issuer.
4. **Treasury Regulations.** This is a declaration of official intent pursuant to the requirements of Treasury Regulations § 1.150-2.
5. **Authority for Declaration.** This declaration is adopted pursuant to the following action of the Issuer: Resolution adopted by the Portland Water District Board of Trustees.

Resolution 20-016
DECLARATION OF OFFICIAL INTENT PURSUANT TO
TREASURY REGULATION §1.150-2
(Portland Sewer Fund)

WHEREAS, the Portland Water District (the “Issuer”) intends to proceed with the projects described in section 2 below (the “Projects”); and

WHEREAS, the Issuer intends to finance some or all of the costs of the Projects through the issuance of tax-exempt bonds or notes in anticipation thereof; and

WHEREAS, the Issuer may incur certain of the costs of the Projects prior to the issuance of such bonds or notes and the Issuer expects to be reimbursed from the proceeds thereof; and

WHEREAS, Treasury Regulation §1.150-2 requires that the Issuer declare its official intent to reimburse itself for such expenditures with the proceeds of such bonds or notes.

NOW, THEREFORE, the Issuer does hereby declare its official intent as follows:

1. **Declaration of Intent.** The Issuer reasonably expects to reimburse itself for expenditures made on the Projects with the tax-exempt proceeds of bonds or notes in anticipation thereof to be issued by the Issuer to finance the costs of the Projects in the maximum principal amount of \$2,460,000.
2. **General Description of Property to which Reimbursement Relates.** The following is a reasonably accurate general functional description of the type and use of the property located in the City of Portland with respect to which reimbursements will be made:
 - Renovation and repair of equipment and facilities at the East End and Peaks Island Treatment Plant, including projects related to the Primary Sludge Handling, process gate automation, power feed;
 - Replacement of obsolete assets or installation of new equipment at various pump stations, including Northeast, Congress Street, and Garrison pump stations;
 - Acquisition and installation of SCADA equipment, and
 - Replacement of equipment at various pump stations, including Baxter Boulevard Pump Stations.
3. **Public Availability of Official Intent.** This Declaration of Official Intent shall be maintained as a public record of the Issuer.
4. **Treasury Regulations.** This is a declaration of official intent pursuant to the requirements of Treasury Regulations § 1.150-2.
5. **Authority for Declaration.** This declaration is adopted pursuant to the following action of the Issuer: Resolution adopted by the Portland Water District Board of Trustees.

Resolution 20-017
DECLARATION OF OFFICIAL INTENT PURSUANT TO
TREASURY REGULATION §1.150-2
(Westbrook, Gorham and Windham Sewer Funds)

WHEREAS, the Portland Water District (the “Issuer”) intends to proceed with the projects described below (the “Projects”); and

WHEREAS, the Issuer intends to finance some or all of the costs of the Projects through the issuance of tax-exempt bonds or notes in anticipation thereof; and

WHEREAS, the Issuer may incur certain of the costs of the Projects prior to the issuance of such bonds or notes and the Issuer expects to be reimbursed from the proceeds thereof; and

WHEREAS, Treasury Regulation §1.150-2 requires that the Issuer declare its official intent to reimburse itself for such expenditures with the proceeds of such bonds or notes.

NOW, THEREFORE, the Issuer does hereby declare its official intent as follows:

1. **Declaration of Intent.** The Issuer reasonably expects to reimburse itself for expenditures made on the Projects with the proceeds of tax-exempt bonds or notes in anticipation thereof to be issued by the Issuer to finance the costs of the Projects in the maximum principal amount of \$595,000.
2. **General Description of Property to which Reimbursement Relates.** The following is a reasonably accurate general functional description of the type and use of the property located in the City of Westbrook with respect to which reimbursements will be made:
 - Replacement of obsolete assets or installation of new equipment at various pump stations in Gorham, Westbrook and Windham, and
 - Renovation and repair of equipment and facilities at the Westbrook Regional Treatment Plant, including access road and parking lot improvements.
3. **Public Availability of Official Intent.** This Declaration of Official Intent shall be maintained as a public record of the Issuer.
4. **Treasury Regulations.** This is a declaration of official intent pursuant to the requirements of Treasury Regulations § 1.150-2.
5. **Authority for Declaration.** This declaration is adopted pursuant to the following action of the Issuer: Resolution adopted by the Portland Water District Board of Trustees.



Portland Water District
From Sebago Lake To Casco Bay

BOARD OF TRUSTEES /AGENDA ITEM SUMMARY

Agenda Item: 7H Order 20-033
Date of Meeting: November 23, 2020
Subject: 2021 Pension Adjustment
Presented By: David Kane, Director of Administrative Services

RECOMMENDATION

The following proposed language is presented for Board of Trustee approval:

ORDERED, an adjustment of 0.67% in pension benefits is authorized for eligible retirees and annuitants, effective January 1, 2021, in accordance with Article X of the District’s pension plans.

BACKGROUND

Since 1989, the Board of Trustees has authority to grant an annual adjustment in pension benefits equal of one-half of the previous year’s consumer price index (CPI) increase up to a maximum of 5%. The adjustment is not automatic; it is subject to the Board’s approval each year. The table below indicates increases given since 2009:

1989 - 2008:	50% of CPI
2009:	Eligible for 2.41%, no increase granted
2010:	CPI negative, no increase granted
2011:	Eligible for 1.14%, no increase granted
2012:	50% of CPI, 1.61%
2013:	50% of CPI, 1.20%
2014:	50% of CPI, 0.72%
2015:	50% of CPI, 0.82%
2016:	CPI negative, no increase granted
2017	50% of CPI, 0.36%
2018	50% of CPI, 1.03%
2019	50% of CPI, 1.29%
2020	50% of CPI, 0.82%
2021	50% of CPI, 0.67%

The CPI average for 2019 (November 2019 to October 2020) increased 1.34% (estimated; final number will be available in mid-November) over the 2019 average. Therefore, pension benefits for eligible retirees and beneficiaries could increase 0.67%. The impact of providing the adjustment would be approximately \$798 per month, and would bring the pension payments total to

approximately \$127,730, per month for 126 pensioners and beneficiaries. Retirees eligible for an increase are pensioners receiving a pension as of January 1, 2020.

ALTERNATIVES CONSIDERED

The increase is discretionary and no increase is necessary. The Board could grant any increase up to 0.67%, which is 50% of the consumer price index.

FISCAL REVIEW / FUNDING

The last actuary study was done as of May 1, 2020. At the time, the District's unfunded pension liability was \$5,815,847.

The proposed COLA adjustment would require an additional cash payment of \$9,576 (\$798*12 months) a year. The proposed change increases the pension liability by an estimated \$65,000.

LEGAL REVIEW

Corporate Counsel reviewed the proposed motion and approved it as to form.

CONCLUSION

Staff recommends that the Committee approve forwarding this order to the Board for their consideration. The Committee recommended the proposed motion be forwarded to the full Board for its consideration.

ATTACHMENT(S)

None



Portland Water District
From Sebago Lake To Casco Bay

BOARD OF TRUSTEES / AGENDA ITEM SUMMARY

Agenda Item: 7I Resolution 20-018
Date of Meeting: November 23, 2020
Subject: Board's Meeting Schedule for 2021
Presented By: Carrie Lewis, General Manager

The attached Board of Trustees' 2021 meeting schedule is proposed for Board of Trustees' approval:

RESOLVED, to adopt the proposed Board of Trustees' meeting schedule for 2021.



**Portland Water District
Board of Trustees' 2021 Meeting Schedule**

Month	Day	Meeting	Time
January	11	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	25	Regular Meeting	6:00 p.m.
February	8	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	22	Regular Meeting	6:00 p.m.
March	8	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	22	Regular Meeting	6:00 p.m.
April	12	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	26	Regular Meeting	6:00 p.m.
May	10	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	24	Regular Meeting	6:00 p.m.
June	14	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	28	Regular Meeting	6:00 p.m.
July	12	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	26	Regular Meeting	6:00 p.m.
August	9	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	23	Regular Meeting	6:00 p.m.
September	13	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	27	Regular Meeting	6:00 p.m.
October	(Tues.) 12	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	25	Regular Meeting	6:00 p.m.
November	8	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	22	Regular Meeting	6:00 p.m.
December	6	Standing Committees	5:30 p.m.
		Workshop	6:30 p.m.
	20	Regular Meeting	6:00 p.m.

Industry Conferences: AWWA June 13 – 16 San Diego, California (in-person & on-line)
 WEFTEC Oct. 16 – 20 Chicago, Illinois