

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, December 18, 2023. Attending from staff were S. Garrison, C. Crovo, D. Kane, S. Firmin, J. Hudak, D. Katsiaficas, M. Demers, and C. Cote.

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. Trustees Libby and Shattuck-Heidorn were absent.

ACCEPTANCE OF MINUTES

Trustee Willett made a motion to accept the minutes of the Regular Meeting of November 27, 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 December 11, 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 December 11, 2023.

Staff provided a recommendation to award a construction contract to upgrade the Ottawa Rd. Pump Station, and amend the project budget.

Staff shared a brief update on two items that will be presented for consideration in the coming months. The first will be a recommendation to amend engineering services related to the North Windham Wastewater Project. The second will be a recommendation related to the recent General Engineering Services Contract RFP that was recently released.

Staff provided a brief progress report on the engineering effort to address the Fore River Pump Station pumps. This included some visual representations, generated from the vibration analysis of the pumps at the Fore River wastewater pump station, that illustrated the potential cause of the vibration in the pumps. The information will inform the final recommendations expected in the next month for solutions to address the vibration issues at the station.

Planning Committee

Trustee Douglas provided a summary of the Planning Committee meeting on December 11, 2023.

Staff recommended changing the terms of the CMP substation easement related to the requirement that the substation be operational within 10 years. This recommendation is the product of discussions between CMP and PWD staff and compensates PWD customers for the additional uncertainties associated with having the project unrealized past 10 years.

Staff recommended approval of an agreement with the Town of Standish for the stormwater redirection project to better protect Sebago Lake and include a revised construction budget.

Laurel Jackson, Right of Way Agent, and Chad Thompson, Source Protection Coordinator, provided an overview of the meeting with the Town of Standish's Town Manager, Public Works Director, and Parks and Recreation Director to review the current lease agreements PWD has with the town. Both

the town and staff benefited from this review since there has been staff turnover in many of the positions within the town and PWD.

Administration and Finance Committee

Trustee Cote provided a summary of the Administration and Finance Committee meeting on December 11, 2023.

Four items will be discussed tonight that were reviewed by the Committee.

- Non-Union Compensation Policy - a proposed revision to the non-union compensation policy.
- Non-Union Salary Structure - KMA Human Resources Consulting recommended a 4% adjustment be made to the non-union pay bands consistent with base compensation trends.
- Pension Plan Amendment – Deferred Compensation (457) Plan – reviewed five proposed changes to the deferred compensation plan as the result of recent federal law changes.
- PI Software Subscription - a motion authorizing an amendment to the 2023 Capital Improvement Plan (CIP) for the purchase of a PI software subscription.

General Manager's Report

Mr. Garrison reported the following:

The new Sebago Lake to Casco Bay calendar has been produced and will be delivered to employees and stakeholders throughout December. This is the first year the calendar has broadened its scope and includes photos of Casco Bay.

All required 2023 periodic drinking water sampling has been conducted and analyzed by Maine-accredited laboratories. PWD was in 100% compliance with State and Federal rules.

It has been a very rainy year, which has shown up in Combined Sewer Overflow (CSO) volumes. YTD Portland, for example, has seen three times as much CSO volume as the same period last year, 304 million gallons vs. 133 million gallons. The intensity, frequency, and duration of wet weather events have increased. Municipalities are responsible for the collection systems, where the volume is generated, but these volumes often reach the treatment facilities.

Operations received the Ditchwitch/TruVac hydro-excavation unit and spent several days training with the manufacturer representative. Hydro-excavation uses pressurized water and a high-powered vacuum to excavate as opposed to traditional methods using an excavator. This allows for a safer and often more expedient option when working around crowded underground utilities and requires a much smaller footprint.

Dan Rogers, PWD's Garage Foreperson, is retiring after 43 years. The excellent condition of PWD vehicles and mobile equipment is a testament to Dan's skill in managing fleet assets.

NEW BUSINESS

Resolution 23-017 awarding the Water Bottle Filling Station Grants.

In 2013, the Board of Trustees authorized the development of the Water Bottle Filling Station Grant program. In 2021 the Board increased maximum funding to \$10,000, from \$7,000 annually. Water bottle filling station grants provide a maximum value of \$5,000 for outdoor units, \$2,000 for stand-alone units, and \$650 for retrofits - to entities within the service territory.

The Water Bottle Filling Fountain Grant Committee met on December 11 and selected eight recipients out of forty-four applications for the Board's consideration. Applications were reviewed and judged primarily on potential exposure, public access, and the promotion of healthy tap water. The total maximum award is \$10,900 which is over the maximum budgeted amount because generally, units cost less than the maximum and sometimes recipients decline to install units.

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

It was Voted and unanimously,

BE IT RESOLVED, that the Board of Trustees hereby awards the following Water Bottle Filling Station Grants for the installation year of 2023

			Maximum
Cape Elizabeth Recycling Committee	Cape Elizabeth	Outside	\$5,000
Breakwater Learning	Portland	Retro	\$650
Cape Elizabeth Middle School (three were requested, one is being granted)	Cape Elizabeth	Retro	\$650
MMC Preble Street Learning Collaborative	Portland	Retro	\$650
The Episcopal Church of Saint Mary	Falmouth	Retro	\$650
The Point Community Center	South Portland	Retro	\$650
Town of Standish	Standish	Retro	\$650
Maine Audubon	Falmouth	Stand Alone	\$2,000

Order 23-048, authorizing the execution of documents related to engineering and construction to redirect stormwater from Standish Brook to Northeast Road in Standish.

The Town of Standish is contracting with Gorrill Palmer to modify the intersection of Route 35 and Route 114 to address persistent issues with traffic flow through the intersection. In addition to the installation of smart traffic signals, the project will also require relocation of some stormwater catch basins and piping to accommodate a new traffic pattern.

Staff learned that Standish’s traffic improvement plan included relocating the catch basins as part of their project, District staff identified this project as an opportunity to facilitate the redirection of stormwater from the intersection away from Standish Brook to an existing infiltration ditch alongside Northeast Rd Ext.

From a source water quality perspective, redirection of stormwater flow from the intersection would redirect the majority of intersection stormwater from a direct input to Sebago Lake via the brook to an existing infiltration ditch more than 500’ from the lake. Infiltration of existing stormwater will help keep E. coli bacteria out of the lake and will help mitigate nutrient contamination as well

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

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute any documents necessary for professional services in the amount of \$250,000 for engineering and construction to re-direct stormwater collected at the intersection of Route 35 and Route 114 in Standish from Standish Brook to Northeast Rd Ext.

Order 23-049, authorizing an Agreement Regarding Substation with Central Maine Power Company.

In 2019 the District entered into a Purchase and Sale Agreement with Central Maine Power Company (CMP) for the sale of an easement located on our property at the East End Treatment Plant facility; CMP will use the easement for the placement and operation of a substation. The Easement provides that if a substation is not built and operational within 10 years from the date

of closing, the easement automatically reverts back to the District. Closing on the sale will occur prior to December 31, 2023.

CMP is concerned that they may not be able to meet this 10-year deadline due to circumstances beyond their control, such as permitting delays, difficulties in getting other easement rights or litigation. For that reason, they have asked if the 10-year period for build-out of the substation could be extended; in return, CMP has agreed to pay \$100,000 per year for each one-year period of extension that they need. Payment is to be made if and when the extension is needed.

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

ORDERED, that the General Manager is authorized to execute an Agreement Regarding Substation with Central Maine Power Company, in substantial form as attached hereto;

BE IT FURTHER ORDERED, that the General Manager and Treasurer, each acting singly, are authorized to execute any documents necessary to carry out the intent of this vote.

Order 23-050, authorizing a construction contract with T. Buck Construction, Inc. for the Ottawa Rd. Pump Station Upgrade Project.

The Ottawa Road Pump Station collects wastewater from five residential roads in Cape Elizabeth. Aging equipment has been causing increased mechanical failures which is of particular concern as this station is connected to a Combined Sewer Overflow (CSO), and as such is a relatively high-criticality station.

The design was completed and issued for bid in October 2023, with bids due in late November. T. Buck Construction's bid was the only response received. Value Engineering was completed throughout the project; however, the bid response exceeds the available budget for construction. The project CIP budget was originally estimated several years ago, prior to significant market price increases associated with the COVID-19 pandemic. While higher than originally anticipated, based on recent pricing of other projects and the rising cost of commodities, the proposed cost is a good value.

PWD has experience with T. Buck Construction and has determined they have the contracting capacity, relevant project experience, qualifications, and resources to complete the Project. PWD staff therefore recommends that T. Buck Construction be considered the low responsive and responsible bidder.

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

It was Voted and unanimously,

ORDERED, the General Manager is authorized to execute a construction contract with T. Buck Construction, Inc. in the amount of \$361,127 for the Ottawa Rd. Pump Station Upgrade Project (CIP 2022 - 70/3006); and

BE IT FURTHER ORDERED, that the project budget is amended by increasing it by \$80,000 and that the total budget for the Project is hereby authorized, not to exceed \$430,000; 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 23-051, authorizing revisions to the Non-Union Compensation Policy.

The Non-Union Compensation Policy 2.30.22 is being revised to provide clarification on the process of setting median pay for each position, the base pay for an individual, and moving through pay bands with increasing levels of skills, experience, and education.

Revisions to the policy clarify that newly hired employees and those who have transferred or have been promoted within PWD are eligible for a full Cost of Living Adjustment (COLA) on January 1 in the year of their hire/transfer or promotion.

The review procedure in the policy has been expanded to specify steps that begin with a discussion with their Senior Management Team (SMT) member and can be elevated to the Director of Employee Services through a written process if the employee remains unsatisfied.

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

It was Voted and unanimously,

ORDERED, revisions to the Non-Union Compensation Policy 2.30.22 are hereby adopted.

Order 23-052, authorizing the adjustment of the Non-Union Salary Structure.

The Board adopted Non-Union Compensation Policy states the minimum and maximum pay levels established for each pay band will remain in effect until the next salary structure review. The current structure was approved on January 23, 2023, with an effective date of December 31, 2022. Per the recommendation of PWD's compensation consultant, KMA, the minimum and maximum of each non-union broadband should be increased by 4% effective January 1, 2024.

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

It was Voted and unanimously,

ORDERED, the Non-Union Salary Structure, in substantial form as attached hereto, is hereby adopted to become effective January 1, 2024.

Order 23-053, authorizing amendments to the District's Deferred Compensation (457) Plan.

PWD offers a deferred compensation plan to employees which allows employees to save for their retirement in a tax-favored way. For union employees hired after December 31, 2010, and non-union employees after December 31, 2011, participation is mandatory. For employees hired before those dates, participation is voluntary. A plan document outlining how the plan operates is required. The plan was last restated in 2013 and legal counsel recommended the plan be restated to incorporate amendments approved by the Board since 2013 and the proposed amendments to comply with the recently enacted federal law (SECURE acts).

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

It was Voted and unanimously,

WHEREAS, the District wishes to amend and restate the District's Deferred Compensation Plan (the "457 Plan" or "Plan") to incorporate the Plan's five prior amendments and modify the Plan to reflect the current IRS contribution limits and the following SECURE Act changes:

- Permit repayments of Qualified Birth or Adoption Distributions;

- Permit early withdrawals from qualified plans for Terminally Ill Individuals, without the 10% early distribution penalty;
- Increase the age for Required Minimum Distributions to age 73 with respect to individuals turning 72 on or after January 1, 2023;
- Permit the Plan Administrator to rely upon employee certification that Unforeseeable Emergency conditions have been met; and
- Permit withdrawals in connection with federally declared Major Disasters, without the 10% early distribution penalty; and

WHEREAS, effective January 1, 2024, the District also wishes to implement the following SECURE 2.0 features and changes, with formal Plan amendments to be drafted and executed by December 31, 2025 or such later time as may be permitted by IRS guidance:

- Permit penalty-free withdrawals of up to the lesser of \$10,000 or 50% of the individual's vested account for Participants who self-certify that they experienced domestic abuse;
- Permit one withdrawal annually of up to the lesser of \$1,000 or the amount of the individual's vested account in excess of \$1,000 for Participants who self-certify that they experienced a personal or family emergency expense;
- Eliminate the pre-death Required Minimum Distribution requirement for Roth accounts; and
- Permit surviving spouses (if the sole designated beneficiary) to elect to be treated as the deceased employee for purposes of the Required Minimum Distribution rules.

NOW THEREFORE, IT IS HEREBY:

ORDERED, that the 457 Plan as amended and restated effective generally January 1, 2023, in substantially the form presented at this meeting and ordered filed with the minutes hereof, is hereby adopted and approved, with such changes therein, not inconsistent with the general tenor thereof, as the officers of the District deem necessary and appropriate to carry out the objectives thereof, as recommended by legal counsel; and

BE IT FURTHER ORDERED, to approve implementation in 2024 of the SECURE 2.0 features or changes described above and ordered filed with the minutes of this meeting, with formal Plan amendments to be prepared and executed by December 31, 2025 or such later date as may be permitted by IRS guidance; and

BE IT FURTHER ORDERED, that the General Manager and the Treasurer, or each acting singly, is hereby authorized and directed to take any actions necessary or appropriate to effectuate the foregoing Order, including but not limited to: (i) executing the formal documents; (ii) communicating Plan changes to Plan participants and eligible individuals; and (iii) working with legal counsel and/or the Plan's third-party administrator to develop appropriate policies and administrative forms; and

BE IT FURTHER ORDERED, that all actions heretofore taken by any employee of the District in connection with the transactions authorized by the foregoing resolutions, and all transactions related thereto, are hereby approved, ratified and confirmed in all respects.

Order 23-054, authorizing an increase to the 2023 Capital Improvement Plan for the Douglass Street PI Server Upgrade Project.

The 2023 Capital Improvement Plan included a \$130,000 project to replace the software that displays SCADA data in a user-friendly manner (PI system). In the past, the software license was purchased and paid in one lump sum. Additionally, an annual maintenance fee was paid. The software company proposed a more cost-effective model of purchasing the software through a subscription model with a yearly payment for both use of the software and maintenance. Under a new accounting rule (Government Accounting Standards Board, or GASB, rule 96), subscriptions should be recorded as an intangible asset with an asset value equal to the present value of the payment stream commitment.

As indicated below, the subscription option five-year cash outlay is approximately \$31,000 lower than the lump sum license purchase. The subscription option would require recording an intangible asset of \$420,000, which is higher than the combined cash outlay in the CIP/Operating Budget forecast (e.g.- the \$130,000 included in the capital improvement plan and approximate \$50,000 per year included in the annual forecast). The new software will allow an additional number of data points, including the points needed for the new North Windham Wastewater Treatment Facility, and assist in greater automation at our facilities.

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

It was Voted and unanimously,

ORDERED, that the 2023 Capital Improvement Plan is increased to \$420,000 for the Douglass Street PI Server Upgrade Project. (2023 CIP 23-3281)

Resolution 23-018, appointing a representative to the Southern Maine Regional Water Council Board of Directors.

The Board of Trustees must annually appoint a representative to serve on the Southern Maine Regional Water Council. Presently, Chris Crovo is the District's representative.

Pursuant to the Council's bylaws, the District's appointment would be confirmed by the membership at the next annual meeting, which will occur in April 2024. The period of appointment as PWD's representative will be for the period January 1, 2024 through December 31, 2024.

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

It was Voted and unanimously,

BE IT RESOLVED, that Christopher Crovo is appointed as Portland Water District's representative to the Board of Directors of the Southern Maine Regional Water Council.

Order 23-055, authorizing a compensation adjustment for the General Manager.

The 2023 annual review of the General Manager's performance has been completed.

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

It was Voted and unanimously,

ORDERED, the General Manager's annual compensation shall be increased by 4% effective January 1, 2024.

OTHER BUSINESS

None

SECOND INVITATION FOR PUBLIC COMMENT

None

TRUSTEE COMMENTS

Trustees Lunt and Cote wished everyone a Merry Christmas.

Questions arose about the effect of the storm on operations. The GM noted that power outages had been affecting operations, including at the water treatment plant which went on generator to deal with power fluctuations.

EXECUTIVE SESSION

None

ADJOURNMENT

Meeting adjourned at 6:53 p.m.

Submitted by,

Carrie E. Cote
Assistant Clerk