

As voted by the Board of Trustees and in accordance with the notice of the meeting, the monthly Workshop Meeting of the Board of Trustees of the Portland Water District was held in the Nixon Training Center at the general offices of the District, 225 Douglass Street, Portland, Maine on September 17, 2018. In attendance from staff were Messrs. Crovo, Firmin, Wallace, Johnson, Davis and Mses. Lewis, Katsiaficas, Clements and Demers. President Lunt convened the Workshop at 6:40 p.m.

Trustees Garrison, Beck and Rich were absent.

1. Update on Live-Streaming Business Meetings.

Chad Davis, Information Services Manager and Michelle Clements, Public Relations Manager, lead a discussion to determine if the Board was interested in live-streaming business meetings.

Ms. Clements began the presentation by giving an overview of the broadcasting of Trustee meetings on local public access cable. Along with being broadcast on TV, meetings are on the CTN website. PWD pays slightly over \$5,000 per year to air the Board meetings.

The option of live streaming has been explored, with the advantage that constituents could see the meetings in real time.

Mr. Davis gave an example of live streaming used by the City of Bangor, which uses Town Hall streams. They provide 5 years worth of archives, and interface with Facebook live. He explained that PWD could customize its photo for streaming. He walked the Board through Bangor's streaming website and showed the Board how the live streaming worked and its functionality. The system used by Bangor is similar to what is proposed to be used by PWD; the City of Bangor has the same video equipment that PWD has in the Nixon room.

In response to questions from Trustee Cote, Mr. Davis stated that Bangor's meetings are broadcast live as well as being archived. Editing is not done.

Trustee Willey asked about what the \$5,000 paid to CTN got the District. Ms. Clements responded that it purchased broadcast of the meetings on community television and playback on the CTN website.

The City of Bangor uses the same site as the City of Portland uses for its live broadcast.

Live streaming would allow training conducted in the Nixon room to be broadcast remotely.

President Lunt asked if CTN would still be used to broadcast meetings if PWD live streamed its meetings, as many constituents do not use computers. Ms. Lewis suggested that staff would propose to use live streaming only for business meetings in order to save substantial staff time used to prepare meetings for transfer to CTN.

Ms. Clements provided financial information as to the cost of live streaming, which is less than PWD pays to CTN. Ms. Clements noted that using Facebook Live, comments of people viewing the stream are allowed.

Trustee Siviski asked if comments are possible on Town Hall streams; the response was no, it is only available on Facebook.

Trustee Levinsky noted that Portland School Committee and Cumberland County Commissioners meetings are broadcast live. Trustee Willey noted the meetings all occur at City Hall. Mr. Crovo asked if the Town Hall stream could be provided for CTN so that they could show it live. Ms. Clements stated that she would investigate that.

President Lunt and Trustees Willey, Siviski and Levinsky all noted that PWD would lose viewership if it went to live streaming and dropped having the meetings on CTN. Trustee Cote noted that the trend of viewership would eventually shift to live streaming.

Mr. Crovo noted that PWD should investigate if CTN could receive live stream. Short of that, the Board desired to keep the CTN feed as opposed to going only with live stream.

2. Maine Water Company Update.

Chris Crovo, Director of Asset Management and Planning, provided an update to the Board on the possible provision of water by PWD to the Company.

Mr. Crovo reminded the Board of the history of the issue of PWD possibly providing water to the Maine Water Company. As a result of an annual SMRWC meeting in April, Maine Water Company expressed interest in exploring the arrangement of PWD providing water to the Company, alleviating the need for the Company to build a new water treatment plant.

Ms. Lewis and Mr. Crovo met with staff of the Maine Water Company to discuss establishing an interconnection. Mr. Crovo provided a map of PWD's transmission system and discussed the modeling of what PWD could deliver. The Company is designing for a 12 MGD plant, and asked PWD what it would take for PWD to provide 12 MGD to the Company. Approximately 9,000 feet of pipe is needed in the Company's territory for the interconnection and 35,000 feet on the PWD side. A 36-inch pipe is contemplated. The project cost estimate is \$30 million dollars.

A new treatment plant is estimated to cost \$50 million dollars, as opposed to a cost of \$30 million dollars for a PWD interconnection. The cost per customer for the interconnection is \$318; the cost for the new plant is \$312 per customer. This is because of PWD tiered rate structure, and is based on the provision of an average of 5 million gallons per day.

Ms. Lewis explained that the estimate is based on charging the Company at the lowest rate PWD has. Mr. Crovo explained all the factors and considerations that went into PWD estimate. The Company indicated that in order for the Company to do an interconnection with PWD, the cost to the Company would need to come down to \$3 million dollars per year as opposed to the PWD estimated \$5 million dollars per year.

Mr. Crovo then detailed that PWD would need to invest \$7 million dollars to serve the southern end of the system.

The pros and cons of striking a deal with the Company were described. Pros: PWD will need to spend \$7 million dollars of investment at some point; the Company's investment would help PWD pay for some of these improvements. Financial benefits would accrue to everyone's customers. Industrial users would receive the most financial benefit and would save on future rate increases. Fire protections would be improved, and water quality would be improved.

Cons: Loss of redundancy; there would be a single source of water - Sebago Lake. SMRWC members are expecting a new plant from the Company and altering their infrastructure and operations and business plans in anticipation of the new Company plant. There would be a loss of future capacity, with 12 MGD committed to the Company. Increased wear and tear on the PWD system. Peak day demand management could be challenging. Water quality concerns, especially regarding different corrosion control chemicals in use by PWD and the Company. In addition, the consequences in the event of failure are greater because of the greater number of communities involved.

Mr. Crovo told the Board that if it really wants to explore providing water to the Company, a joint modeling effort needs to occur so that the systems of PWD and the Company can be explored and the ramifications of any deal fully understood. The length of the term of any proposed deal needs to be explored, as do the capital costs and the possible wholesale rate that would be used for sales to the Company. Outside independent third party help needs to be hired to perform the needed study; the cost could be as much as \$100,000. Ms. Lewis asked for a consensus of the Board as to whether they are interested in moving to the next step of the exploration of the possibility of an arrangement with the Company.

The Company has bought the land for the plant and is through 30% of design. Trustee Cote asked how the cost per customer affects the Company's water rates. Mr. Crovo stated that their rates would probably double if they built the plant. The public is unaware of the cost of the Company plan.

The Company is in the process of being overtaken by another company, but its ownership is not clear.

Trustee Douglas asked what the staff recommends. Mr. Crovo stated he didn't really have a recommendation, as he saw both pros and cons. Trustee Cote asked Ms. Lewis about her prior experience in Milwaukee. Ms. Lewis stated that the extra revenue was like "gravy", and that when it worked, it was easy. There were issues of representation and there were some stresses on infrastructure. Mr. Crovo stated that the political aspects of the proposal have not been explored.

Trustee Siviski asked about establishing a wholesale rate, and whether that would be done. Ms. Lewis stated that it would be examined.

(Trustee Levinsky left the meeting at 7:30)

President Lunt stated that he could anticipate some displeasure voiced by constituents, with people being concerned as to whether PWD would provide water further south to Massachusetts. He stated that it was worth exploring whether it was financially beneficial to PWD to enter into an arrangement with the Company such that the Company helps pay maintenance costs of PWD system.

Trustee Willey asked Mr. Crovo to review the cost comparison. He suggested that the parties split the cost for the exploratory consulting services required, with them paying more if they go through with the interconnection. He is interested in cutting a “fair” deal; he said he is fine saying “no” to the interconnection if it isn’t beneficial to PWD. He is for a conservative approach, and that if the Company wants to keep working on it, they should pay for it if they do move forward with PWD.

Both Ms. Lewis and Mr. Crovo noted that a consultant is needed to pursue this. The Company needs to be forthcoming with its numbers.

Trustee Libby asked how building a 30-inch transmission line serves PWD customers that would have been able to be served by a smaller line. Mr. Crovo said that the proposed larger pipe would be very robust, and PWD’s current system in Scarborough is not as good as it could be, and could use an upgrade. The proposed larger pipe to serve the Company would be of benefit to customers in Scarborough and assist low-pressure customers in the area, and strengthen everywhere along the system in the area.

Trustee Cote asked if PWD would still be improving its pipe in the area without the need to provide water to the Company. Mr. Crovo said that the section involved would not be touched for 75 years. The present proposal would be to strengthen the Dunstan area, and PWD would work on it over time. It wasn’t critical to do it immediately.

The Scarborough pipe was built in the 1970’s.

Ms. Lewis proposed that in the next month, staff find out how much it would cost to have a consultant study, and to ask if the Company is interested in doing the study and sharing the cost.

The Board concurred.

Trustee Siviski asked about redundancy. Mr. Crovo addressed his concerns, and noted that there was no redundancy now.

Trustee Willey wanted it made clear that PWD’s water would be supplied to Biddeford Saco and not to points south without PWD’s permission.

3. Trustee Training on the Handling of Appeals to the Board.

Donna Katsiaficas, Corporate Counsel, provided a presentation and training to the Board on how to handle appeals related to water service standards.

This item was postponed to October.

4. Other Business.

Only one item is on the agenda for the business meeting in September and it is not time sensitive. The President asked if the meeting should still be held. The meeting was cancelled.

5. Adjourn.

The meeting adjourned at 8:04 p.m.

Submitted by,

Donna M. Katsiaficas
Clerk