

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, January 22, 2018. Attending from staff were Messrs. Kane, Crovo, Wallace, Johnson, Hunt and Meses. Lewis, Katsiaficas, Demers and Walker. Kim Rich of Portland was in attendance from the public. The meeting was convened by 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. All Trustees were present except Trustee Levinsky.

ACCEPTANCE OF MINUTES

It was moved by Trustee Libby, seconded by Trustee Willey.

Voted all in favor to waive the reading and accept the minutes of the Regular Meeting of December 18, 2017, and the Workshop Meeting of January 8, 2018.

INVITATION FOR PUBLIC COMMENT

None

REPORTS

Operations Committee

Trustee Douglas reported the items discussed at the workshop would be taken up under new business tonight.

Planning Committee

Trustee Libby (Trustee Levinsky was absent) reported the items discussed at the workshop will be taken up under new business tonight.

Administration and Finance Committee

Trustee Garrison provided a summary of the Administration and Finance Committee meeting on January 8, 2018. Mr. David Kane presented a motion requesting staff to prepare the necessary documentation to implement a water rate adjustment of approximately 3.8% effective May 1, 2018.

Mr. Tom Quirk presented a review of the purchasing process with a focus on the existing controls over the process. A list of all vendor transactions were provided to the Committee for its review.

Mr. Kane introduced a program that potentially could finance green projects. The Committee discussed him looking further into this program and coming back with more details. With innovative financing, there are opportunities to save money on some of our various projects.

The Committee also reviewed the proposed 2018 work plan.

General Manager's Report

The General Manager highlighted winter activities taking place on PWD land at the Lake.

Between January 10th and 11th there were 7 water main breaks.

Ms. Lewis also detailed measures that had been taken by PWD to retain its employees; including reducing the fee associated with the Principal Retirement Plans, changing the uniforms available for employees and the cell phone stipend program. She noted that employees are PWD's greatest asset.

The lease for the scenic overlook in Standish was passed unanimously at the Town Council meeting on January 9th and has been signed and sent to MDOT.

PWD employees from all locations joined together to help Family Crisis Services of Cumberland County during the holiday season. FCS was grateful for our donation of many useful items plus \$215 in gift cards and cash.

Trustee Libby thanked employees for working through the Christmas holiday repairing a main break.

Trustee Willey complimented Ms. Lewis on the format of her report and was pleased to see that the training goals for the year were met and exceeded in some instances.

NEW BUSINESS

Order 18-001, authorizing the Treasurer to begin the process of increasing water rates an average of 3.8% effective May 1, 2018.

The Board of Trustees approved the 2018 budget assuming an average water rate increase of 3.8% with a target effective date of May 1, 2018. In January, staff provided additional information to assist the Board in deciding whether and how much of a rate adjustment was needed.

The 2018 net expenditure-operating budget is \$23.4 million as approved by the Board. Due to the expected significant increase in debt service related primarily to mains renewal projects and 407 pressure zone improvements, the operating budget is expected to grow to \$28.0 million by 2021. Consistent with the Board policy of small annual rate adjustments, staff proposes an increase of 3.8% in 2018.

Trustee Libby noted that the average customer increase will be .71/mo.

Trustee Willey thanked Mr. Kane for taking the time to go over past water rate increases with him.

Trustee Garrison added that a portion of the rate adjustment goes to replacing the aging infrastructure.

Trustee Grant also thanked Mr. Kane for his assistance in helping him understand the rate increase process.

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

It was Voted and unanimously,

ORDERED, pursuant to Board of Trustees Policy, the Treasurer shall prepare the supporting documents for a water rate increase of approximately 3.8% with new rates to be effective May 1, 2018; and

ORDERED, the District will allocate 1% of the proposed increase to the capital reserve fund to finance the installation of water mains included in the System Infrastructure Assessment report.

Order 18-002, authorizing the Design-Build Method for the procurement of engineering services for the Tide Gate Replacement Project.

This project is to retrofit the Northeast and India Street pump station overflow structures with new tide gates. Design and construction services for the upgrades are needed. Staff is seeking approval from the Board of Trustees to procure these services using the Design-Build Method, pursuant to the District's purchasing policy.

The tide gates at these and other similar stations are critical to reducing the amount of seawater infiltration into the collection system. This project is part of an ongoing effort to minimize the amount of seawater infiltration, which uses up stormwater hydraulic capacity. This effort will develop design details tailored to each location. It will also provide engineering oversight to ensure proper installation of the gates and seals and construction sequencing and operational coordination.

Trustee Garrison asked how much water the new tidal gates will save from going into the Treatment Plant. Mr. Johnson responded approximately 10%.

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

It was Voted and unanimously,

ORDERED, that the Design-Build Method is authorized for the procurement of engineering services for the Northeast and India Street Pump Station Tide Gate Replacement Project, 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 18-003, authorizing the Comprehensive Method for the procurement of engineering services for the East End WWTF HVAC Upgrades: Dewatering Areas Project.

This project is to upgrade the HVAC (Heating, Ventilating and Cooling) system in the dewatering areas at the East End WWTF. This project is recommended in the wastewater treatment facilities HVAC Master Plan Report. Pursuant to the District's purchasing policy, staff is seeking approval from the Board of Trustees to procure engineering services using the Comprehensive Method for the design, bidding and construction administration. The Comprehensive Method for engineering would result in one engineering consulting firm that would provide all the engineering services for the project from design through startup.

This effort will develop detailed design plans and specifications based on the concept level recommendations in the Master Plan. Firm pricing will be negotiated for detailed design phase and construction phase services at each respective project milestone.

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

It was Voted and unanimously,

ORDERED, that the Comprehensive Method is authorized for the procurement of engineering services for the East End WWTF HVAC Upgrades: Dewatering Areas Project, 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 18-004, authorizing the General Manager to execute a release deed to the Westbrook Housing Corporation.

Staff has recently received a request from the Westbrook Housing Corporation to release an unused sewer easement across their property to accommodate a transfer of ownership of the property. They had recently discovered during a property survey that the unused easement had not been released.

The Westbrook Interceptor sewer system was constructed by the District in the late 1970's. The interceptor sewer on the north side of the Presumpscot River was originally designed to run along the bank of the river from Bridge Street to Brown Street near Cottage Place. Easements were acquired for this route including the easement across the Housing Corporation property. During the completion of the design, it was determined that the soils along the bank of the river were too unstable, and the sewer was redesigned and relocated further away from the River.

Where the Housing Corporation is a governmental agency, staff is recommending that we release the easement and charge them a \$300 administrative fee to cover costs.

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

It was Voted 8-0 (Trustee Garrison was absent for the vote) and,

ORDERED, the General Manager is authorized to execute a release deed to the Westbrook Housing Corporation releasing the easement across land on Knight Street in Westbrook and further 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 18-005, authorizing a contribution to the Loon Echo Land Trust for property located in Harrison.

The Sebago Lake watershed encompasses 450 square miles and includes parts of more than 20 towns. The long-term water quality of the lake is in large part a function of the nature and scope of development of the watershed. The District's 2013 Watershed Land Conservation Policy states the District's commitment to and support for locally initiated land conservation efforts.

The Edwards parcel is 38 acres and is located in the town of Harrison. Loon Echo Land Trust plans to purchase the land for the purpose of conservation. With the adjacent parcels already conserved, the acquisition of the Edwards land will create a contiguous area of 330 acres of protected forest.

The land will be owned and managed by Loon Echo Land Trust. The District will require that the land be legally protected from development in perpetuity.

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

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to contribute up to \$5,270 to the Loon Echo Land Trust, to support the conservation of land known as the Edwards parcel located in the Town of Harrison.

Order 18-006, authorizing a contribution to the Loon Echo Land Trust for property located in Bridgton.

The Sebago Lake watershed encompasses 450 square miles and includes parts of more than 20 towns. The long-term water quality of the lake is in large part a function of the nature and scope of development of the watershed. The District's 2013 Watershed Land Conservation Policy states the District's commitment to and support for locally initiated land conservation efforts.

The Peabody-Fitch parcel is 252 acres, 191 of which are located within the Sebago Lake watershed. It is located in the town of Bridgton. Loon Echo Land Trust plans to purchase the land for the purpose of conservation. With the adjacent parcels already conserved, the acquisition will create a contiguous area of approximately 1,000 acres of conserved forested land in the watershed.

The land will be owned and managed by Loon Echo Land Trust. The District will require that the land be legally protected from development in perpetuity.

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

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to contribute up to \$20,724 to the Loon Echo Land Trust, to support the conservation of 191 acres of the Peabody-Fitch property located in Bridgton.

Order 18-007, authorizing a contribution to the Sebago Clean Waters Coalition.

Since 2013, approximately 2,500 acres of watershed forest have been conserved with District support. This work has been supported by a coalition of organizations, known as Sebago Clean Waters (SCW), that includes the Casco Bay Estuary Partnership, the Highstead Foundation, Loon Echo Land Trust, The Nature Conservancy, Portland Water District, Open Space Institute, The Trust for Public Land, and Western Foothills Land Trust.

Approximately 10% of land in the Sebago Lake watershed is presently conserved. This is a small percentage by regional water utility standards. The goal of the SCW group is to double the amount of conserved land over a 25-year period. To meet this goal requires conservation of an average of about 1100 acres each year. There are many factors that limit the pace of conservation; including the challenges of finding and negotiating terms with willing landowners and the availability of funds to finance the deals. Progress is also limited by the fact that the SCW effort is entirely voluntary. SCW is seeking grant funding from EPA to hire a coordinator to lead this effort for a two-year period and address both of the limiting factors and also to coordinate the activities of the SCW coalition.

Trustee Grant raised his concerns about the contribution recommended by staff. He was concerned that if after 2 years the grant should end, The District would be required to continue tis contributions in order to keep a position funded. He also suggested that if the acquisition of land for conservation is important to the District, that it could seek the services of a real estate broker, as the City of Portland and the Town of Gorham has done. He questioned that if the grant ends, who will pay for the position, could the District afford to keep it and are there others that will also be contributing. He also noted that he had been involved with a local community that accepted a federal grant for community policing, and that after the grant ran out, the community was required to come up with the funds at taxpayers expense to continue to pay the police officers.

Trustee Libby noted that the position is not here at the District, but at the Sebago Clean Waters Coalition.

Trustee Cote asked if the Coalition has confirmed if the money will be used solely for this new position and if the application has been received.

Mr. Hunt responded to the Trustees questions.

Mr. Hunt noted that the Sebago Clean Waters Coalition is considering hiring a consultant instead an employee to assist in efforts to increase the amount of land conserved on a yearly basis. If the grant is awarded to the coalition, it will be used to hire the consultant and pay for associated overhead.

The Trustees discussed the fact that land conservation is important in helping to maintain our filtration waiver. Trustees Libby, Willey and Garrison discussed the high cost to the District's ratepayers of the construction of a filtration plant, and the continued costs of its operation. The Trustees also compared the conservation efforts of the District against the national average and against other systems that have received a filtration waiver. Mr. Hunt noted that approximately 83% of the watershed is forested at this point, with only 10% in land conservation—the remainder is in private hands, which could subject it to development pressures.

Discussion then occurred among the Trustees as to the District's financial contributions to land trusts and how the District leverages its money to encourage other organizations to conserve the land. Mr. Hunt noted that the District had been successful in working with coalition partners that include the Trust for Public Land, the Nature Conservancy, Loon Echo Land Trust and the Western Foothills Land Trust.

Trustee Grant reiterated that he agreed that land conservation was important, but he did not agree that this grant was the best way to do it.

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

It was Voted 8-1 (Trustee Grant opposing) and,

ORDERED, that the General Manager is authorized to contribute up to \$20,000 per year for each of two years to provide matching funds for a \$250,000 EPA Healthy Watersheds Consortium grant to the Sebago Clean Waters Coalition.

Trustee Willey left the meeting at 7:20 p.m.

Resolution 18-001, appointing representatives 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, with Trustee Lunt designated as the District's alternate 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, 2018. The period of appointment as PWD's representative will be for the period January 1, 2018 through December 31, 2018.

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

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; and

BE IT FURTHER RESOLVED that Trustee William M. Lunt III is designated as the District's non-voting Alternate Representative to the Southern Maine Regional Water Council. Both appointments shall be through December 2018.

EXECUTIVE SESSION

None

OTHER BUSINESS

None

SECOND INVITATION FOR PUBLIC COMMENT

None

TRUSTEE COMMENTS

President Lunt, in regards to the second to last business item, explained the nature of PWD's land reserve and recognized Paul Hunt as being instrumental for its successful management, and thanked him for his dedication.

Trustee Libby noted that the site specific information and formula used by the Board in determining its level of contribution to land trusts for conservation of land was created by Paul Hunt and his staff, he also noted that the formula created a professional and objective way to allocate funds.

Adjournment.

Meeting adjourned at 7:25 p.m.

Submitted by

Donna M. Katsiaficas
Clerk