

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 Tuesday, December 27, 2022. Attending from staff were S. Garrison, C. Crovo, D. Kane, S. Firmin, J. Wallace, D. Katsiaficas, M. Demers and C. Cote.

The meeting was convened by Vice-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. President Douglas and Trustee Shattuck-Heidorn were absent.

### **ACCEPTANCE OF MINUTES**

Trustee Levinsky made a motion to accept the minutes of the Regular Meeting of November 28, 2022, seconded by Trustee Cote. It was voted all in favor.

Trustee Cote made a motion to accept the minutes of the Workshop Meeting of December 12, 2022, seconded by Trustee Siviski. It was voted all in favor.

### **INVITATION FOR PUBLIC COMMENT**

None

### **REPORTS**

#### **Operations Committee**

Trustee Beck provided a summary of the Operations Committee meeting on December 12, 2022. Staff reviewed the annual exercise program for the largest 601 water main valves, along with some history of their repair and replacement.

#### **Planning Committee**

Trustee Cote provided a summary of the Planning Committee meeting on December 12, 2022. Staff discussed with the Committee and recommended changes to the land conservation policy. This will be taken up under new business tonight. Donna Katsiaficas, discussed with the Committee the proposed changes to 35-A §6113 that would allow for the use of water funds for the purchase of conservation interests by nonprofit entities. Jamie Willey, member of the public, suggested a Charter change that would have Trustee terms reduced to 4 years instead of 5.

The Committee adjourned to executive session to discuss land negotiations.

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

Trustee Siviski provided a summary of the Administration and Finance Committee meeting on December 12, 2022. Mr. Kane noted the Board had previously authorized a bond to finance upgrades at the Windham Depot Street pump station. The actual cost of the project is approximately \$86,000 less than the issued bond. An amendment to the bond allows the unspent amount to be used to finance Windham's share of the aeration and clarifier systems upgrade project costs at the Westbrook Regional Wastewater Treatment Facility. This will be taken up under new business tonight.

Ms. Demers presented a motion to adjust the non-union salary bands. PWD continues to experience high turnover in a number of positions and there is increased competition for professionals that are in short supply in the market such as engineers and technology professionals. Ms. Demers noted the adjustment was suggested by KMA Human Resources Consulting, who follows the market very closely. PWD works with KMA on retention and salary analysis.

The structure was last adjusted effective January 1, 2022. The historic practice was to adjust the structure every two years, but because of the volatility of the market and higher turnover rates at PWD, the policy was altered by the Board during the last structure adjustment. The revised policy allows for more frequent updates. Because of the general market increase in compensation in the past year and the need to pay competitive wages, it is recommended to adjust the structure effective January 1, 2023. The Committee expressed some concerns about not following the historic practice of updating on a two-year cycle. This adjustment will be discussed by the full Board at the January workshop.

Mr. Kane presented a motion to amend the Fund Balance policy to reflect the following changes:

- Incorporate the previously approved Rate Stabilization and Water Master Plan funds into the policy;
- Increase the Wastewater Renewal and Replacement Fund target to the current standard; and
- Exclude unrealized losses/gains on investments in the calculation of operating fund balances.

This will be taken up under new business tonight.

A draft 2023 Administration and Finance Committee Plan was reviewed. It was recommended an item be added to the workplan – the review of staff turnover statistics; recruitment efforts, and career ladders. The Committee requests input from other Board members for any recommended changes to the workplan.

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

Mr. Garrison reported the following:

- Recognized and thanked operations and facilities staff for their efforts during the significant storm which occurred on December 23. All customers continued to have service.
- At this point in time, PWD is experiencing no COVID cases or close contacts.
- Chemical bids this year came in 27% higher than the last bid. The chemical market remains volatile in pricing.
- PWD's legislative delegation has been invited to tour the water plant and ecology center on January 9; the Board is also invited to attend.

### **NEW BUSINESS**

**Public Hearing**, regarding an amendment to an existing bond.

Vice-President Lunt opened the public hearing for comments. No one from the public was in attendance. Vice-President Lunt closed the public hearing.

**Resolution 22-017**, authorizing an amendment to allow bond proceeds to be used to finance upgrades to the aeration and clarifier systems and related infrastructure at the Westbrook Regional Wastewater Treatment Facility.

In 2021, the Board authorized the issuance of a \$615,000 bond to finance the upgrades to the Depot Street Pump Station in Windham. The actual cost of the project is approximately \$86,000 less than the bond. Staff recommends the unspent amount be allocated to finance the aeration and clarifier system upgrades at the Westbrook Regional Wastewater Treatment facility (WRWTF) that treats sewer from South Windham area. The 2023 Budget assumed a \$4 million bond be issued to fund the WRWTR project. Windham's share of the \$4 million bond is \$104,000. If the Board approves the motion, the \$104,000 will be reduced by \$86,000. The reduced bond amount will lower Windham's debt service cost by \$6,800 annually.

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

It was Voted and unanimously,

**RESOLVED**, Resolution 21-011 is hereby amended to allow bond proceeds to be used to finance upgrades to the aeration and clarifier systems and related infrastructure at the Westbrook Regional Wastewater Treatment Facility. 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 22-018**, authorizing amendments to the Fund Balance Policy.

The Board originally adopted the Fund Balance policy effective June 1, 2009. Staff recommends the policy to be updated to reflect the following:

- Exclude unrealized losses/gains on investments in the calculation of operating fund balances;
- Incorporate the previously approved Rate Stabilization and Water Master Plan funds into the policy; and
- Increase the Wastewater Renewal and Replacement Fund target to the current standard.

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

It was Voted and unanimously,

**RESOLVED**, the Board hereby amends the Fund Balance policy attached hereto and incorporated herein, effective December 31, 2022.

**Order 22-050**, approving an amendment to the Watershed Land Conservation Outside the Two-Mile Limit Policy.

The District's policy entitled "Watershed Land Conservation Outside the Two-mile Limit," first adopted in 2007, affirms PWD's commitment to and support for locally-based conservation of forests in the watershed. This effort is critical because conserved forest is a natural water treatment method which is far less expensive than a constructed treatment plant. By working with willing landowners and local partners such as land trusts, conserving forestland supports watershed towns, costs the District less, and leaves the ownership and future stewardship of the

land to others.

The proposed changes to the policy are designed to do three main things:

1. The current policy is intended to lead to financial support for proposed conservation deals commensurate with their water quality value. It outlines the principles and considerations that justify the District's level of support for each proposed project. Proposed policy language and assessment criteria have been re-ordered to more accurately reflect these principles.
2. The District has used one of two methodologies for determining the value of land: the PWD conservation value and the appraised value. The PWD conservation value is based on an outdated estimate of the development rights per acre, resulting in differences between it and the fair market value appraisal. The amended policy eliminates the PWD conservation value and bases all contributions on the fair market value appraisal. This change will help to ensure accurate value assessments in changing economies and with varying property assets. Staff has determined that the best assessment of true market value is achieved through certified market appraisals of the specific property to be conserved. The proposed appraisal standards will bring the District in alignment with other funders of conservation projects, including the Natural Resources Conservation Service.
3. The District uses several different funding methods to support land conservation projects. Some of these sources (such as issuing bonds) require that the District acquire a real estate or other interest which supports the long-term protection of the property. In other cases (such as with a particularly large property) it may not be required but may be advisable to do so. This amendment to the policy clarifies the flow chart that describes our process of determining the appropriate interest for each project.

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

It was Voted and unanimously,

ORDERED, that the District's policy "Watershed Land Conservation Outside the Two-mile Limit," is hereby amended and approved in substantial form as attached hereto.

**Resolution 22-019**, awarding the Water Bottle Filling Station Grants.

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 12 and selected six recipients (seven units) out of forty applications for the Board's consideration. Applications were reviewed and judged primarily on potential exposure and public access and the promotion of healthy tap water. The total maximum award is \$11,600 which is in excess of 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 2022:

			Maximum
Deering Center Neighborhood Assoc.	Portland	Outside	\$5,000
Cape Elizabeth High School	Cape Elizabeth	Retro (2)	\$1,300
Equality Community Center	Portland	Retro	\$650
Maine Health-MMC Food Pantry	Portland	Retro	\$650
Edna Libby School	Standish	Stand Alone	\$2,000
Portland Adult Education	Portland	Stand Alone	\$2,000

**Resolution 22-020**, authorizing the General Manager to take positions and testify on bills during the legislative session.

It was moved by Vice-President Lunt and seconded by Trustee Cote.

It was Voted and unanimously,

WHEREAS the 131<sup>st</sup> Maine Legislature will consider numerous bills this session, many of which are of interest to the Portland Water District, and

WHEREAS public hearings on many bills are held before the Board of Trustees has an opportunity to take a formal position on said bills, and

WHEREAS the General Manager is responsible to the Board of Trustees for legislative affairs,

NOW THEREFORE BE IT RESOLVED that the Board of Trustees authorizes the General Manager to take positions and testify on bills during the legislative session consistent with his understanding of the Board’s view on the issues, and

FURTHER BE IT RESOLVED that the General Manager shall report to the Board of Trustees at their next meeting, the positions he may have taken and the testimony he may have given.

**Resolution 22-021**, 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 2023. The period of appointment as PWD’s representative will be for the period January 1, 2023 through December 31, 2023.

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

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.

**OTHER BUSINESS**

Mr. Garrison informed the Board that there was a date change to the approved Board of Trustee meeting schedule for 2023 due to a Monday holiday. A copy of the new schedule was given to each Trustee.

**SECOND INVITATION FOR PUBLIC COMMENT**

None

**TRUSTEE COMMENTS**

Trustee Lunt thanked the employees for their efforts during the recent storm and thanked them for their service to PWD.

**EXECUTIVE SESSION**

None

**ADJOURNMENT**

Meeting adjourned at 6:34 p.m.

Submitted by,

Donna M. Katsiaticas  
Clerk