

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, and via Zoom, on Monday, November 27, 2023. Attending from staff were S. Garrison, C. Crovo, D. Kane, S. Firmin, J. Wallace, P. Cutrone, D. Katsiaficas, M. Demers, and C. Cote. Seth Parker of Silver Street Development, Portland was also in attendance.

The meeting was convened by President Lunt at 6:02 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.

### **DECLARATION OF ELECTION RESULTS AND INAUGURATION FOR THE TRUSTEES REPRESENTING PORTLAND AND SCARBOROUGH ELECTED ON NOVEMBER 7, 2023**

Trustee Frederick McCann, representing Portland, was sworn in as he began his five-year term. Trustee Leroy Crockett, representing Scarborough, was sworn in as he began his five-year term.

### **ACCEPTANCE OF MINUTES**

Trustee Cote made a motion to accept the minutes of the Regular Meeting of October 23, 2023, seconded by Trustee Siviski. It was voted all in favor.

Trustee Cote made a motion to accept the minutes of the Workshop Meeting of November 13, 2023, seconded by Trustee Siviski. It was voted all in favor.

### **INVITATION FOR PUBLIC COMMENT**

None

### **REPORTS**

#### **Operations Committee**

Trustee McCann provided a summary of the Operations Committee meeting on November 13, 2023.

Staff provided a recommendation to amend an engineering services contract for the Westbrook Combined Sewer Overflow Long-Term Control Plan to provide flow monitoring and other services in the development of the plan.

The Wastewater and Water Services Departments presented their respective 2024 budgets. Highlights of each department's operational budgets include the following:

Water Services reviewed accomplishments from 2023 and noted some of the initiatives planned for 2024. The Water Services Budget for 2024 has increased 4.7% for a total of \$496,523. The majority of the increases are in the areas of salaries, wages, and benefits, along with increases in chemicals, contracted services, and power. There was also a discussion of previous years' employee turnover, and new strategies implemented in 2023 to help retain their services over the coming years.

Wastewater Services highlighted the final 2024 recommended budget in the six communities that PWD serves. The overall budget increase was \$959,713 or 6.9%. While biosolids costs have stabilized (due to the new 5-year management contract), power, fuel, and chemical costs all contribute to the increase in the proposed budget.

#### **Planning Committee**

Trustee Douglas provided a summary of the Planning Committee meeting on November 13, 2023.

Staff recommended the sale of the Munjoy Hill Reservoir and entering into an intent to sell agreement with Silver Street Development. This will be taken up under new business.

The Asset Management and Planning Department, which is comprised of Environmental and Engineering Services, presented their respective budgets. Staff provided an overview of the Environmental and Engineering Services proposed 2024 budget. They discussed briefly with the Committee the projects and initiatives they accomplished in the previous year and outlined their goals for this coming year. They also discussed their respective financial overviews for their departments. Paul Hunt, Environmental Services Manager reviewed the Water Resources and Laboratory budgets and noted that their proposed budget decreased approximately 1.5% over the previous year. He explained that the primary reason for the decrease over the previous year's budget was due to reducing a position, shifting resources, and expanding the outsourcing of the environmental education program. Gordon Johnson, Engineering Services Manager, and Josh Hudak, Facilities Manager noted the Facility, Asset Engineering, and Instrumentation Services budgets proposed a budget of 5.6 % over the previous year's budget. It was noted that an additional Asset Management Technician position was added to the budget.

#### **Administration and Finance Committee**

Trustee Cote provided a summary of the Administration and Finance Committee meeting on November 13, 2023.

Mr. Kane noted the Board authorized the purchase of a vacuum excavator last month. The purchase will be financed by issuing a bond through the Drinking Water State Revolving Loan Fund.

Mr. Cutrone noted the current meters and meter reading system was installed almost 20 years ago. At the time, PWD migrated from a walking, touchpad meter reading system to a drive-by meter reading system. This system utilizes a small radio attached to the meter that transmits the meter reading to the vehicle driving by. The batteries in the radio devices have reached the end of their life and need to be replaced. An overview of the project was provided to the Board at their October Workshop. Staff proposed a motion authorizing a contract to hire a consultant to assist PWD through the project.

Mr. Kane presented a motion to increase the current pensioners' benefits by 2.2%, which is 50% of the increase in the consumer price index.

The administrative departments' managers presented their respective budgets. Overall, the departments are requesting \$7,368,187, a \$179,420, or 2.5%, increase. Each manager provided an explanation of their budget request and a summary of their 2024 goals. Staff responded to a number of questions.

#### **General Manager's Report**

Mr. Garrison reported the following:

Treatment facility tours were re-opened to the public in September. Since then, PWD has conducted seven tours. On October 18 we hosted four senior engineers and scientists from the Metropolitan Waterworks and Sewage Regulatory Office (MWSS RO) of the Philippines. While in the area for training, they toured our wastewater treatment facility and met with staff to talk about treatment techniques, water chemistry and microbiological analyses, and water source protection.

The state-run, federally-funded program to provide financial assistance to qualifying low-income households (LIHWAP) has ended. PWD had 242 customers who applied and were awarded funds totaling \$286,796.98. PWD is working with national associations to make LIHWAP a permanent program. PWD is also working with a group of Maine utilities, the Office of the Public Advocate, and the Maine Public Utilities Commission on solutions to affordability that do not involve some utilities subsidizing others or that require customer income verification.

PWD has replaced a total of 3,660 feet of galvanized water mains this year. This was a joint effort between PWD operations and contractor support. Customers are noticing improved water quality and

increased pressure in these areas where galvanized mains are replaced. These mains also have high rates of failure so replacing them is a significant benefit to operations.

**NEW BUSINESS**

**Order 23-047**, authorizing a letter of intent with Silver Street Development Corporation for the sale of surplus District property.

The District owns a 1.56-acre parcel of land in Portland at the intersection of Walnut and North Streets. In the 1970's the District constructed a 2 million-gallon concrete, underground reservoir on the property. The adjacent property, the Island View Apartments, has easement rights over the surface of the District's reservoir parcel. The easement area is currently being used for parking, utility lines, a playground, a gazebo, and lawn.

The City of Portland has assessed the land value at \$611,500. However, this does not account for the encumbrances on the parcel. Island View Apartment owners have perpetual easement rights to use the surface of the property, making it essentially useless to any other potential developer.

Silver Street Development Corporation, owners of the Island View Apartment property, have submitted a Letter of Intent (attached) to the District proposing to purchase the property with the ultimate goal of developing it into affordable housing. If the District were to retain the property, eventually the reservoir would need to be removed or filled with a solid material to prevent it from collapsing.

The deed will specify that it is being sold "As is, where is" and will absolve the District of all further responsibility or liability for the reservoir or the property.

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

It was Voted and unanimously,

**ORDER**, The General Manager is authorized to sign the Letter of Intent with Silver Street Development Corporation for the sale of surplus District property on Walnut Street in Portland known as the Munjoy Hill Reservoir; 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.

**PUBLIC HEARING**, regarding the issuance of water bonds.

President Lunt opened the public hearing. There was no one from the public wishing to speak. President Lunt closed the public hearing.

**Resolution 23-016 (formerly Resolution 23-043)**, authorizing the issuance of up to \$700,000 of Water Bonds.

The Board of Trustees at its October 23, 2023, meeting authorized the purchase of a Hydro Vacuum Excavator for up to \$700,000. Financing has tentatively been approved by the Maine Drinking Water Program to come from their Lead Copper Loan fund for assessing water lines for lead and mitigating lead from water distribution systems. The loan is expected to be designated as 55% Principal Forgiveness at 0% interest loans for a maximum of 20 years. The proposed motion authorizes the bonds to be issued.

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

It was Voted and unanimously,

RESOLVED, the issuance of up to \$700,000 of Water Bonds is hereby authorized to finance the purchase of a vacuum excavator. The full form of the Resolution is attached hereto and incorporated as part of the minutes of this meeting.

Order 23-038, adopting the 2024 Budget and Wastewater Assessment.

PWD staff prepared the 2024 Comprehensive Budget Report and presented the report to the Board at the October 23, 2023 meeting. The Administration and Finance, Operations, and Planning Committees reviewed their respective areas of the budget at the November 13, 2023 Committee meetings. Incorporated in the proposed budget, the assessment amounts included provide funding to fully support the 2024 budgeted expenses.

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

ORDERED, that the 2024 Budget and Wastewater Assessments as presented by the General Manager at the October 23, 2023, Regular Board meeting 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 2024 the participating municipalities for wastewater related costs as follows:

Town of Cape Elizabeth	\$2,390,220
Town of Cumberland	\$1,279,680
Town of Falmouth	\$314,112
Town of Gorham	\$1,675,344
City of Portland	\$16,543,176
City of Westbrook	\$3,995,964
Town of Windham	\$808,488

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

City of South Portland	\$236,916
Scarborough Sanitary District	\$13,944

Order 23-039, authorizing the final rate schedule for the water rate increase.

The proposed 2024 Budget assumes a water rate adjustment with an average adjustment of 6.4% effective January 1, 2024. The adjustment includes a rate differential between residential and commercial/industrial rates resulting in an increase of residential customer rates by 5.9%, commercial customers by 7.3%, and industrial customers by 9.0%. Fire protection charges are increasing by 5.7%.

Pursuant to Board rules, a public hearing was held on November 13, 2023. All customers received notification of the meeting to review the proposed rate adjustment. Supporting documentation was posted to the District’s website. Two comments were received from the public and were distributed to the Board at the public hearing.

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

It was Voted and unanimously,

ORDERED, that the final rate schedule for the water rate adjustment, attached hereto and incorporated herein by reference, is hereby adopted with an effective date of January 1, 2024.

**Order 23-040**, approving the revisions to the District's Terms and Conditions.

Starting in 2022, the Water Terms and Conditions (T&C) are annually reviewed as part of the budget process with the fees updated to reflect current costs. The last fee update was approved on November 28, 2022 (Order 22-046). Because the District was granted a waiver from the Maine Public Utilities Commission (PUC) rate-related filings requirements, the T&C changes need only Board approval.

The changes being proposed include the following:

- Updating fees to current costs
- Section 410: New fees for planning and engineering new water services projects and a new Maine Department of Transportation (DOT) highway opening and utility location permit fee
- Section 411: New fee for service line admin fee for main extension projects
- Section 410 and 411: Several clarifications on the circumstances when fees will be assessed

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

It was Voted and unanimously,

**ORDERED**, that the revisions to the Portland Water District's Terms & Conditions of water service, attached hereto and incorporated herein by reference, are hereby adopted with an effective date of January 1, 2024.

**Order 23-041**, authorizing revisions to the Fee Schedule for Non-Water Tariff Services.

Starting in 2022, PWD reviews the Fee Schedule for Non-Water Tariff Services annually and updates the fees to reflect current costs as part of the budget review. The Fee Schedule for Non-Water Tariff Services schedule of fees outlines miscellaneous fees not included in the Water Schedule of Rates and Terms & Conditions. Staff is requesting no changes except for a 4% increase in the septage fee and a \$1 increase in the submeter fee.

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

It was Voted and unanimously,

**ORDERED**, that the revision to the Fee Schedule for Non-Water Tariff Services, attached hereto and incorporated herein by reference, is hereby adopted with an effective date of January 1, 2024.

**Order 23-042**, adopting the 2024-2028 Capital Improvement Plan.

PWD staff prepared a detailed five-year capital plan (see pages 269 to 370 of the 2024 Comprehensive Budget Report). At the November 13, 2023 Board workshop, the Board of Trustees received a presentation outlining the proposed projects and recommended funding. The five-year total is over \$210M.

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

It was Voted and unanimously,

**ORDERED**, the 2024-2028 Capital Improvement Plan is hereby adopted and the General Manager is authorized to solicit bids or proposals for the 2024 projects; except CIP# 182, project 3241\North Windham Wastewater system, and to authorize the General Manager to award contracts for approved projects to the lowest bidder if the bid is within the project budget and meets qualifications; and

BE IT FURTHER ORDERED, the General Manager shall solicit bids or proposals and partner with municipalities, Maine Department of Transportation (MDOT), and developers for the replacement and extension of water mains, services, valves, and hydrants as outlined in the Water Distribution Systems 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.

Resolution 23-014, declaring the Board's intent to issue debt to reimburse costs incurred for the Water fund, and the Wastewater funds for Cape Elizabeth, Cumberland, Portland, Westbrook, Gorham, and Windham projects identified in the 2024 CIP.

The proposed 2024 Budget includes over \$48.6 million of capital projects. 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. Resolution 23-014 indicates the intent to borrow motion for all funds. 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.

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

It was Voted and unanimously,

RESOLVED, the Board of Trustee hereby declares its intent to issue debt to reimburse costs incurred by the Portland Water District for the Water fund, and the Wastewater funds for Cape Elizabeth, Cumberland, Portland, Westbrook, Gorham, and Windham projects identified in the 2024 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.

Order 23-044, authorizing a contract with Diameter, Inc. for consulting services to assist with the Advanced Meter Infrastructure/Automated Meter Reading Assessment and Meter Renewal Planning (AMI/AMR Meter Planning) Project.

In 2009, PWD completed a three-year project that changed out nearly all of its 50,000 plus meters with a drive-by radio read Automated Meter Reading (AMR) system. There was a substantial customer impact to change meters since they are located inside customers' homes and businesses. The replacement of meters and meter reading technology improved customer levels of service by reducing estimated bills, meter reading related adjustments, and the labor required to read meters every month, as well as providing the ability to recover lost revenue due to declining registration accuracy with respect to consumption.

The drive-by system includes both a meter and an attached battery powered endpoint receiver transmitter (ERT). The meters and batteries were expected to function without intervention for 20 years for the smaller diameter meters and less for the larger diameter meters. We are approaching the end of life for both small meters and their batteries.

The Board of Trustees adopted Policy 620 – Water Service Standards which includes a reference to American Water Work Association (AWWA) standards for testing meters to determine whether water flow is accurately measured and thus billing the customer correctly. Meter testing is done at a low, medium, and high flow rate with a fixed volume of water. The volume and flow rate vary based on meter size and design. However, the results are expressed as a % of accuracy with 100% being the ideal for each flow rate. The policy states a meter is acceptable if it tests within +/-2% at the medium and high flow rate and greater than 90% at the low flow rate.

Current testing of small diameter meters (1" and less) indicates a nearly 60% failure rate, primarily on the low flow registration.

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 contract with Diameter, Inc. for consulting services to assist the Portland Water District with the Advanced Meter Infrastructure/Automated Meter Reading Assessment and Meter Renewal Planning (AMI/AMR Meter Planning) project as a subcomponent of the Meter Replacement and Leak Detection project (CIP 2023-63/3046); and

BE IT FURTHER ORDERED, that an amendment to the 2023 capital improvement plan of \$400,000 is hereby authorized; 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 23-045**, authorizing an adjustment in pension benefits for eligible retirees and annuitants.

Since 1989, the Board of Trustees has the authority to grant an annual adjustment in pension benefits equal to 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.

Trustee Libby noted that he would like the Board to explore granting the full CPI increase to eligible retirees and annuitants in the future.

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

It was Voted and unanimously,

ORDERED, an adjustment of 2.2% in pension benefits is authorized for eligible retirees and annuitants, effective January 1, 2024, in accordance with Article X of PWD's pension plans.

**Order 23-046**, authorizing an amendment to the professional services contract with Wright-Pierce regarding the Westbrook Long-Term Combined Sewer Overflow Plan (LTCP).

In October 2021, a contract was approved for Wright-Pierce to provide an update to the Westbrook Long-Term Combined Sewer Overflow Plan (LTCP). The planning effort relies heavily on flow monitoring to calibrate a model that can be used to evaluate the need for and benefit of various recommendations.

The plan originally included several months of flow monitoring in 2022. Unfortunately, the amount of rain and intensity of storms was not sufficient to provide meaningful data. When reviewing the data, Maine DEP was contacted and requested that the study be extended to include flow monitoring in 2023. This work was completed and the amount and intensity of rain was more than sufficient to collect meaningful data.

It was moved by Trustee McCann and seconded by Trustee Shattuck-Heidorn.

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute an amendment to the professional services contract with Wright-Pierce in the amount of \$65,000 to complete flow monitoring and other work; and

BE IT FURTHER ORDERED, that the capital improvement plan for 2020 and 2021 is increased by \$5,000 and \$60,000 respectively, 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.

**Resolution 23-015**, adopting the Board of Trustees meeting schedule for 2024.

Trustee Siviski moved to change the December 23<sup>rd</sup> meeting to December 16<sup>th</sup>, seconded by Trustee Cote. All voted in favor.

President Lunt moved the amended Trustee meeting schedule for 2024, seconded by Trustee Beck.

It was Voted and unanimously,

RESOLVED, to adopt the proposed Board of Trustees' meeting schedule for 2024, attached hereto and incorporated herein by reference.

**OTHER BUSINESS**

None

**SECOND INVITATION FOR PUBLIC COMMENT**

None

**TRUSTEE COMMENTS**

President Lunt said he hoped everyone had a nice Thanksgiving, and he looked forward to the December meetings.

**EXECUTIVE SESSION**

None

**ADJOURNMENT**

Meeting adjourned at 7:14 p.m.

Submitted by,

Carrie E. Cote  
Assistant Clerk