

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 at the Jeff P. Nixon Training Center, 225 Douglass Street, Portland, Maine, on Monday, March 25, 2019. Attending from staff were Messrs. Kane, Crovo, Wallace, Firmin, Johnson and Mses. Lewis, Katsiaticas, Demers and Walker. In attendance from the public were George Rheault of Portland, Harold and DeeDee Bowman of Scarborough and Jane Cote of Westbrook. The meeting was convened by President Lunt at 6:00 p.m. with the Pledge of Allegiance and a moment of silence.

ROLL CALL

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

ELECTION OF OFFICERS for 2019-2020

The Clerk requested nominations for President.

It was moved by Trustee Libby and seconded by Trustee Rich to nominate Trustee Cote for President.

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

Voted to elect Trustee Cote as President.

The Clerk requested nominations for the position of Vice President

It was moved by Trustee Cote and seconded by Trustee Lunt to nominate Trustee Douglas for Vice President.

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

Voted to elect Trustee Douglas as Vice President.

The Clerk requested nominations for the position of Treasurer.

It was moved by Trustee Libby and seconded by Trustee Garrison to nominate David Kane for Treasurer.

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

Voted to elect David Kane as Treasurer.

The Clerk requested nominations for the position of Clerk of the Board

It was moved by Trustee Libby and seconded by Trustee Siviski to nominate Donna Katsiaficas for Clerk of the Board.

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

Voted to elect Donna Katsiaficas as Clerk of the Board.

ACCEPTANCE OF MINUTES

It was moved by Trustee Libby, seconded by Trustee Lunt.

Voted all in favor to waive the reading and accept the minutes of the Regular Meeting of February 25, 2019, Special Meeting of March 11, 2019 and the Workshop Meeting of March 11, 2019.

INVITATION FOR PUBLIC COMMENT

None

REPORTS

Operations Committee

Trustee Siviski provided a summary of the Operations Committee meeting on March 11, 2019. The 2019 work plan was discussed and no changes were made. Two items also discussed will be taken up under new business, the East End Secondary Clarifier/RAS Assessment engineering procurement recommendation and the selection of a consultant and contractor for the East End WWTF and Cape Elizabeth HVAC projects. Staff explained the District's well-documented Water Quality Inquiry process, and reviewed some recent statistics on the types of inquiries received.

Planning Committee

Trustee Levinsky provided a summary of the Planning Committee meeting on March 11, 2019. Staff recommended purchasing the property at 25 Dog Leg Road in Standish. Staff also recommended selling an easement to CMP. Both of these items will be taken up under new business. The Committee went into executive session to discuss the disposition of the reservoir property on Munjoy Hill in Portland.

Administration and Finance Committee

Trustee Willey provided a summary of the Administration and Finance Committee meeting on March 11, 2019. Three items, the Fore River Pump Station financing, Westbrook bond reallocation and water terms and conditions changes will be taken up under new business. Staff presented the concept of assessing a fee to property owners for never activated or long-term inactive water service lines. They propose to continue their research on how others have implemented such a fee, prepare a detailed proposal and present to the Committee at a future meeting. Staff reported an asset management software vendor (Lucity) has been preliminarily selected and further due diligence will be done in the upcoming weeks.

General Manager's Report

Ms. Lewis provided several updates to the Board.

- She noted that she would be testifying at the legislature on a bill that proposes to amend the tree growth law. The bill would require land in tree growth be open to the public for recreation. PWD has 400 plus acres in tree growth closed to the public, within the two-mile limit area. Passage of this bill would cost \$165,000 per year. The sponsor of the bill has expressed a willingness to amend the bill to exempt land in a watershed of a public water source.
- She also told the Board the District had received a draft administrative consent decree from DEP dealing with violations at the East End Plant from 2013-2018. PWD will be proposing a supplemental environmental project as part of the decree that will be funded by the fine paid by PWD.
- 25 applications for the DiPietro Scholarship have been received.
- Rain barrels are once again available for the public to purchase. The many methods of outreach for the sale was shared with the Trustees.

Trustee Beck asked how the District decides to support or oppose legislation. Ms. Lewis explained it starts with a subset of the 2,000 bills that are proposed in the legislative session. They are reviewed internally for the impact on operations of the District and from there it is determined if testimony is necessary. In January, the Board authorized the General Manager to take positions and testify on bills during the legislative session consistent with her understanding of the Board's view on the issues. The General Manager told the Board that the District works through associations like the Maine Water Utilities Association, the Maine Water Environment Association and MMA whenever it can on legislative matters.

Trustee Garrison noted that consumption in January was down. He asked if there were any particular events that caused this. Ms. Lewis responded a few large customers were late in reporting their usage for 2018 and that has thrown the numbers off for 2019.

Trustee Willey noted the upcoming water main crossings of the Maine Turnpike that will be impacted by the widening project. He also inquired about the pending bill at the legislature that effects septic systems within the Shoreland Zone. Ms. Katsiaticas replied it was coming out of committee with a divided report. It has not been sent to the full legislature yet for a full vote.

NEW BUSINESS

Public Hearing, regarding amendments to two existing bonds.

A public hearing was held on the proposed authorizing to amend two previously authorized bonds. The \$2.5 million bond issued to finance the upgrade of the Fore River Pump Station in Portland and the \$2.2 million bond issued to finance the upgrade of the Dana Court Pump Station in Westbrook.

President Cote opened the public hearing, no members of the public wished to speak. President Cote closed the public hearing.

Resolution 19-004, authorizing an amendment to the \$2.5 million bond issued to finance the upgrade of the Fore River Pump Station in Portland.

At the February 25, 2019 meeting, the Board authorized the increase of the Fore River Pump Station project to \$3.5 million, which is \$1.0 million higher than the bond previously authorized at the December 17, 2018 Board meeting. The proposed motion amends the December 2018 order to fully finance the project through the Clean Water State Revolving Loan Fund (CWSRF). The current CWSRF interest rate is 1% and the anticipated debt service payment is \$220,500.

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

It was Voted and unanimously,

RESOLVED, Resolution 18-016 is hereby amended to authorize the issuance of up to \$3,500,000 in Sewer Bonds to finance the upgrade of the Fore River Pump Station located in Portland. The full form of the Resolution attached hereto is hereby approved and shall be attached to and incorporated as part of the minutes of this meeting.

Resolution 19-005, authorizing an amendment to the \$2.2 million bond issued to finance the upgrade of the Dana Court Pump Station in Westbrook.

The District issued a \$2.2 million bond to finance the Westbrook Dana Court Pump Station upgrade through the Clean Water State Revolving Loan fund. It is anticipated that the actual cost of the project will be up to \$150,000 less than the bond. It is proposed to use any remaining bond proceeds to partially finance the costs related to the Aeration System upgrade at the Westbrook Regional Wastewater Treatment Plant.

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

It was Voted and unanimously,

RESOLVED, Resolution 18-002, which authorized the issuance of a \$2.2 million bond to finance the upgrade of the Dana Court Pump Station, is hereby amended to expand the scope of the original project to be financed to include the upgrade of the aeration system at the Westbrook Regional Wastewater Treatment Plant. The full form of the Resolution attached hereto is hereby approved and shall be attached to and incorporated as part of the minutes of this meeting

Order 19-012, authorizing the final rate schedule for the water rate increase.

In January 2019, the Board of Trustees requested staff to prepare a rate filing supporting a 4.4% rate adjustment. The filing includes a rate increase differential between residential and commercial/ industrial rates resulting in an increase of residential customer rates by 4.0% and commercial customers by 5.9%. Fire protection charges increase by 4.4%.

Pursuant to Board rules, a public hearing was held on March 11, 2019. All 52,000 customers received notification of the rate adjustment. Three written comments were received and no members of the public made comments at the public hearing.

The 4.4% rate adjustment is projected to increase water revenue by \$1,052,079 in total. With the rate adjustment, 2019 revenues are expected to meet the projected expenses.

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

It was Voted and unanimously,

ORDERED, that the final rate schedule for the water rate increase, attached hereto and incorporated herein by reference, is hereby approved.

Resolution 19-006, accepting the revisions to the District's Terms and Conditions.

Currently, the disconnection process for overdue receivable balance is triggered when an account is greater than 50 days old and greater than a certain amount based on the type of account. For water only accounts, the outstanding balance has to be greater than \$100. For water and sewer accounts, the outstanding balance has to be greater than \$200. To facilitate the change to the new billing system, a single outstanding balance of greater than \$100 is recommended.

A review of the collection activity was done for a month. The review compared the actual number of disconnection notices and postings that would have been generated at varying levels of dollar delinquency. At the recommended \$100, the number of additional disconnection notices and postings that would have been sent were 855 and 117, respectively. Staff estimates that after the change is implemented for several months, customers will modify their payment practices, resulting in the number of letters and postings decreasing back down to the current level.

Trustees Levinsky, Siviski and Lunt posed questions to staff regarding the change to the terms and conditions and were answered to their satisfaction.

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

It was Voted and unanimously,

RESOLVED, the revisions to the District's Terms and Conditions of water service related to the disconnection process for overdue receivables, attached hereto as Exhibit A, are hereby adopted with an effective date of May 1, 2019.

Order 19-013, authorizing a professional services contract with Tighe & Bond for the East End WWTF Secondary Clarifiers and Return Activated Sludge Piping Project.

The proposed effort will provide a condition assessment of the secondary clarifiers and RAS piping, make recommendations regarding remaining asset life and potential future upgrades, and

provide cost opinions for each recommendation. The project will evaluate alternatives for enhancing RAS distribution between the three treatment trains.

One proposal was received from Tighe & Bond. The three additional qualified engineering firms invited to respond to the RFP, declined to propose. Tighe & Bond is a qualified team that proposes methods for condition assessment, alternatives evaluation, and development of budgetary level costs in accordance with the project scope.

Trustee Garrison commented on the lack of competition for construction and engineering services.

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

It was Voted and unanimously,

ORDERED, a professional services contract with Tighe & Bond in the amount of \$55,000 is hereby authorized for engineering assessment services for the East End WWTF Secondary Clarifiers and Return Activated Sludge (RAS) Piping (CIP 2016-409/2545, 2016-409/2557); 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 19-014, authorizing actions related to the HVAC Upgrade Project for the East End WWTF Dewatering Areas and the Cape Elizabeth WWTF Headworks Area.

The HVAC Upgrade Project includes work at two wastewater treatment facilities: the East End WWTF in Portland and the Cape Elizabeth WWTF in Cape Elizabeth. The EEWWTF portion includes upgrades to the ventilation systems in the dewatering and chemical storage areas and removal of interconnections to the sludge cake garage which is served by the odor control system. The Cape Elizabeth upgrades include ventilation and heating for the Cape Elizabeth WWTF headworks area.

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

It was Voted and unanimously,

WHEREAS; the Board authorized the comprehensive method for engineering services for the Project in September 2017 (CEWWTF portion), January 2018 (EEWWTF portion); and

WHEREAS; the Board authorized a service contract with Triple Point Engineering in July 2018 for the Project (HVAC Upgrade Project for both – EEWWTF Dewatering Area (CIP 2018-2705) and CEWWTF Headworks (CIP 2018-2571)),

ORDERED; the General Manager is hereby authorized to execute a service contract amendment with Triple Point Engineering, in the amount of \$23,000 for construction services for the Project; and

BE IT FURTHER ORDERED, a construction contract with Patriot Mechanical, LLC is hereby authorized, in the amount of \$589,638 for the Project; and

BE IT FURTHER ORDERED, that a total budget for projects combined is hereby authorized, not to exceed \$700,000; 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 19-015, authorizing the General Manager to execute a purchase and sale agreement for property located at 25 Dog Leg Road in Standish.

Staff has been working with Craig Stevens Esq. who represents the estate of Eleanor Webb, to purchase the land and cottage at 25 Dog Leg Road in Standish. The property was appraised by the District's appraiser in 2018 at \$255,000. The District's original bid for the property was \$255,000. Mr. Stevens received subsequent bids from other parties above the District's bid. After discussion with the Planning Committee last month, staff submitted a bid of \$277,500 for purchase of the property, subject to Board of Trustee approval, which was accepted by Mr. Stevens.

The Webb property contains 0.5 acres with 105 feet of frontage. The seasonal cottage contains 578 square feet. If purchased, staff would plan to remove or demolish the cottage and restore the land back to forested land.

George Rheault posed funding questions to the Board on the purchase of the property and removal of the existing structure. Chris Crovo and David Kane responded.

It was moved by Trustee Levinsky and seconded by Trustee Lunt.

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to execute a purchase and sale agreement for the purchase of property located at 25 Dog Leg Road in Standish for \$277,500, and further to authorize the General Manager and the Treasurer, each acting singly, to execute any documents as may be necessary to implement the intent of this vote.

Order 19-016, authorizing the General Manager to execute a purchase and sale agreement for the sale of an easement to CMP.

In 2017, the Electrical Master Plan for the four Wastewater Treatment Plants was completed. This was a comprehensive evaluation of the electrical distribution systems of each plant. At the East End Facility, a combined Pump Station and Plant backup generator along with distribution system improvements was identified as a Phase 1 recommendation. The estimated cost for this

project (CIP #3010) was \$3,950,000 and was on schedule to be constructed by year-end 2019. In the fall of 2018, the District was approach by Central Maine Power to gauge interest in providing them land at the East End Plant to site a transmission and distribution substation near the entrance to the plant. The location and property required by CMP happen to be in the same location as the District's planned generator project. CMP staff noted that the City of Portland staff recommended this as their preferred location for a new substation on the peninsula.

The substation construction will save the District approximately \$2 Million Dollars in costs because it will no longer be required to install a combined generator and it is estimated to provide a future cost avoidance of \$2 Million Dollars.

Trustees Willey, Garrison and Lunt expressed their support of this sale. Trustee Garrison noted he hoped the District would be involved in the planning of the site.

George Rheault had questions regarding the sale. Chris Crovo and Donna Katsiaficas responded.

Donna Katsiaficas also noted that approval of the CMP site improvements by PWD is a condition of the sale.

It was moved by Trustee Levinsky and seconded by Trustee Lunt.

It was Voted and unanimously,

ORDERED, the General Manager is authorized to execute a Purchase and Sale Agreement in substantial form as attached hereto, with Central Maine Power Company for the sale of an easement located on PWD property along Marginal Way for use as a substation; and

BE IT FURTHER ORDERED, that the General Manager and the Treasurer, each acting singly, are authorized to take such other steps as may be necessary to accomplish the intent of this vote.

EXECUTIVE SESSION

None

OTHER BUSINESS

A Motion was made by Trustee Lunt, seconded by Trustee Garrison to place an item on the agenda. The Board voted unanimously to place the additional item on the agenda. The item was a statement, read by President Cote into the record, responding to the comments made by the union's business agent, Joe Piccone, at the District's business meeting in February. The comments will be sent directly to Mr. Piccone.

SECOND INVITATION FOR PUBLIC COMMENT

None

TRUSTEE COMMENTS

Trustee Lunt thanked the Board for allowing him to be President of the Board for the third time these last 2 years.

Trustee Willey commended the staff for the work they did at the Sebago Lake Symposium in February.

Adjournment.

Meeting adjourned at 7:30 p.m.

Submitted by

Donna M. Katsiaficas
Clerk