

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, April 25, 2022. Attending from staff were Messrs. Kane, Crovo, Firmin, and Mses. Lewis, Katsiaficas and Walker.

The meeting was convened by President Douglas at 6:04 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 except Trustee Cote.

### **ACCEPTANCE OF MINUTES**

Trustee Levinsky made a motion to accept the minutes of the Regular Meeting of March 28, 2022, seconded by Trustee Garrison. Voted all in favor.

Trustee Beck made a motion to accept the minutes of the Workshop Meeting of April 11, 2022, seconded by Trustee Siviski. Voted all in favor.

### **INVITATION FOR PUBLIC COMMENT**

None

### **REPORTS**

#### **Operations Committee**

Trustee Rich provided a summary of the Operations Committee meeting on April 11, 2022. Trustee Rich was selected to serve as Committee Chair. Staff discussed and made recommendations on three items that will be brought up under new business. They are the Stroudwater Pump Station Upgrade, Congress and Garrison Street Pump Station Upgrades and Peaks Island 2022 CIP Routine Renewal and Replacement account. In response to a question regarding PFAS and impacts on biosolids management, staff provided a short summary of current regulatory developments and possible impacts to PWD operations.

#### **Planning Committee**

Trustee Shattuck-Heidorn provided a summary of the Planning Committee meeting on April 11, 2022. Trustee Shattuck-Heidorn was elected to serve as Committee Chair. Staff recommended three contributions to the Western Foothills Land Trust. This will be taken up under new business. Staff reviewed the 2021 annual report for Standish's Rich Memorial Beach. The report is required by the lease and is produced through a collaboration between the Town of Standish Recreation Director Jen DeRice and the District's Source Protection Coordinator Chad Thompson. The District's forester has completed the timber inventory and is beginning to draft a forest management plan for our watershed protection forests. The data collected as part of the timber inventory, as well as our forestry guiding principles, will be used to develop the forest management plan, which will help guide our forestry goals and operations for a ten year period. Source protection staff recently met with the forester to discuss a variety of topics that will help shape some of the specific recommendations that will be part of the plan.

### **Administration and Finance Committee**

Trustee Siviski provided a summary of the Administration and Finance Committee meeting on April 11, 2022. Trustee Siviski was elected to serve as Committee Chair. Mr. Josh Hudak noted the District recently purchased a new patrol boat replacing the 2002 patrol boat. The Town of Standish offered to purchase the boat for \$8,000. It is estimated the boat would sell in public auction for \$7,000 to \$10,000. The Board approved purchasing policy states surplus property should be sold in competitive bid. Staff recommended forgoing that requirement since the price is reasonable. Mr. David Kane noted the water fund had a surplus due to higher water revenue and lower operating expenses. The Committee reviewed the options and decided to allocate the surplus to the renewal and replacement fund to cover the annual deficit that was planned for 2022. Mr. David Kane noted that Portland and Windham had annual surpluses. The city of Portland requested the available surplus to be returned to city. The Committee recommended the District retain the portion of the balance to bring the contingency balance to the Board targeted balance and return the remaining balance to the city. The Committee recommended the Windham balance be retained in the contingency balance since it is below the target balance. All other wastewater funds had annual deficits. Mr. Kane presented an overview of the current death benefits. He noted the current death benefit to the spouse of a currently employed employee is based on the three highest years of service multiplied by the number of years of service less 50% of the social security survivor benefit. Recently, an employee passed away and the calculated death benefit was zero as the social security offset exceeded the benefit. In addition to that situation, the current death benefit provides a significantly lower benefit to employees eligible for the full pension benefit (i.e. – employees older than 65 or older than 62 with 30 years of service) providing a disincentive for the employee to continue to work. Staff proposes to amend both the bargaining and non-bargaining plans to change the death benefit to be greater of the current death benefit or the actuarially calculated benefit. The plan will be amended with an effective date of January 1, 2022 and apply to any employee who passed away after December 1, 2021. The Committee recommended forwarding the motion to the full Board for its consideration.

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

- Ms. Lewis advised the Board of a proposed change to the pension plan death benefit that is on the agenda for approval. The change was initiated after the death of a beloved employee with 42 years of service who die unexpectedly. As the death benefit presently exists, the deceased employee's spouse would have received nothing. This was identified by PWD management as unfair. As a result, David Kane and Mary Demers worked together to identify a solution. The solution is if an employee who is eligible for a pension dies while in service, the employee's spouse will receive the greater of the current death benefit calculation or the actuarially calculated benefit. This proposed change came about completely as a result of management's initiation and recognition of the hardship posed by the present system. After the issue was recognized and a solution was crafted, the union bargaining agent was consulted and agreed to the proposed change.
- The union bargaining committee has requested to return to the bargaining table instead of pursuing fact finding at this time; the April 28 fact finding hearing has been postponed and replaced with negotiations.
- The annual meeting of the Southern Maine Regional Water Council is tentatively scheduled for June 6. The North Windham Sewer Project public meeting is April 27 at 6:30 p.m.

**NEW BUSINESS**

**Resolution 22-006**, awarding the Joseph A. Di Pietro Scholarship.

The Joseph A. DiPietro Memorial Scholarship was established in 2003 in memory of respected businessman and longtime Portland Water District Trustee, Joe DiPietro. It serves students in the Portland Water District's service area who are striving towards the same mission as PWD – protecting public health and the environment.

Trustee Libby spoke about Joseph DiPietro and his commitment to the community and the value of education. Mr. DiPietro had a lifelong interest in public service; this scholarship award is in his memory.

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

It was Voted and unanimously,

WHEREAS the Board of Trustees has established the Joseph A. DiPietro Scholarship in memory of Mr. DiPietro's fifteen years of dedicated service representing the city of Portland as a Trustee of the District, and

WHEREAS Dylan Anderson, a resident of Westbrook, is pursuing a degree in plumbing and heating at Southern Maine Community College, and

WHEREAS Mr. Anderson has demonstrated need for the scholarship, and

WHEREAS Mr. Anderson is the first in his family to attend college, and

WHEREAS the Board of Trustees' Scholarship Committee unanimously recommends Mr. Anderson to be a recipient of the 2022 Joseph A. DiPietro Scholarship,

NOW THEREFORE BE IT RESOLVED that the Board of Trustees recognizes the accomplishments and needs of Mr. Anderson and supports his academic endeavors by awarding him the \$1,500 scholarship for 2022 established in tribute to Joseph A. DiPietro.

**Order 22-013**, authorizing the sale of the District's retired patrol boat.

The District's 2002 Patrol Boat was recently retired by the District due to its age. The District has purchased a replacement boat.

Under the District's procurement policy, surplus District property must be disposed of by either competitive negotiation or public auction, or discarded if of negligible value. The Patrol Boat has residual value.

The Town of Standish has approached the District and has offered to purchase the Patrol Boat for the sum of \$8,000. The Town will use the boat as a fire boat for rescues and responding to emergencies on the water. It is estimated that if the boat went to public auction, it would sell for anywhere from \$7,000 - \$10,000. The Patrol Boat is in need of some repairs. It is the belief of

staff that \$8,000 is a fair price for the sale of the boat. The boat will be sold as is-where is, with no warranties.

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

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to sell and transfer title to the District’s retired Patrol Boat to the Town of Standish for the sum of \$8,000; and that the General Manager and the Treasurer, each acting singly, are authorized to sign any documents necessary to implement the intent of this vote.

**Order 22-014**, authorizing the allocation of the 2021 Water Fund Surplus.

Preliminary 2021 Financials indicate the Water Fund will have a positive net change of approximately \$821,000. The financial results are due to higher revenues (\$555,000) and lower expenses (\$266,000) than anticipated. The Committee reviewed the various alternatives and decided to allocate the amount to the Renewal and Replacement Fund to cover the planned 2022 deficit and offset the higher costs we are seeing on project bids.

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

It was Voted and unanimously,

ORDERED, the 2021 annual operating fund change in the Water Fund is hereby allocated to the Renewal and Replacement Fund.

**Order 22-015**, authorizing the transfer of the 2021 annual operating fund change for the Portland wastewater fund.

The Portland and Windham wastewater funds had annual operating surpluses of \$438,827 and \$10,148, respectively. The Portland fund results are due to higher septage and one-time easement revenue (\$314,956) and lower operating expenses (\$188,922). The Windham fund results are due to lower operating expenses. It is recommended to retain the amount in the operating fund’s contingency funds up to the 25% of budget target with the excess in the Portland fund be returned to the city of Portland at the request of the City’s Finance Director (\$309,203).

The other wastewater funds had annual deficits primarily due to higher operating expenses.

Operating Funds:

	1/1/2021 Balance	2021 Net Change (Unaudited)	12/31/2020 Balance	Target (25% of Budget)	Over/(Under) Budget
Cape Elizabeth	\$361,999	(\$3,567)	\$358,432	\$515,979	(\$157,547)
Cumberland	\$225,537	(\$63,599)	\$161,938	\$251,952	(\$90,014)
Gorham	\$300,209	(\$54,284)	\$245,925	\$329,563	(\$83,638)
Portland	\$3,427,987	\$438,827	\$3,866,814	\$3,557,611	\$309,203
Westbrook	\$704,619	(\$88,781)	\$615,838	\$810,066	(\$194,228)
Windham	\$57,046	\$10,148	\$67,194	\$129,935	(\$62,741)

Renewal and Replacement Funds:

	12/31/2021 Balance	Target (5% of Asset)	Over/(Under) Budget
Cape Elizabeth	\$525,337	\$871,000	(\$345,663)
Cumberland	\$141,919	\$464,700	(\$322,781)
Gorham	\$824,908	\$910,400	(\$85,492)
Portland	\$4,523,340	\$5,770,500	(\$1,247,160)
Westbrook	\$3,842,876	\$1,130,500	\$2,712,376
Windham	\$287,273	\$155,400	\$131,873

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

It was Voted and unanimously,

ORDERED, that a portion of the 2021 annual operating fund excess balances over the targeted balances in the Operating Contingency Fund for the Portland Wastewater Funds is hereby refunded to the City of Portland.

**Order 22-016**, authorizing amendments to the District’s Defined Benefit Pension Plans.

The defined benefit pension plans include a death benefit to the spouse of a currently employed participant. The benefit is based on the annual earnings and the number of years’ service of the participant. Years of service are credited up to maximum of 30 or 20 years for the non-bargaining and bargaining unit plan, respectively. The calculation is then reduced by 50% of the spouse’s social security survivor benefit.

Recently, an employee passed away and the calculated death benefit was zero as the social security offset exceeded the benefit. In addition to that situation, the current death benefit provides a significantly lower benefit to employees eligible for the full pension benefit (i.e. – employees older than 65 or older than 62 with 30 years of service) providing a disincentive for the employee to continue to work. Staff proposes to amend both the bargaining and non-bargaining plans to change the death benefit to be greater of the current death benefit or the actuarially calculated benefit. The plan will be amended with an effective date of January 1, 2022 and apply to any employee who passed away after December 1, 2021.

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

It was Voted and unanimously,

ORDERED, that the Third Amendment to the Portland Water District Non-Bargaining Unit Employees’ Pension Plan and Fifth Amendment to the Portland Water District Bargaining Unit Employees’ Pension Plan, effective generally January 1, 2021, 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, with the advice of counsel, deem necessary or appropriate to carry out the objectives thereof or to obtain the approval of the Internal Revenue Service that the Plan is qualified under Section 401 of the Internal Revenue Code of 1986, as amended (the “Code”).

BE IT FURTHER ORDERED, to authorize the General Manager (or other appropriate person) to take any action necessary or appropriate to effectuate the foregoing votes, including but not limited to (i) executing the formal documents, and (ii) communicating plan changes to plan participants and eligible individuals.

**Order 22-017**, authorizing actions related to the Stroudwater Pump Station Upgrade Project.

The Stroudwater Pump Station collects wastewater from the Blueberry Rd. area of outer Congress Street in Portland. The station receives flow from Ecomaine, as well as their landfill/ashfill facility, and as such is a relatively high flow and criticality station.

The design was completed and issued for bid in January 2022, with bids due in mid-February. T.Buck Construction's bid was the lowest of the two responses received. Value Engineering was completed throughout the project, however, the bid responses exceed the available budget for construction. 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.

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

It was Voted and unanimously,

ORDERED, a construction contract with T. Buck Construction, Inc. is hereby authorized, in the amount of \$648,217 for the Stroudwater Pump Station Upgrade Project (CIP 2022 – 70/3006); and

BE IT FURTHER ORDERED, that the project budget is amended by increasing it by \$240,000 and that the total budget for the Project is hereby authorized, not to not to exceed \$750,000; 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 22-018**, authorizing the General Manager to execute a professional services contract for the Congress and Garrison Street Pump Stations Upgrade Project.

The Congress & Garrison St. Pump Stations are located in the Stroudwater neighborhood of Portland. Each station collects and conveys wastewater from a few neighboring sewer connections. These stations are factory built pneumatic ejector lift stations, which were installed in the 1980's as part of the original Stroudwater area wastewater facilities. These stations are well beyond their expected useful life and the pneumatic ejector stations are nonstandard and outdated with declining industry support. This project will renew or replace the stations so that they are capable of providing effective and reliable services for another lifespan.

PWD has received and reviewed three proposals and assembled a committee that ranked each response based on the criteria advertised in the RFP. Brown and Caldwell received the best score and is therefore recommended for award of a contract in the amount of \$203,060.

This project includes design phase engineering services, including preliminary design, detailed design and bidding. As approved by Board Order 21-029 on October 25<sup>th</sup>, 2021, the comprehensive method for procuring engineering services will be used for this project, meaning

that it is anticipated that the same firm will be utilized for detailed design as well as construction services. An amendment to this agreement with Brown and Caldwell is therefore anticipated to cover construction phase services, once the final design is complete and the required scope can be refined.

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

It was Voted and unanimously,

ORDERED, the General Manager is authorized to execute a professional services contract with Brown and Caldwell in the amount of \$203,060 for design phase engineering services for the Congress and Garrison Street Pump Stations Upgrade (CIP 2021-70/3184&3185); 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 22-019**, authorizing an increase in the Peaks Island Renewal and Replacement Fund.

As part of our operational efforts related to the treatment plant, specifically process control and nutrient optimization, the plant is operated to reduce nitrogen. This can cause issue with a sharp reduction in pH. To address this, PWD installed automatic alkalinity feeder to stabilize the pH.

The system at the Peaks Island Plant is nearly 8 years old and operates in a very challenging environment. Further, with the addition of the new screening system in the headworks, the environment is a bit more humid and the alkalinity material is binding in the unit. We have specified a newer replacement unit that is more corrosion resistant, has a cover system to prevent excessive moisture from affecting the alkalinity material, and includes an agitator to prevent caking in the unit.

The cost of the replacement unit is \$20,000. The site visit to support start up is an additional \$1,000/day. Shipping and miscellaneous items will add to this cost. Given the total cost will exceed the allotted amount of \$20,000 in this CIP Project, we are recommending the project be increased by \$5,000 to a total of \$25,000 to more fully fund this work.

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

It was Voted and unanimously,

ORDERED, that the 2022 CIP Project 423/3131 Peaks Island R&R is increased by \$5,000 to \$25,000 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 22-020**, authorizing a contribution to the Western Foothills Land Trust regarding the Edwards Mills Property.

The Edwards Mills property is 720 acres and located in the towns of Norway, Otisfield, and Harrison. Western Foothills Land Trust plans to purchase the Edwards Mills property for the purpose of conservation. The property is forested, contains wetlands and streams, and has shore frontage on the Crooked River. The property, in combination with the Cummings and Robinson

properties, is part of the project known as Twin Bridges Extension. The project will add almost 800 acres to the existing Twin Bridges Preserve.

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

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to contribute up to \$246,855 to Western Foothills Land Trust to support the conservation of land known as Edwards Mills located in Norway, Otisfield, and Harrison.

**Order 22-021**, authorizing a contribution to the Western Foothills Land Trust regarding the Robinson Property.

The Robinson property is 20 acres and located in the town of Otisfield. Western Foothills Land Trust plans to purchase the Robinson property for the purpose of conservation. The property contains forested land, wetlands, and shore frontage on Little Pond. The property, in combination with the Edwards Mills and Cummings properties, is part of the project known as Twin Bridges Extension. The project will add almost 800 acres to the existing Twin Bridges Preserve.

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

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to contribute up to \$5,000 to Western Foothills Land Trust to support the conservation of land known as the Robinson property located in Otisfield.

**Order 22-022**, authorizing a contribution to the Western Foothills Land Trust regarding the Cummings Property.

The Cummings property is 50 acres and located in the town of Otisfield. Western Foothills Land Trust plans to purchase the Cummings property for the purpose of conservation. The property contains forested land, wetlands, and a stream. The property, in combination with the Edwards Mills and Robinson properties, is part of the project known as Twin Bridges Extension. The project will add almost 800 acres to the existing Twin Bridges Preserve.

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

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to contribute up to \$5,700 to Western Foothills Land Trust to support the conservation of land known as the Cummings property located in Otisfield.



**Order 22-023**, authorizing a contract for executive search services for the General Manager position.

The ad hoc GM Selection committee of the Board of Trustees has been charged with steering the recruitment and selection process for a General Manager to succeed Ms. Lewis, who aims to retire in late summer or fall of 2022. Ms. Lewis intends to be flexible with her retirement date to accommodate the upcoming recruitment effort.

The GM Selection Committee prepared a Request for Proposals and invited six firms to submit proposals. Proposals were received from:

- KMA Human Resources Consulting, Portland ME
- Randi Frank Consulting, LLC, Louisville KY
- Spano Pratt Executive Search, Milwaukee WI

The proposals were reviewed; additional information was solicited from two of the proposers. The Committee voted 5 – 0 to recommend to the full board that Spano Pratt Executive Search be engaged for the General Manager recruitment. The recommendation is based on Spano Pratt's familiarity with the operation and culture of the District, their thorough and complete responses to each aspect of the RFP, their demonstrated understanding and approach for the recruitment, and their track record of other successful executive recruitments, including that of PWD's current General Manager.

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

It was Voted and unanimously,

**ORDERED**, that the General Manager is hereby authorized to execute a contract with Spano Pratt Executive Search for executive search services and to authorize a fee of \$51,750 plus travel expenses for the project.

### **OTHER BUSINESS**

None

### **SECOND INVITATION FOR PUBLIC COMMENT**

None

### **TRUSTEE COMMENTS**

Trustee Levinsky noted that the Town of Gorham currently has no representation on the Board and that an election is coming up in June. Ms. Lewis confirmed that there is one candidate running for the open Gorham seat. Trustee Levinsky urged all Gorham residents to get out and vote in June.

President Douglas thanked and welcomed the Trustees to their new committees for the upcoming year.

**EXECUTIVE SESSION**

None

**ADJOURNMENT**

Meeting adjourned at 7:09 p.m.

Submitted by,

Donna M. Katsiaficas  
Clerk