

As voted by the Board of Trustees and in accordance with the notice of the meeting, the Regular Meeting of the Board of Trustees of the Portland Water District was held remotely via teleconference, on Monday, March 22, 2021. Attending from staff were Messrs. Kane, Crovo, Wallace, Firmin, and Mses. Lewis, Katsiaficas, Demers and Walker. The meeting was convened by President Douglas at 6:02 p.m.

ROLL CALL

The roll was called by the Clerk. All Trustees were present.

CONVENE MEETING

Trustee Rich made a motion to conduct the meeting remotely, seconded by Trustee Garrison. Voted all in favor.

ELECTION OF OFFICERS for 2021-2022

The Clerk requested nominations for President.

It was moved by Trustee Levinsky and seconded by Trustee Rich to nominate Trustee Douglas for President.

Hearing no further nominations for President, the Clerk closed the nominations and it was unanimously

Voted to elect Trustee Douglas as President.

The Clerk requested nominations for the position of Vice President

It was moved by Trustee Willey and seconded by Trustee Beck to nominate Trustee Lunt for Vice President.

Hearing no further nominations for Vice President, the Clerk closed the nominations and it was unanimously

Voted to elect Trustee Lunt as Vice President.

It was moved by Trustee Garrison, seconded by Trustee Cote that the Board vote, David Kane, for Treasurer, Donna Katsiaficas, for Clerk and Carrie Walker, for Assistant Clerk. Voted all in favor.

ACCEPTANCE OF MINUTES

It was moved by Trustee Garrison, seconded by Trustee Cote.

Voted all in favor to waive the reading and accept the minutes of the Regular Meeting of February 22, 2021, and the Workshop Meeting of March 8, 2021.

INVITATION FOR PUBLIC COMMENT

None

REPORTS

Operations Committee

Trustee Beck provided a summary of the Operations Committee meeting on March 8, 2021. Staff provided a recommendation to execute a service contract amendment for construction services, and award a construction contract for the East End WWTF 3rd Floor HVAC Upgrades Project. Staff also provided a recommendation to execute a service contract amendment for construction services, and award a construction contract for the Baxter Boulevard Pump Station Upgrades Project. While the original bid resulted in an exceedance of the project budget, careful review of the project with the engineering consultant and the bidder resulted in significant savings and the delay of certain aspects for future years. This effort resulted in a project that will meet the current budget expectations. Topics for the Committee's 2021 Work Plan were discussed. A list of topics for the year will be reviewed at the April meeting.

Planning Committee

Trustee Siviski provided a summary of the Planning Committee meeting on March 8, 2021. Staff and Jen DeRice, the Recreation Director from the Town of Standish, presented the 2020 Rich Memorial Beach Report. The town explained how the beach is managed and staff reviewed the water quality results from the summer beach testing. There was only one instance of bacteria levels over the EPA recommended threshold which represents a better than average year for water quality. An update on the status of the USDA grant awarded to Sebago Clean Waters in 2020 was provided. PWD is designated as the "lead partner" and is the fiscal agent. The \$8 million dollar grant will be used by Sebago Clean Waters partner organizations to implement forest conservation and water quality improvement projects in the Sebago Lake watershed. Staff requested approval to allow for two flag poles and memorial markers at the Standish boat launch. The last item of business was the results of a conversation with Professor Sean Smith from the University of Maine, Orono about exploring the possibility of a future study to assess the risk of water quality impacts as a result of a potential forest fire occurring around the Lower Bay of Sebago Lake.

Administration and Finance Committee

Trustee Garrison provided a summary of the Administration and Finance Committee meeting on March 8, 2021. The ABC project is on target to go live later this year. Ms. Lewis noted the project costs are trending to be close to budget. She requested the Board authorize up to an additional \$250,000 as a contingency to complete the project. The preliminary 2020 financials indicate the Water Fund will have an annual surplus. The Committee reviewed various options and recommended Staff prepare a motion allocating the surplus to the Renewal and Replacement Fund to fully fund the 2021 Capital Improvement Plan (\$400,000) with the balance to be allocated to fund the ABC project.

Mr. Kane provided the following updates on the pension plans:

- Defined Benefit Plans: The actuary completed their December 31, 2020 valuation. The plans' obligation and assets are \$29.4 million and \$28.6 million, respectively. The 97% funding level is highest level since 2003. It was noted that assets value have risen to over \$30 million recently. The actuary will provide an updated valuation as of May 1, 2021 later this year and calculate the recommended 2022 plan contribution. Unless there is a market correction, the 2022 contribution should be significantly lower than the 2021 \$1.4 million contribution.
- Deferred Compensation (457) Plan: Pension Professionals completed their annual review of the investments offered in the plan. They recommended one investment be changed.

Principal provided an overview of the plan and discussed several optional services. The District plans to add the Pension Builder service, which allows participants to purchase annuity benefits. They also noted recent federal legislation allows a \$5,000 distribution to participants upon the birth/adoption of a child. A plan amendment to offer this distribution option will be prepared and presented to the Committee for its consideration at a future meeting.

- 457 Plan Loans: Principal provided a list of allowable options for a loan program. Staff reviewed their preliminary recommendations. Staff will present the recommendations to the Board at its April Workshop.

General Manager's Report

Ms. Lewis provided several updates to the Board.

- By proclamation of the Governor, March 22 was declared as water and wastewater operator appreciation day.
- The General Manager's Award was awarded to Sarah Plummer and Carina Brown; recognizing their extraordinary efforts as educators during the pandemic.
- David Kane and the Finance staff were, once again, awarded the Certificate of Achievement by the GFOA for the comprehensive annual financial report for the fiscal year ended December 31, 2019. This marks the 25th year PWD has received this award.
- Full Membership meeting of the Southern Maine Regional Water Council will be on Thursday, April 8th, starting at 5:00 p.m.
- The deadline for applying for the DiPietro Scholarship is March 29.

NEW BUSINESS

Order 21-006, authorizing an amendment to the Asset Management, Bill and Customer Relations Project budget.

The Board of Trustees approved a motion authorizing a \$4.6 million project budget at its November 27, 2017 meeting (Order 17-035) to implement a new Asset Management, Billing and Customer Relations system. The new system is scheduled to be implemented in October 2021. Despite efforts to reduce costs by performing some tasks internally and eliminating some vendor costs, the project budget may need additional funds due to late date delay and higher system integration costs.

It was moved by Trustee Garrison and seconded by Trustee Cote.

It was Voted and unanimously,

WHEREAS, the Board authorized a total Asset Management, Billing and Customer project budget of \$4,600,000 at their November 27, 2017, and

WHEREAS, an additional amount not to exceed \$250,000 may be needed as a contingency to complete the project,

BE IT ORDERED, the total Asset Management, Billing and Customer Relations project budget is hereby authorized not to exceed \$4,850,000.

Order 21-007, authorizing the allocation of the 2020 Water Fund Surplus.

Preliminary 2020 Financials indicate the Water Fund will have an annual surplus of \$700,000. Though the surplus will likely decline as we finalize the results for the year, it is anticipated the fund will have an annual surplus balance. The financial results are due to higher revenues (\$300,000) and lower expenses (\$400,000) than anticipated. Some of the ways the surplus balance can be used are listed below:

- Dedicated Reserve
 - Master Plan and Related (\$944,548 balance)
 - Rate Stabilization Fund (\$300,000 balance)
- Operating Reserve Contribution: Operating Reserve is 26% of budget, 1% higher than target.
- Watershed Protection Fund Contribution: Per state law, the District may allocate any surplus balance generated from operations up to 5% of total revenue annually to the Water Supply Protection Fund. Based on preliminary 2020 results, up to \$1,300,000 may be allocated to the fund. The current available balance is \$1.6 million.
- Renewal and Replacement Fund Contribution: Projected 12/31/20 balance is \$3.5 million. The 2021 budget has an annual deficit in capital project funding of \$400,000.
- ABC Project Funding. The water fund portion of the project that had not been funded was about \$162,000. If the project budget is amended to be increased by \$250,000, the water fund portion that is not funded will then be about \$345,000. The balance can be included in the upcoming water bond, withdrawn from existing renewal and replacement fund balance or part of the 2020 surplus balance could be used.

It was moved by Trustee Garrison and seconded by Trustee Willey.

It was Voted and unanimously,

ORDERED, the 2020 annual operating fund change in the Water Fund is hereby allocated to the Water Renewal and Replacement Fund.

Order 21-008, approving actions related to the East End WWTF 3rd Floor HVAC Upgrades Project.

PWD conducted an HVAC system assessment and planning effort for all four wastewater treatment facilities in 2016. As a result of that effort several upgrade projects were recommended and prioritized into proposed CIP projects. This project will address heating, cooling and ventilation needs for the third floor of the East End WWTF which includes the laboratory, reception area, operations control center, lavatories, conference room, and five offices.

The Project was publicly bid on December 23, 2020. Bids were received from two contractors on February 9, 2021. Triple Point Engineering performed a due diligence review of the responses and has determined that the apparent low bidder Damon Mechanical Services has the contracting capacity, relevant project experience, qualifications, and resources to complete the Project. Triple Point Engineering therefore recommends that Damon Mechanical Services be considered the low responsive and responsible bidder.

Pursuant to the Comprehensive Method (approved December 2019), staff recommends a professional services contract amendment with Triple Point Engineering for engineering services during construction.

It was moved by Trustee Beck and seconded by Trustee Siviski.

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute a service contract amendment with Triple Point Engineering LLC, in the amount of \$56,300 for construction services for the East End WWTF 3rd Floor HVAC Upgrades Project (CIP 2019-21/3017), (the “Project”); and

BE IT FURTHER ORDERED, a construction contract with Damon Mechanical Services. is hereby authorized, in the amount of \$302,468 for the Project; and that the General Manager, and the Treasurer, each acting singly, are authorized to take such steps as may be necessary to accomplish the intent of the vote; and

BE IT FURTHER ORDERED, that a total project budget is hereby authorized, not to exceed \$575,000; and that the General Manager, and the Treasurer, each acting singly, are authorized to take such steps as may be necessary to accomplish the intent of the vote.

Order 21-009, authorizing actions related to the Baxter Boulevard Pump Station Upgrades Project.

The Project was bid with a base bid and seven alternates. The base bid work included: installation of a new, redundant 3rd pump and replacement of the two wastewater pump impellers, original suction and discharge piping, and original HVAC, electrical and control systems. The seven alternates included replacement of the electrical service, concrete repairs within the building, demolition of the wet well bar screens and replacement of domestic water piping.

The Project was publicly bid on December 18, 2020. Bids were received from one contractor, Damon Mechanical Services, on January 26, 2021. The base bid was over budget. PWD and Hoyle Tanner engaged in a value engineering effort with Damon to identify a project within budget. The proposed project is within budget and a future project will be planned to complete the upgrades that were removed from this project scope.

PWD performed a due diligence review of the response and has determined that the apparent low bidder has the contracting capacity and resources to complete the Project. PWD therefore recommends that Damon Mechanical Services be considered the low responsive and responsible bidder.

It was moved by Trustee Beck and seconded by Trustee Cote.

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute a service contract amendment with Hoyle, Tanner & Associates, in the amount of \$146,562 for construction services for the Baxter Boulevard Pump Station Upgrades (CIP 2019 – Subprogram 70, #3144), (the “Project”); and

BE IT FURTHER ORDERED, a construction contract with Damon Mechanical Services is hereby authorized, in the amount of \$1,716,243.66 for the Project; and that the General Manager, and the Treasurer, each acting singly, are authorized to take such steps as may be necessary to accomplish the intent of the vote; and

BE IT FURTHER ORDERED, that a total project budget is hereby authorized, not to exceed \$2,200,000; and that the General Manager, and the Treasurer, each acting singly, are authorized to take such steps as may be necessary to accomplish the intent of the vote.

Order 21-010, authorizing installations at the Standish Boat Launch.

The Standish Landing Boat Launch parking area and access road are constructed across District land in a 99-foot wide right-of-way (ROW); the Town owns the right of way and it is to be used for a right to pass and for road purposes.

At the request of a town resident a flagpole and marker dedicated to the Town and honoring a former volunteer firefighter who was killed in the service has been installed in a grassed area off the travel way and in the ROW. There is also a second flagpole and marker dedicated to public servants who have died, in general. Permission to install these items was requested of the Town, which approved it, and of District staff, who also gave permission. In retrospect, the request to place any installation on District owned land should have come to the Board; staff did not have the authority to approve of the installations. Now that the memorials have been installed, approval from the Board, to keep them in their present location given the sensitive nature of the installations is being requested. Both memorials involve fallen fire fighters and that the fire-fighting mission is an essential reason for the creation of the Water District and its mission.

No District funds or labor was involved in the installations. The items do not impede the flow of traffic and are owned and maintained, and will continue to be maintained, by the Town.

Several Trustees expressed displeasure with the fact that the installations had been made without Board approval. Assurances were given that this would not happen again.

It was moved by Trustee Siviski and seconded by Trustee Cote.

It was Voted and unanimously,

ORDERED, that the installations on Portland Water District property at the Standish Boat Launch, as shown on the attached photographs, are hereby approved.

OTHER BUSINESS

None

SECOND INVITATION FOR PUBLIC COMMENT

None

TRUSTEE COMMENTS

Trustee Willey asked that at the May Workshop the Board discuss resuming in person meetings at Douglass Street.

EXECUTIVE SESSION

None

ADJOURNMENT

Meeting adjourned at 7:02 p.m.

Submitted by,

Donna M. Katsiaficas
Clerk