

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 remotely via teleconference, on Monday, July 26, 2021. Attending from staff were Messrs. Kane, Crovo, Firmin, Wallace and Mses. Lewis, Katsiaficas, Demers and Walker. The meeting was convened by President Douglas at 6:02 p.m.

ROLL CALL

The roll was called by the Clerk. Trustees Garrison and Willey were absent.

CONVENE MEETING

Trustee Cote made a motion to conduct the meeting remotely, seconded by Trustee Levinsky. Voted all in favor.

ACCEPTANCE OF MINUTES

It was moved by Trustee Cote, seconded by Trustee Levinsky.

It was voted all in favor to waive the reading and accept the minutes of the Regular Meeting of June 28, 2021 and the minutes of the Workshop Meeting of July 12, 2021.

INVITATION FOR PUBLIC COMMENT

None

REPORTS

Operations Committee

Trustee Burns provided a summary of the Operations Committee meeting on July 12, 2021. Staff provided a recommendation to procure engineering services for the evaluation of alternatives and future planning considerations for disposal of biosolids from our wastewater treatment facilities using the phased approach. The need for this study relates, in large part, to evolving challenges related to biosolids management in Maine due to growing concerns over PFAS. A recommendation to award a construction contract for the Maiden Cove Pump Station Upgrades Project was provided. The site is challenging and this approach is expected to offer the most economical solution that will provide a longer future service life. Staff also provided a recommendation to execute an amendment to the construction services contract for the Depot St. project to include the installation of sewer on High St. in Windham. This work will be completed ahead of expected roadwork, will leverage the current contractor resources on the adjacent Depot St. project, and will provide future capacity for the area. Following these recommendations was a discussion about how decisions related to projects like these relate to the work of other Committees and the overall budget process.

Planning Committee

Trustee Beck provided a summary of the Planning Committee meeting on July 12, 2021. Staff recommended to table the request again to swap easements and modified the existing easement that 5 India Street has with the District. Staff explained that progress was made since last month's Planning Committee meeting but staff is still working with the developer to clarify responsibilities from the existing 2007 agreement between PWD and the past developer of the property. The Committee agreed to table the request and staff expects to bring this item back to the Committee in August. Staff recommended accepting the Federal Grant from the Natural Resources Conservation Service. Lastly, Sarah Plummer, Environmental Education and Outreach Coordinator reviewed the District's education and outreach programs with the Committee. She noted that the goal of the

program is to communicate water quality and environmental principles to children and adults throughout the watershed and service area encouraging public stewardship of our water resources.

Administration and Finance Committee

Trustee Cote provided a summary of the Administration and Finance Committee meeting on July 12, 2021. Staff presented five motions authorizing bond issuances that will be taken up tonight under new business. The Committee reviewed the recently issued water bond rating reports from Moody's and S&P reaffirming the Aa3 and AA bond ratings, respectively. The reports noted the credit strengths of a sizable and stable service area, sound debt service coverage supported by annual rate increases and strong management. The credit challenge noted is the weak legal security provisions. It was noted staff has explored possible ways to strengthen the security provisions and will include a provision to be added to the District's charter. The first draft of the 2022 budget has been completed. Overall, expenses are 5.6% higher than 2021 and would result in water rate adjustment of 5.4% and 4 of 6 wastewater assessments higher than the target amounts.

General Manager's Report

Ms. Lewis reported that the 2020 CAFR Comprehensive Annual Financial Report has been printed, and is available in hard copy and on the PWD website.

LD 1600 became law without the Governor's signature. This is the bill that establishes a fund to deal with PFAS testing of sites. The fund requires a fee of \$10.00 per ton of biosolid handled. The effect on PWD will be in the range of \$230,000, which will be passed on to our wastewater communities.

The Portland Pipeline withdrew its lawsuit challenging the South Portland ordinance relating to the reversal of the flow in the pipeline between South Portland and Montreal.

Nomination papers for one of the four Portland Trustee seats are available from the City Clerk's office and due by August 23.

NEW BUSINESS

Order 21-019, authorizing a contract and project budget for Maiden Cove Pump Station Project.

The proposed Project would be the first major upgrade or renovation to the station since original construction in 1975. The station's electrical systems (including the standby generator and fiberglass enclosure), piping, and pumps are at the end of their service life and in need of replacement. The station currently utilizes a steel "canned" enclosure that extends 20 feet below grade and houses two pneumatic ejectors and a compressed air system.

Converting to a submersible style station would replace the below grade steel structure with a new concrete wetwell. The existing structure has been in service for 46 years and is in adequate condition; while below grade steel structures have a generally accepted service life of 30 to 50 years they can last much longer under ideal soil conditions. A well maintained new concrete structure would be expected to last 50 to 75 years, therefore providing a much longer expected service life and added value compared to re-use of the existing structure. The cost of converting to a submersible style arrangement is \$200,000. Further, staff recommends use of pre-cast concrete to reduce construction costs by \$70,000.

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

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute a construction contract with T. Buck Construction Inc., in the amount of \$528,517 for construction services for the Maiden Cove Pump Station Upgrade Project, (the “Project”); and

BE IT FURTHER ORDERED, that the Project budget is amended by increasing it by \$197,000 and that the total budget for the Project is hereby authorized, not to exceed \$642,000; 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 21-020, authorizing a construction contract amendment and budget amendment related to the High Street Sanitary Sewer Replacement.

At the request of the Town of Windham, the District undertook the design and construction of the Depot Street sanitary sewer pump station. The project scope included new gravity pipe and force main along Depot Street to replace the existing 4-inch diameter siphon pipe. The original project scope and budget were limited to Depot Street to maintain alignment with the Town’s roadway restoration project along Depot Street.

In March of 2021, the Town reported that it is planning to repave High Street in 2022 or 2023 and High Street contains the last 320 feet of the 4-inch siphon pipe. A sanitary sewer pipe replacement design consisting of 320 feet of 8-inch gravity sewer pipe, a new manhole, and modifications to the existing siphon manhole was sent to D&C Construction. D&C Construction provided a cost for the additional project scope.

The additional project scope and cost implications were discussed with the Town on June 29th, 2021 and they directed PWD staff to request a project budget increase to complete the additional work with D&C Construction while they are mobilized at the project site.

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

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute an amendment to the construction services contract with D&C Construction Co., Inc. in the amount of \$99,920.00 to construct the High Street Sanitary Sewer Replacement as part of the Depot Street Pump Station Project (the “Project”); and

BE IT FURTHER ORDERED, that the Project budget is amended by increasing it by \$105,000 and that the total budget for the Project is hereby authorized, not to exceed \$890,000; 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.

PUBLIC HEARING regarding the issuance of five bonds.

President Douglas opened the public hearing for comments. No one from the public was in attendance. President Douglas closed the public hearing.

Resolution 21-009, authorizing the issuance of up to \$650,000 of Cape Elizabeth Sewer Bonds for upgrades to the Maiden Cover Pump Station.

The motion provides funding for projects that were included in the 2019 and 2020 Capital Improvement Plan (CIP):

2019	052-3002	Maiden Cove Pump Station Preliminary Engineering	\$ 15,000
2020	052-3002	Maiden Cove Pump Station	430,000
Proposed amendment to Project Budget – July 26, 2021			197,000
Contingency			<u>8,000</u>
Total			\$ 650,000

The bond is planned to be issued through the Maine Municipal Bond Bank General Resolution Program. The estimated first full year’s debt service payment is \$49,000. The financial impact was incorporated into the Cape Elizabeth Wastewater fund and assessment forecast provided to the municipality.

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

It was Voted and unanimously,

RESOLVED, the issuance of up to \$650,000 of Cape Elizabeth Sewer Bonds is hereby authorized to finance upgrades to the Maiden Cove Pump Station in Cape Elizabeth and other related infrastructure upgrades and improvements. The full form of the Resolution is attached hereto and incorporated as part of the minutes of this meeting.

Resolution 21-010, authorizing the issuance of up to \$250,000 of Gorham, Westbrook and Windham Wastewater Bonds for upgrades to the sludge storage odor control system and related infrastructure at the Westbrook Regional Wastewater Treatment Facility.

The motion provides funding for projects included in the 2019 Capital Improvement Plan (CIP):

2019 CIP	2019 416-3025	Sludge Storage Odor Control	\$ 750,000
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Staff was able to reduce the project costs to \$250,000. Instead of installing a large, centralized custom fabricated equipment, a smaller distributed packaged equipment located inside is being installed.

The bond is planned to be issued through the Maine Municipal Bond Bank General Resolution Program. The estimated first full year’s debt service payment is \$49,000. The impact to each municipality is listed below:

	<u>Bond Amount</u>	<u>Highest Annual Bond Payment</u>
Westbrook:	\$ 166,500	\$ 12,737
Gorham:	77,000	5,890
Windham:	<u>6,500</u>	<u>497</u>
	\$ 250,000	\$ 19,124

Due to the project budget reduction, the financial impact is approximately \$38,000 less than the amount that was incorporated into the assessment forecast provided to the municipalities.

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

It was Voted and unanimously,

RESOLVED, the issuance of up to \$250,000 of Gorham, Westbrook and Windham Wastewater Bonds is hereby authorized to finance upgrades to the sludge storage odor control system and related infrastructure at the Westbrook Regional Wastewater Treatment Facility. The full form of the Resolution is attached hereto and incorporated as part of the minutes of this meeting.

Resolution 21-011, authorizing the issuance of up to \$640,000 of Windham Sewer Bonds for upgrades to the Depot Street Pump Station in Windham.

The motion provides funding for projects that were included in the 2019 Capital Improvement Plan (CIP) and has been amended for actual bid results and town-requested addition scope change:

2019 CIP 2019 180-3139 Sludge Storage Odor Control	\$ 560,000
Budget Amendment Order 20-036 (December 21, 2020)	225,000
Proposed Budget Amendment (July 26, 2021)	<u>105,000</u>
Total	890,000
Less Grant	<u>(250,000)</u>
Bond Amount	\$ 640,000

The bond is planned to be issued through the Maine Municipal Bond Bank General Resolution Program. The estimated first full year's debt service payment is \$49,600. The financial impact is \$2,310 higher than that amount incorporated into the Windham Wastewater fund and assessment forecast provided to the municipality.

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

It was Voted and unanimously,

RESOLVED, the issuance of up to \$640,000 of Windham Sewer Bonds is hereby authorized to finance upgrades to the Depot Street Pump Station in Windham and other related infrastructure upgrades and improvements. The full form of the Resolution is attached hereto and incorporated as part of the minutes of this meeting.

Resolution 21-012, authorizing the issuance of up to \$575,000 of Portland Sewer Bonds for upgrades to the Heating, Ventilation and Air Conditioning System at the East End Treatment Plant in Portland and other related infrastructure upgrades and improvement.

The motion provides funding for projects that were included in the 2019 Capital Improvement Plan (CIP) and has been amended for actual bid results and town-requested addition scope change:

2019 CIP 21-3017	\$ 575,000
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The bond is planned to be issued through the Maine Municipal Bond Bank State Revolving Loan Program. The first full year's debt service payment is estimated to be \$36,225. The financial impact was incorporated into the Portland Wastewater fund and assessment forecast provided to the municipality.

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

It was Voted and unanimously,

RESOLVED, the issuance of up to \$575,000 of Portland Sewer Bonds is hereby authorized to finance upgrades to the Heating, Ventilation and Air Conditioning System at the East End Treatment Plant in Portland and other related infrastructure upgrades and improvements. The full form of the Resolution is attached hereto and incorporated as part of the minutes of this meeting.

Resolution 21-013, authorizing the issuance of up to \$11,000,000 of Windham Sewer Bonds for the construction of a treatment facility in Windham and other related infrastructure upgrades and improvements.

The motion provides funding for design engineering (\$1,000,000). The engineering will provide a better project construction budget. The construction will only occur if the Town authorizes the project.

Design Engineering:	
Project Budget Authorized – Order 20-035 (December 21, 2020	\$ 961,000
Contingency	39,000
Construction (to be updated after the design engineering is complete	<u>10,000,000</u>
Total	\$ 11,000,000

The bond is planned to be issued through the Maine Municipal Bond Bank State Revolving Loan Program. The financial impact of the project is higher than that was incorporated into the multi-year forecast provided to the town.

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

It was Voted and unanimously,

RESOLVED, the issuance of up to \$11,000,000 of Windham Sewer Bonds is hereby authorized to finance the construction of a treatment facility in Windham and other related infrastructure upgrades and improvements. The full form of the Resolution is attached hereto and incorporated as part of the minutes of this meeting.

Order 21-021, authorizing the Phased Engineering Method for the procurement of engineering services the Biosolids Processing and Disposal Assessment.

Pursuant to the District’s purchasing policy, staff sought approval from the Board of Trustees to procure engineering services for the evaluation of alternatives and future planning considerations for disposal of biosolids from our wastewater treatment facilities. The phased method for engineering will limit the scope of services to this study; engineering procurements for any future recommendations resulting from the study will be procured independently from this effort.

Staff estimates that the cost for the study to be \$100,000.

It is expected that a recommendation will be offered to the Board at the December meetings.

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

It was Voted and unanimously,

ORDERED, that the Phased Engineering Method is authorized for the procurement of engineering services for the Biosolids Processing and Disposal Assessment, pursuant to the District's Purchasing Policy, and 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.

Order 21-022, regarding an RCPP Award (Grant Award) from the Natural Resources Conservation Service.

In September, 2020, the District was awarded \$8,000,000 from the NRCS program to be used to conserve forests in the watershed and to do other, related conservation work to protect our source of drinking water.

Since September, 2020, staff has worked with NRCS and SCW staff to negotiate agreements which are prerequisites to receiving the funding. These agreements (known as the Programmatic Partnership Agreement or PPA and Supplemental Agreements or SA) describe in more detail the work to be done, the timeframe, and the costs. The PPA was completed and ready for signature as of July 7; NRCS requested that it be signed by July 9, 2021. The SAs are expected to be completed by September 1.

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

It was Voted and unanimously,

ORDERED, the District hereby accepts an RCPP Award (Grant Award) from the Natural Resources Conservation Service in the amount of \$8,000,000; and

BE IT FURTHER ORDERED, that District staff is authorized to expend said Grant Award for purposes authorized by the terms of the Grant; and

BE IT FURTHER ORDERED, the actions of the General Manager in signing the Programmatic Partnership Agreement with the National Resource Conservation Service are hereby ratified; and

BE IT FURTHER ORDERED, that the General Manager and the Treasurer, each acting singly, can take any and all other actions necessary, and execute any documents necessary to accept and implement the \$8,000,000 RCPP Award from the Natural Resources Conservation Service.

OTHER BUSINESS

None

SECOND INVITATION FOR PUBLIC COMMENT

None

TRUSTEE COMMENTS

President Douglas noted that a lot of work has gone into preparing the bond items that were considered by the Board tonight. She thanked everyone for their hard work.

EXECUTIVE SESSION

None

ADJOURNMENT

Meeting adjourned at 6:51 p.m.

Submitted by,

Donna M. Katsiaticas
Clerk