

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, July 24, 2023. Attending from staff were S. Garrison, C. Crovo, D. Kane, J. Wallace, J. Hudak, D. Katsiaficas, M. Demers, and C. Cote.

The meeting was convened by President Lunt at 6:01 p.m.

### **ROLL CALL**

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

### **DECLARATION OF ELECTION RESULTS AND INAUGURATION FOR THE TRUSTEE REPRESENTING SCARBOROUGH ELECTED ON JUNE 27, 2023**

Trustee Leroy Crockett, representing Scarborough, was sworn in to finish out the term left vacant by Trustee Garrison.

### **ACCEPTANCE OF MINUTES**

Trustee Cote motioned to accept the minutes of the June 26, 2023, Regular Meeting, seconded by Trustee Beck. It was voted all in favor.

Trustee Cote motioned to accept the minutes of the July 10, 2023, Workshop Meeting, seconded by Trustee Willett. 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 July 10, 2023. Staff recommended an increase of \$35,000 to the project budget for the Westbrook Wastewater Treatment Facility Fire Alarm System, and that the total budget for the Project is authorized, not to exceed \$70,000. This will be taken up under new business.

Staff facilitated a discussion about the operational requirements in effluent permits, compliance expectations, and opportunities for continued improvement.

#### **Planning Committee**

Trustee Libby provided a summary of the Planning Committee meeting on July 10, 2023. Staff provided an update regarding a recent application to the Maine Drinking Water Program's State Revolving Loan Fund for mitigating lead from the water distribution system. They reported that the District had applied for \$9 million in State Revolving Loan (SRF) Lead Copper Compliance funds and has been tentatively approved with final approval coming in August. These projects will be 0% interest loans with 55% grants.

The following are the projects and equipment that will be paid for with the requested funds:

- Replacement of galvanize services and mains – \$7.2M – with a \$3.96M grant
- Vacuum excavation truck - \$800,000 – with a \$440,000 grant
- Service line inventory - \$1,000,000 – with a \$550,000 grant

Staff reported that the out of service Munjoy Hill reservoir is empty and that Silver Street LLC is in the process of scheduling a structural analysis of the tank. Staff expects this to occur over the next month and will report back to the Committee once this is completed.

Staff provided additional information as requested by the Committee regarding Sebago Clean Waters future funding and budgeting. Staff will be discussing this further during their 2024 budget deliberations.

### **Administration and Finance Committee**

Trustee Cote provided a summary of the Administration and Finance Committee meeting on July 10, 2023.

Mr. Joseph Cuetara, the District's Financial Advisor, reviewed a report titled PWD Ratings. The report provides insight on how the District could improve its bond rating from the current Aa3/AA rate to AAA.

He explained the District gets distinct ratings for the Water Fund and each Wastewater Fund. The Wastewater Funds' ratings are primarily based on the municipality's rating since they are directly obligated to pay the bonds if the District was not able to pay the annual debt payments. The Water Bond rating is primarily based on the District's legal, financial and managerial characteristics. The current rating of Aa3/AA is considered high grade. District Staff requested ideas on ways to improve that rating to AAA.

The strong Aa3/AA rating is the result of strong financial and managerial characteristics including a strong cash reserve balance, sufficient annual net income to pay the debt service payments, multi-year capital/operating plans, and a track record of raising water rates promptly. The primary issue in getting a higher rating is the relatively weak legal arrangement assuring bond holders would get paid timely. Several suggested changes have been proposed but rating agencies have indicated those changes are not strong enough to warrant an increase to a AAA rating.

Though a AAA rating is not attainable at this time, several suggestions were made to strengthen the current rating:

- Update master plan to encompass at least 20 years,
- Expand Annual CIP to a 10-year window,
- Review how capital projects are financed ('pay as you go' vs bond finance),
- Attempt to obtain some assurance the filtration waiver will not be revoked, and
- Consider adopting a multi-year water rate plan.

## **General Manager's Report**

- The ceremonial signing of LD 211 by the Governor will occur on July 25.
- PWD received the AMWA Silver Award for its wastewater operations at Cape Elizabeth and Westbrook.
- Water revenues are lower due to the rainy weather experienced this summer to date. It is hoped that some of the revenue loss will be recovered as the summer progresses; assuming warm dry weather returns.

## **NEW BUSINESS**

**Order 23-026**, authorizing actions related to the Windham Center Elevated Water Storage Tank Replacement Project.

The Westbrook Wastewater Treatment Facility Fire Alarm was budgeted at \$35,000. Upon design completion and inspection by the Westbrook Fire Department, it was determined that the sludge bay would need all blast protection devices. Because this is a new installation with no existing conduit or devices, there is a substantial cost for these blast-proof devices. NFPA 69 Standard on Explosion Prevention Systems requires certified installation of these devices. JCI has proposed a Sourcewell contract with their blast protection contractor to complete this work and meet the code.

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

It was Voted and unanimously,

ORDERED, that the project budget for the Westbrook Wastewater Treatment Facility Alarm is amended by increasing it by \$35,000 and that the total budget for the Project is hereby authorized, not to exceed \$70,000; 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.

## **OTHER BUSINESS**

None

## **SECOND INVITATION FOR PUBLIC COMMENT**

None

## **TRUSTEE COMMENTS**

Trustee Shattuck-Heidorn visited the beach area at the end of the Sebago to Sea Trail and commented on the beauty of it.

Trustee Levinsky asked about the higher level in Sebago Lake due to the rain. Chris Crovo responded that PWD does not regulate the dam that regulates the water level; it is regulated at the federal level by the Federal Energy Regulatory Commission (FERC). There are advocates on

both sides of the issue. PWD monitors water quality and PWD has not seen any concerns about water quality due to the higher lake levels. President Lunt noted every time there is a wet season, this issue comes up. He noted PWD monitors the water quality and unless the levels impact the water quality, PWD does not get involved in the issue of levels.

President Lunt welcomed Trustee Crockett to the Board.

**EXECUTIVE SESSION**

None

**ADJOURNMENT**

Meeting adjourned at 6:21 p.m.

Submitted by,

Carrie E. Cote  
Assistant Clerk