



## MEMORANDUM PORTLAND WATER DISTRICT

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TO: Board of Trustees

FROM: Carrie Walker

DATE: November 30, 2021

RE: **Workshop Meeting Monday, December 6, 2021**

There will be a Workshop Meeting of the Board of Trustees of the Portland Water District on Monday, December 6, 2021, at 6:30 p.m. in the Nixon Training Center at the general offices of the District, 225 Douglass Street, Portland, Maine.

The workshop will be preceded by meetings of the following Board Committees:

<b><u>Committee</u></b>	<b><u>Room / Location</u></b>	<b><u>Time</u></b>
Water Bottle Filling Station	General Manager's Conference Room	5:00 p.m.
Pension	General Manager's Conference Room	5:25 p.m.
Administration & Finance	3 <sup>rd</sup> Floor Conference Room	5:30 p.m.
Operations	Nixon Training Center	5:30 p.m.
Planning	EOC 2 <sup>nd</sup> Floor	5:30 p.m.

### **AGENDA – WORKSHOP**

1. **Cayenta / EAM**. Peter Cutrone, Project Manager and Gordon Johnson, Senior Engineer, will provide an update on the Cayenta-EAM transition and current status.
2. **Mountain Division Rail Corridor Study**. Paul Hunt, Environmental Services Manager, will present a brief summary of the first three meetings of the legislatively-chartered advisory council that is charged with providing advice to the Commissioner of Transportation regarding future use of the Mountain Division rail corridor that passes through PWD land in Lower Bay.
3. **Other Business**.
4. **Adjourn**.



## MEMORANDUM PORTLAND WATER DISTRICT

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TO: Pension Committee / Board of Trustees

FROM: Mary Demers, Director of Employee Services

DATE: November 26, 2021

RE: **Pension Committee Meeting – December 6, 2021**

A meeting of the Pension Committee of the Portland Water District Board of Trustees is scheduled for Monday, December 6, 2021 in the General Manager's Conference Room of the District, 225 Douglass Street, Portland, Maine. The start time is 5:25 p.m. or upon arrival of all committee members.

### **AGENDA**

1. **Approval of Pension Distributions**  
Staff will present a request to approve benefits for two retirees.
2. **Other Business**



## MEMORANDUM PORTLAND WATER DISTRICT

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FROM: David Kane, Director of Administration  
Mary Demers, Director of Employee Services

DATE: November 26, 2021

RE: **Administration and Finance Committee Meeting – December 6, 2021**

A meeting of the Administration and Finance Committee of the Portland Water District Board of Trustees will be held on Monday, December 6, 2021. The meeting will begin at 5:30 p.m. in the Third Floor Training Room of the District, 225 Douglass Street, Portland, Maine.

### **AGENDA**

1. **2022 Pensioners' COLA Adjustment**

The Committee will discuss whether a cost of living adjustment should be made to existing pensioners' monthly benefit. (See attached memo)

2. **Non-Union Compensation**

Staff will present a proposed change to the non-union pay structure. (See attached memo)

3. **2022 Benefit Program**

Staff will present an overview of the 2022 Benefit Program.

4. **Other Business**



Portland Water District  
*From Sebago Lake To Casco Bay*

**ADMINISTRATION AND FINANCE COMMITTEE / AGENDA ITEM SUMMARY**

Agenda Item: 1  
Date of Meeting: December 6, 2021  
Subject: 2022 Pension Adjustment  
Presented By: David Kane, Director of Administrative Services

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**RECOMMENDATION**

The following proposed language is presented for Board of Trustee approval:

ORDERED, an adjustment of 2.10% in pension benefits is authorized for eligible retirees and annuitants, effective January 1, 2022, in accordance with Article X of the District’s pension plans.

**BACKGROUND**

Since 1989, the Board of Trustees has authority to grant an annual adjustment in pension benefits equal of one-half of the previous year’s consumer price index (CPI) increase up to a maximum of 5%. The adjustment is not automatic; it is subject to the Board’s approval each year. The table below indicates increases given since 2009:

1989 - 2008:	50% of CPI
2009:	Eligible for 2.41%, no increase granted
2010:	CPI negative, no increase granted
2011:	Eligible for 1.14%, no increase granted
2012:	50% of CPI, 1.61%
2013:	50% of CPI, 1.20%
2014:	50% of CPI, 0.72%
2015:	50% of CPI, 0.82%
2016:	CPI negative, no increase granted
2017	50% of CPI, 0.36%
2018	50% of CPI, 1.03%
2019	50% of CPI, 1.29%
2020	50% of CPI, 0.82%
2021	50% of CPI, 0.67%
2022	50% of CPI, 2.10%

The CPI average for 2021 (November 2020 to October 2021) increased 4.20% over the 2020 average. Therefore, pension benefits for eligible retirees and beneficiaries could increase 2.10%. The impact of providing the adjustment would be approximately \$2,843 per month, and would bring the pension payments total to approximately \$138,248, per month for 132 pensioners and beneficiaries. Retirees eligible for an increase are pensioners receiving a pension as of January 1, 2021.

**ALTERNATIVES CONSIDERED**

The increase is discretionary and no increase is necessary. The Board could grant any increase up to 2.10%, which is 50% of the consumer price index.

**FISCAL REVIEW / FUNDING**

The last actuary study was done as of May 1, 2021. At the time, the District's unfunded pension liability was \$649,110.

The proposed COLA adjustment would require an additional cash payment of \$34,122 (\$2,843\*12 months) a year. The proposed change increases the pension liability by an estimated \$203,000.

**LEGAL REVIEW**

Corporate Counsel reviewed the proposed motion and approved it as to form.

**CONCLUSION(S)**

Staff recommends that the Committee approve forwarding this order to the Board for their consideration.

**ATTACHMENT(S)**

None



Portland Water District  
*From Sebago Lake To Casco Bay*

**ADMINISTRATION AND FINANCE COMMITTEE / AGENDA ITEM SUMMARY**

Agenda Item: 2  
Date of Meeting: December 6, 2021  
Subject: Implementation of the Non-Union Salary Survey and Revisions to Compensation Policy  
Presented By: Mary Demers, Director of Employee Services  
Carrie Lewis, General Manager

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**RECOMMENDATION**

The following proposed language is presented for Board of Trustee approval:

WHEREAS, the Portland Water District’s Non-Union Compensation Policy was last revised in 1999 by Resolution 98-016, To Approve the Non-Union Compensation Policy, Titled Policy 99-01 Effective January 1, 1999; and

WHEREAS, in December 2020, the Administration and Finance Committee of the Board of Trustees approved a request to increase the non-union pay bands by 3% on January 1, 2021 and recommended that any future adjustments to the band structure be done with recommendations from a market survey that considered industry and Maine salary data along with national data;

NOW THEREFORE:

BE IT ORDERED, that the recommendation resulting from said market survey to increase the number of pay bands from seven to eight and reassign positions to the bands, as shown in Attachment A, is hereby adopted; and

BE IT FURTHER ORDERED, that the Board of Trustees Non-Union Compensation Policy 2.30-99 is repealed and hereby replaced with Non-Union Compensation Policy 2.30-21, as shown in Attachment C; and

BE IT FURTHER ORDERED, that the General Manager, and the Employee Services Director, each acting singly, are authorized to implement the aforementioned pay structure effective January 1, 2022 adjusted by a 3.0% cost of living adjustment to be re-evaluated on July 1, 2022, and to take such steps as may be necessary to accomplish the intent of the vote.

**BACKGROUND ANALYSIS**

Portland Water District’s Non-Union Compensation Policy was last revised on January 1, 1999. On December 7, 2020, the Administration and Finance Committee recommended that in addition to national salary databases, industry and Maine salary data be provided to support a request for a 2022 adjustment to non-union pay bands.

The Employee Services Director utilized the services of outside human resources professionals to undertake an external job market survey of PWD's non-union positions. Job descriptions were updated and matched with industry positions. Actual salary data were collected from 21 Maine and 10 New England water/wastewater organizations and 3 published national sources. Utilizing the 50th percentile (median) of the market salary data for each job description, positions with similar medians were grouped. This resulted in a broadband structure containing eight bands, up from the current seven bands. The proposed and current broadband structures are shown in Attachments A and B, respectively.

The Non-Union Compensation Policy 2.30-21, shown in Attachment C, is presented for Board approval. It reflects the utilization of external market median pay for individual positions, appropriately grouped in a broadband structure, as the basis for PWD's non-union compensation. The revised policy presents that base pay is established relative to the market median for a position. (This differs from the 1999 policy, shown in Attachment D, which sets employee salaries based on the median of the pay *band*, not on the market median of the individual position). Non-Union Compensation Policy 2.30-21 also updates, in accord with present practices, how salary increase budgets are approved by the Board, how is pay adjusted, and that there is a direct link between annual performance evaluation ratings and pay increases.

#### **FISCAL REVIEW/FUNDING**

Adjustments to salaries of PWD's non-union employees is estimated to have an operating fund impact of \$389,000. The details of the fiscal impact are shown in Attachment E. The amount can be absorbed in the 2022 budget. It will affect the District's revenue requirement in future years by approximately 0.9% for the Water Fund and 0.7% for Wastewater Funds.

#### **LEGAL REVIEW**

Corporate Counsel has reviewed the proposed order as to form.

#### **CONCLUSION(S)**

The General Manager recommends that the non-union salary structure and compensation policy be updated as proposed and implemented on January 1, 2022.

#### **ATTACHMENT(S)**

Attachment A: Recommended Salary Structure 1-January-2022

Attachment B: Salary Structure currently in effect

Attachment C: Non-Union Compensation Policy 2.30-22

Attachment D: Non-Union Compensation Policy 2.30-99

Attachment E: Details of Fiscal Impact

**Portland Water District  
Recommended Salary Structure  
1-Jan-22**

	MINIMUM	MAXIMUM
<b>Grade 8</b>	<b>\$154,000</b>	<b>\$210,000</b>
	General Manager 9018	
<b>Grade 7</b>	<b>\$122,000</b>	<b>\$165,000</b>
	Executive Director of Administration 9004	
	Executive Director of Asset Management/Planning 9005	
	Corporate Counsel 9035	
<b>Grade 6</b>	<b>\$102,000</b>	<b>\$140,000</b>
	Director of Employee Services 9007	
	Director of Operation Services, Water 9011	
	Director of Operation Services, Wastewater 9011	
	Engineering/Asset Mgmt Services Manager 9031	
<b>Grade 5</b>	<b>\$80,000</b>	<b>\$120,000</b>
	Director of Financial Services 9008	
	Customer Services Manager 9006	
	Information Services Manager 9010	
	Distribution System Manager, Water 9014	
	Environmental Services Manager 9020	
	Senior Project Engineer 9045	
	Project Manager Administrator 9047	
<b>Grade 4</b>	<b>\$74,000</b>	<b>\$111,000</b>
	Water Services Plant/System Chief Operator 9002	
	Wastewater Chief Operator - Plant 9042	
	Wastewater Chief Operator - Systems 9050	
	Public Relations Manager 9025	
	Network Administrator III 9026	
	Database Administrator 9027	
	Regulatory & Security Advisor 9028	
	Project Engineers 9030	
	Utility Asset Coordinator 9038	
	Utility Asset Coordinator Water 9039	
	Wastewater Maintenance Manager Planner Scheduler 9048	
	Right of Way Agent 5014	
	Source Protection Coordinator 5018	
<b>Grade 3</b>	<b>\$68,000</b>	<b>\$99,000</b>
	Transmission/Distribution Supervisor 5011	
	Asset Manager Program Manager 9049	
	Facilities Manager 5019	
	Utility Specialist Supervisor 9023	
	Business System Analyst, Senior 9504	
	Business System Analyst GIS, Senior 9505	
	Customer Service Program Manager 9502	
	Industrial Pretreatment Program Supervisor 5035	
	Network Administrator II-9044	
	Chief of Security Operations 1069	
<b>Grade 2</b>	<b>\$58,000</b>	<b>\$85,000</b>
	Employee Services Consultant-Benefits 5003	
	Employee Services Consultant 5036	
	Employee Services Consultant Safety/Training 5004	
	Purchasing Agent/Buyer 5005	
	Environmental Education Coordinator 5017	
	Financial Analyst 5020	
	Associate Engineer 5023	
	Scheduler/Coordinator-AMaP 5032	
	Scheduler/Coordinator-Operations 5033	
	Network Admin I 9503	
<b>Non-Exempt</b>	<b>\$49,000</b>	<b>\$69,000</b>
	General Accounting Assistant 5028	
	Executive Administrative Assistant 5010	

\*data is aged to 12/31/2021

<b>Portland Water District</b>			
<b>in effect 2021</b>			
	<b>MINIMUM</b>		<b>MAXIMUM</b>
<b>Grade 7</b>	<b>\$111,700</b>		<b>\$167,300</b>
	General Manager 9018		
<b>Grade 6</b>	<b>\$92,700</b>		<b>\$138,900</b>
	Executive Director of Administration 9004		
	Executive Director of Asset Mngment/Planning 9005		
	Corporate Counsel 9035		
<b>Grade 5</b>	<b>\$82,400</b>		<b>\$123,600</b>
	Director of Employee Services 9007		
	Director of Operation Services, Water 9011		
	Director of Operation Services, Wastewater 9011		
<b>Grade 4</b>	<b>\$73,500</b>		<b>\$110,300</b>
	Director of Financial Services 9008		
	Customer Services Manager 9006		
	Information Services Manager 9010		
	Distribution System Manager, Water 9014		
	Environmental Services Manager 9020		
	Engineering/Asset Mgmt Services Manager 9031		
	Senior Project Engineer 9045		
	Project Manager Administration 9047		
<b>Grade 3</b>	<b>\$61,200</b>		<b>\$92,000</b>
	Transmission/Distribution Supervisor 5011		
	Asset Manager Program Manager 9049		
	Facilities Manager 5019		
	Water Services Plant/System Chief Operator 9002		
	Utility Specialist Supervisor 9023		
	Public Relations Manager 9025		
	Network Administrator III 9026		
	Database Administrator 9027		
	Regulatory & Security Advisor 9028		
	Project Engineer 9030		
	Utility Asset Coordinator 9038		
	Utility Asset Coordinator Water 9039		
	Wastewater Chief Operator, Plant 9042		
	Wastewater Chief Operator, Systems 9050		
	Wastewater Maintenance Manager Planner Scheduler 9048		
	Business System Analyst, Senior 9504		
	Business System Analyst GIS, Senior 9505		
	Customer Service Program Manager 9502		
<b>Grade 2</b>	<b>\$52,500</b>		<b>\$78,700</b>
	Chief of Security Operations 1069		
	Employee Services Consultant, Benefits 5003		
	Employee Services Consultant 5036		
	Employee Services Consultant Safety/Training 5004		
	Purchasing Agent/Buyer 5005		
	Right of Way Agent 5014		
	Environmental Education Coordinator 5017		
	Source Protection Coordinator 5018		
	Financial Analyst 5020		
	Industrial Pretreatment Program Supervisor 5035		
	Associate Engineer 5023		
	Scheduler/Coordinator-AMaP 5032		
	Scheduler/Coordinator-Operations 5033		
	Network Administrator II-9044		
	Network Administrator I 9503		
<b>Grade 1</b>	<b>\$41,200</b>		<b>\$61,800</b>
	General Accounting Assistant 5028		
	Executive Administrative Assistant 5010		

**POLICY NUMBER:** 2.30-22

**SUBJECT:** Non-Union Compensation Policy

**EFFECTIVE DATE:** January 1, 2022

**SUPERSEDES:** 15-81, 26-84, 48-87, 2.1, 99-01, 2.30-99

**APPROVED BY:** Board of Trustees

## Purpose

Portland Water District strives to be an employer of choice and a respected leader in our industry. Our mission is to protect public health, safety and the environment and we rely on our valued employees to ensure this. With excellent customer service and professional integrity on all levels in the organization, our mission is realized through high expectations for all employees. Combined with continuous process improvement, and an annual performance evaluation system, employees understand their responsibilities to both the District and the public that we serve. In return for valued service, the District is committed to meeting the employment market with competitive pay for employees using a Broad Band Compensation Structure. The structure is designed to provide competitive pay, allow for effective recruitment, ensure internal pay equity, promote high performance and support strong retention.

## Scope

This policy applies to all regular non-union employees.

## Responsibility

The interpretation of this policy shall be the responsibility of Employee Services. It may be supplemented by administrative procedures issued by the ES Department, as approved by the General Manager.

## Policy

**Establishing and Maintaining the Pay Structure:** PWD's non-union salary structure is a broad band structure. Each position is placed in a band with positions that are most similar in external market median pay. The market median pay for a position is determined by analysis of the external job market for that position. This is typically done through an external compensation consultant, with the ability to reference data regarding the local, regional or national salary market for that particular position. The minimum and maximum pay for each band is designed to have moderate overlap between bands to allow upward mobility within each band and incentivize promotions.

The minimum and maximum pay levels established for each band will remain in effect until the next salary structure review. Generally, a review of adjustments for inflation occurs every two years. A comprehensive review of external market pay for positions is typically performed every three to five years. Changes to the structure, if any, will normally be implemented in January, and performance-related pay adjustments at yearend will be based on the structure in place as of December 31 of that year.

New and restructured positions are slotted into one of the broad bands by an external compensation consultant using current external market data, with reference to the organizational chart for the District.

**Establishing Base Pay:** Base pay for an employee is determined by comparing their qualifications to the requirements in the position job description. For newly hired employees, past experience, education and internal equity will be taken into consideration when determining the starting salary, which will typically be in the first quartile of the market pay for the position. Existing employees' pay is based on their time in the position, prior

directly related experience, education and job performance. High performing employees will have salaries that are higher as they move up in the pay band.

The Director of Employee Services approves hiring appointments in conjunction with the General Manager. In the absence of the General Manager, the Director of Employee Services will have discretion to make a hiring offer, understanding that in most cases it will be between the minimum and midpoint in the assigned broad band. Special situations may allow for highly qualified employees to be hired at or above the median pay level for their position; these appointments require the approval of the General Manager.

**Establishing Increase Amounts/Salary Budgets:** The total annual budgeted amount for non-union increases will be approved by the Board of Trustees each year during the budgeting process. Salary budgets will reflect the District's ability to pay, current salary levels in relation to the external labor market trends, the internal salary structure, and general business forecasts. The General Manager will have the annual decision-making responsibility to review and determine the percentage increases for different levels of performance.

**Pay Adjustments:** Employees who meet performance expectations and the goals established in their annual performance review will receive annual increases in relation to their competencies on the job and their professional accomplishments. Employees in good standing will receive a base pay increase related to the general or cost of living increases in the area. Additional increases are determined through the annual performance evaluation process and will be based on performance relative to the Key Job Responsibilities, Core Competencies, and Goals and Objectives for the review period. Two types of increases are available: base pay increases (fixed percentage added to base pay) and variable pay increases (one-time bonus). Base pay increases will move high performing employees upward in their pay band. Senior Management Team members may recommend to the Employee Services Director and General Manager that additional compensation be added to either an individual's base pay or bonus for meritorious performance.

Base pay compensation normally falls within the compensation structure limits, unless special circumstances are present. Base pay and market adjustments occur subsequent to performance appraisals, which are completed in the 4<sup>th</sup> quarter, and are normally effective the first pay period in January of each year. They are based on the individual's pay and salary structure in effect as of the prior December 1.

Base pay adjustments take into consideration an individual's performance as documented in the Performance Evaluation process and the maximum pay allowed in the broad band in which the position is placed. Should an employee reach the maximum pay allowed in the structure and be performing well, a variable form of payment may be made in lieu of an increase to the employee's base pay.

New or recently promoted employees will have a performance review after three months with the District or after three months in a new position. This review establishes the schedule for learning and contribution of the individual in the new position. The second review will be completed after six months in the new position. At the six month review, the employee will be assessed for completion of the probationary period. The new employee will receive any COLA increase at the end of the calendar year pro-rated on the number of months worked at Portland Water District. The next evaluation for the employee will be in the annual appraisal cycle.

Any employee who receives an overall rating of "Needs Improvement" will not receive an increase in pay. In addition, the needed improvement must take place during the next evaluation period, and will require a Performance Improvement Plan to track progress. No employee may remain in the employment of Portland Water District without successfully completing a Performance Improvement Plan after receiving an overall "Needs Improvement" rating on an annual performance evaluation.

## **Complaint Procedure**

Employees with specific complaints may address them to Director of Employee Services.

**POLICY NUMBER:** 2.30-99

**SUBJECT:** Non-Union Compensation Policy

**EFFECTIVE DATE:** 1/1/99

**SUPERSEDES:** 15-81, 26-84, 48-87, 2.1, 99-01

**APPROVED BY:** [RM]

***Purpose:***

The *purpose* of the Non-union Compensation Plan is to support the District's use of total compensation to promote an achievement-oriented culture through a performance-based salary management program. The plan promotes a focus on the continuous improvement of the Core Personal Competencies by each individual. These Core Competencies support the District's business competencies of providing high quality water, wastewater and related environmental services. The plan also provides a focus on the results to be achieved through the daily implementation of the Core Competencies. A separate annual Incentive Award Plan is used for the specific purpose of encouraging and recognizing group results.

The *objectives* of the plan include:

- the fair and objective management of base salary,
- the linkage of individual development and performance to the values and goals of the District,
- the linkage of the base salary management system to related annual incentive awards,
- the linkage of the salary management system to the performance planning and feedback process,
- the encouragement of creative and innovative activities, and
- retention of highly motivated and enthusiastic employees.

***Scope:***

This policy applies to all regular Non-Union employees.

***Responsibility:***

The interpretation of this policy shall be the responsibility of Employee Services. It may be supplemented by administrative procedures issued by the ES Department, as approved by the General Manager.

***Definitions:***

**Total Cash Compensation** is the total of base pay and variable pay. Variable pay may be delivered in the form of annual bonuses, spot awards given throughout the year or other types of non-fixed pay.

**Organizational Level:** The organizational level is reflected by a number assigned to a family of similar positions. This number is later converted to a Pay Level. The positions are similar with respect to market data (primarily), and with respect to internal equity (secondarily). The District maintains a list of Generic Position Descriptions to communicate organizational levels, and for slotting non-benchmark positions into the salary structure.

**Generic Position Description:** This is the tool used to describe families of jobs, as ranked by the Market Cluster approach. It serves to support to the market pricing process, by providing a documented method of making paired comparisons for non-benchmark positions. Each of the Generic Positions are assigned an Organizational Level as an identifier.

**Market Cluster Approach:** This is the method used to group similar positions into organization levels and pay levels. Benchmark positions are selected (at least 25% of the total positions), matched to surveyed positions, and grouped together to identify a market price for each group of positions. The assignment of a PWD market price for each group of positions is the final outcome of this process.

**Pay Level:** Closely related to Organizational Level, this is the price, or the range of prices, that the District is willing to pay for a given set of skills and results. The skills required for success and the expected impact or scope of a particular position is described in a separate and unique position description, which can be compared with the District's Generic Position Descriptions. Pay Levels are assigned a range of values and a Target Pay Level, in order to guide pay decisions. For most job families, the pay range will be set at approximately 50%-65% from the minimum to the maximum, and the differential between most Pay Level Targets will be 15-20%. These relatively large intergrade differentials reflect a focus on growth within a position, rather than promotion to another Pay Level.

It is the intent of the plan to move toward a more flexible philosophy of paying for the performance and contributions of the individual, rather than for narrowly defined jobs. Therefore, the established Pay Levels will move toward a broader structure in later phases of the program, in order to meet program goals.

**Stretch Objective:** a measurable objective that represents positive change, and takes an additional effort above and beyond what is normally accomplished. An increase in performance (with acceptable quality), an increase in quality, or an increase in service levels are all measures of change. Measures *may incorporate deadlines* (and mutually adjusted deadlines). Examples also include improvement over past performance, improvement over an external benchmark, or meeting a strategic goal or component of the business plan.

**Target Pay Level:** the Target Pay Level is the targeted value that the Water District places on a position, also referred to as a control point. It is normally set at the midpoint of the pay range. What an individual is paid may be higher or lower than the target due to length of time in a position, performance issues, skills, abilities or knowledge.

### **Policy:**

1. **Total Cash Compensation:** Individual compensation will be based on performance to the Core Competencies, Individual Objectives and Organizational/Departmental Objectives. Two types of increases are available: *base pay increases* (fixed dollar amount added to base pay) and *variable pay increases*, in the form of a *bonus* (must be re-earned each year) or other spot awards. The processes described in this policy focus on management of base pay, and where appropriate, links to the annual Incentive Award program will be noted. See the Non-Union Group Incentive Award Plan for details of the bonus pay plan.
2. **Establishing and Maintaining the Pay Structure:** Using the Market Cluster Approach, surveyed positions are selected. Survey positions are made up of like size organizations, in like industries, and may include a sampling of other industries for certain applicable positions, i.e. those positions for which local or regional practices outside the water/wastewater industry have an influence on competitive wages. Non-benchmark positions are then compared with the benchmark positions and slotted accordingly. The Generic Position Description is used to facilitate the slotting of non-benchmark positions. The grouped (or "clustered") positions are then converted to an internal price, which is directly related to the market.

In order to "smooth" out the differences between various pay levels, the target market price assigned to each cluster of jobs may be adjusted. As a point of reference for this process, one or more job families are identified for their relative importance to the overall structure (because they contain the largest number of positions or employees). An average for the benchmark jobs in this group is calculated. The salary price of positions in the selected job family becomes the starting point for calculating the intergrade differentials.

The pay levels established will remain in effect, regardless of changes to individual positions, until the next salary structure review (every one to two years). Changes to the structure, if any, will normally be implemented in January of the plan year, and performance at the year-end will be based on the structure in place as of

December 31 of the plan year (lead/lag approach). New and restructured positions will be slotted accordingly, using the Generic Position Description and market data, if readily available.

3. **Establishing increase amounts/salary budgets:** The total annual budgeted amount for non-union increases will be recommended by the Management Team to the General Manager and approved by the Board of Trustees each year during the budgeting process. Salary budgets will reflect the District's ability to pay, current salary levels in relation to the internal salary structure, external labor market trends and general business forecasts. The General Manager will have the annual decision-making responsibility to review and determine the percentages recommended (by the ES Director and the Management Team) for increases for different levels of performance. The types of increases to be considered are:
  - a. *General Increase Budget* - related to the general or cost of living increases in the area. It is anticipated that most employees will receive at least this amount of increase, if performance levels meet expectations. An additional amount may be allowed for performance increases.
  - b. *Performance Increase Budget* - related to the desire to move employees toward their Targeted Pay Levels, and beyond for those who are performing in an outstanding manner.
  - c. *Annual Incentive Award Budget* - related to the desire to recognize significant group contributions according to pre-established objectives.
  - d. *Spot Award and Discretionary Adjustment Budget.* This budget amount may include market overrides for certain positions, contingencies for unforeseen circumstances, and other discretionary awards.
  
4. **Establishing Base Pay:** Base pay will normally reflect the incumbent's skills, knowledge, abilities and overall competence in performing the desired work. It will normally take a new hire from 2-4 years to become completely competent in a position, relative to market. Competence is reflected by the Target Pay Level (midpoint) for the position, and is related to competitiveness for incumbents with several years of experience within the established external market. Salaries may deviate from the control points for a variety of reasons. For example:
  - a. New or recently promoted employees tend to be on a learning curve and may have a salary below the Target Pay Level.
  - b. Long service employees who have worked in the same position or who have performed in an outstanding fashion may tend to have salaries that are higher than the Target Pay Level.
  - c. Special situations may allow for highly qualified employees to be hired at or above the Target Pay Level.
  - d. Control points may be adjusted for inflation or position redesign, and actual salaries may remain above or below the new control points.
  
5. **Initial Appointment of New Hires or Recently Promoted Individuals:** New employees are appointed at a base pay which is normally below the Target Pay Level. The Director of Employee Services must approve appointments above 90% of the Target Pay Level. The General Manager must approve appointments above 100% of the Target Pay Level.
  
6. **Base pay adjustments:** Base pay compensation normally falls within the compensation structure limits, unless special circumstances are present. Base pay and market adjustments occur subsequent to performance appraisals, which are completed in the 4<sup>th</sup> quarter, and are normally pay effecting the first pay period in January of each year. They are based on the individual's pay in effect as of December 1 of the plan year, and on the salary structure in effect as of December 1 of the plan year.
  - a. Base pay adjustments take into consideration whether *individual pay levels are above or below the control points*, as well as *individual performance as documented in the Performance Appraisal process*.
    - i) An individual whose pay is below the target may receive an increase to make progress toward the target.

- ii) An individual whose pay is at or above the target may receive a performance increase to base salary, when the appraisal rating is above expected or outstanding.
- b. Base pay adjustments may also take into consideration general market movement (see the General Increase Budget in 3 (a) above).
- c. *Each year, management will establish the amount of pay available, relative to performance and position in range. A general guideline follows (as a sample only):*

Performance	Position in Range				
	1st Quartile (.75 - .874)	2nd Quartile (.875 - .999)	3rd Quartile (1.0 – 1.124)	4th Quartile (1.125 – 1.250)	above range (Compa-ratio greater than 1.25)
Outstanding	5%-7%	4%-6%	3%-5%	2%-4%	0
Above Expected	4%-6%	3%-5%	2%-4%	1%-3%	0
Expected	3%-5%	2%-4%	1%-3%	0%-2%	0
Improvement Expected	0	0	0	0	0

**7. Relationship to Performance Management Process:**

- a. *Individuals will be rated on* the development and application of the District’s Core Competencies in their everyday work, their attendance (non-exempt), and the results achieved during the measurement period (attainment of Individual Objectives). Refer to the *Base Pay Adjustment Guideline* chart to determine increase amounts at various pay levels and performance levels. Refer to the *Performance Management Guidelines* for information on how to conduct the Performance Appraisal.
- b. *Individual Objective Planning* - Objectives are written annually by each employee to support department and organizational objectives, and are approved by the supervisor. These objectives will be reviewed quarterly by employees and supervisors, at a minimum. Individual Objectives include improvements to quality, service levels or productivity, and may be completed through improvements to daily processes, through project work, and/or through new initiatives. This does not preclude a group or team of employees from having common individual objectives. Some objectives should be “stretch” objectives.
- c. *Individual Development Planning* - Developmental plans will be established by each individual in order to continually enhance the application of the Core Competencies and specific job-related skills or knowledge.
- d. *Newly eligible employees* - an employee will have a performance review after two months with the District or after two months in a new position. This review establishes the schedule for learning and contribution of the individual in the new position. The second review will be completed after five months in the new position. At the five month review, the employee will be assessed for completion of the probationary period (being appraised does not necessarily mean individual salaries are adjusted). The next evaluation for the employee will be in the annual appraisal cycle and the employee’s adjustment will be prorated, if appropriate.

**8. Other Pay Adjustments:** Managers may, subject to 2nd level approval, make special adjustments to pay for the following discretionary reasons –

- a. one’s pay level relative to other comparable employees;
- b. past salary treatment;

- c. potential for growth;
- d. possession of critical or essential skills;
- e. competitive offers and marketplace pressure.

9. **Equity Review Panel:** Consisting of the General Manager, operations and administrative directors, department directors and internal ES staff as necessary, the panel reviews departmental business plans, individual action plans, and reviews performance appraisals before delivery to the employee rated (for consistency), and approves or modifies rater's recommendations for compensation. Sub-committees of this group may be delegated certain of its responsibilities. The ES staff will serve as a final check and balance regarding the quality and consistency of performance reviews and associated pay recommendations. Specifically,

- a. The rater sends a Personal Evaluation Form to the employee, in order to gather input. The rater reviews all measures of progress supplied by the employee.
- b. The rater assesses the employee, and determines an overall rating for each area of the Performance Appraisal.
- c. The rater forwards the employee's performance appraisal to the Director of Operations or the Director of Administration for second level review and quality check. The overall scores will then be shared with the Equity Review Panel.
- d. The Equity Review Panel reviews for consistency, and determines the range of compensation available for each level of performance.
- e. The Equity Review Panel returns the data to the rater, who delivers the appraisal to the employee.
- f. The rater meets with the employee to discuss the evaluation, and to set plans for the next cycle (more than one meeting may be required).
- g. After making any minor adjustments to the appraisal (based on the employee meeting), the rater makes a final appraisal recommendation, and secures a second level signature. The rater then determines the salary increase recommendation, based on the established guidelines.
- h. Signed evaluation forms are forwarded to ES, and a copy is retained by the rater and the employee to be used as a working document throughout the next measurement period.
- i. The ES staff will generate an Employee Pay Adjustment for signature by appropriate staff.
- j. The Pay Increase discussion between the supervisor and the employee is held at a later date.

#### 10. **Ratings for Performance Appraisals:**

**Outstanding** – This is the “leadership stage” of any given competency. Develops, innovates and guides by providing expert business, technical and people leadership skills. Is inspirational and always assists others to excel. A peak performer and superlative communicator. Must be customer-focused. Performance objectives are broad and have a significant impact on the business goals and the District's vision to be a respected leader in our industry. Excels in the Core Competencies and completes performance objectives with outstanding quality.

**Above Expected** – This is the “influencing stage” of any given competency. Influencing means one has mastered the competencies described and is proactively and positively influencing others to achieve the same. Performance objectives are broad in scope and achievement of them requires significant coordination with others. Achieves an above expected level of development of the Core Competencies and usually exceeds performance objectives.

**Expected** – This is the “self-mastery stage” with regard to a given competency. A full understanding of any given competency is regularly demonstrated. Performance objectives significantly effect the achievement of departmental objectives, and developmental plans represent an achievable “stretch.” Developing his/her Core Competencies at an expected level and usually achieves performance objectives.

**Improvement Expected** - Requires improvement of professional skills and abilities. Requires an above expected level of supervision and does not act in an empowered manner. Is not developing his/her Core Competencies at an expected level and is not able to achieve performance objectives. An overall score in this category means the Employee is failing to meet basic expectations of the job. Employee has inconsistent and uneven in performance. The Employee will be given a detailed Performance Improvement Plan if falling in this category. Performance Improvement Plan will be reviewed after an established period of time which is agreed upon by the employee, supervisor and communicated to Employee Services. If the employee fails to meet the requirements of the Performance Improvement Plan termination of employment may result.

***Complaint Procedure:***

**Review Policy:** Employee comments on the Performance Appraisal will be reviewed by the Employee Service's staff, the employee's department head and the General Manager of the District. This review will include but not be limited to: performance appraisal quality, rater error claims, bias on the part of the rater, and concerns of inequity in the process. Employees with specific complaints may address them to their Supervisor or to an ES Staff member for resolution.

## Attachment E: Details of Fiscal Impact

The market study documented that the salaries of many PWD non-union employees are lagging the market.

The following summarizes the impact to the 2022 budget of moving 56 non-union employees to market pay in the proposed eight-band structure. (The General Manager, whose compensation is set at the direction of the Board of Trustees, is not included in this summary.)

Adapting the recommended salary structure to PWD involved an evaluation of the base pay for every non-union employee. The education and experience qualifications of each individual were compared to the requirements of the position's job description, and to the market median for that position. Employees were placed in the new structure based on their education and experience relative to the requirements of the job description and an internal equity review. Future advancement within pay bands will be on the basis of merit tied to annual performance evaluations.

Increases to annual salaries range from 0% to 15.14%, from no increase to \$16,661, and total \$251k. The average increase is 5.19% or \$4,421. A 3.0% COLA to non-union salaries is included effective January 1, 2022. It is proposed that this COLA amount be reviewed and additional adjustment made on July 1, 2022 if appropriate. The 2022 budget impact of these increases to salaries is \$251k.

Increases to annual salaries also impact other benefits, including the pension amount for employees in the defined benefit pension plan (projected at \$112k and conservatively assumed to impact the 2022 budget), employer match for the deferred compensation plan (\$8k), and employer FICA payment (\$19k). The 2022 budget impact of these increases to benefits is estimated to be \$138k.

The table below summarizes conservative financial projections to the 2022 budget of implementing the revised salary structure as presented. It assumes all positions are filled for the entire year and that the impact of the defined benefit pension occurs in 2022. There is a \$389k impact to the 2022 budget to be shared between the Water and Wastewater Funds as \$238k and \$151k respectively. It is proposed that this be funded through anticipated 2021 surplus balances, funds in the General Manager's contingency account, and open positions. There will be continuing increases to the revenue requirement to fund these changes in future years.

### Salary and Wages:

	2021	Base Increase	Market Adjust	2022 Adjust	Budget	2022 Budget	Contingency	2022 Total Budget	Over 2022 Budget	Water	Wastewater
Non-union	\$ 4,907	\$ 147	3% \$ 251	\$ 251	\$ 5,305	\$ 5,005	\$ 50	\$ 5,055	\$ 250	\$ 153	\$ 97

### Benefits:

	2021	Budget Change		2022							
Pension	\$ 1,424	\$ (726)	\$ 112	\$ 810	\$ 698	\$ 698	\$ 112	\$ 68	\$ 44		
Def Compensation	\$ 551	\$ 57	\$ 8	\$ 616	\$ 608	\$ 608	\$ 8	\$ 5	\$ 3		

FICA (7.65% of above salary/wage change)									\$ 19	\$ 12	\$ 7
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### Grand Total

									\$ 389	\$ 238	\$ 151
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% of Revenue Increase Need to Cover the Budget Variance

0.9% 0.7%



## MEMORANDUM PORTLAND WATER DISTRICT

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TO: Operations Committee / Board of Trustees

FROM: Scott Firmin, Director of Wastewater Services  
James Wallace, Director of Water Services

DATE: November 26, 2021

RE: **Operations Committee Meeting – December 6, 2021**

A meeting of the Operations Committee of the Portland Water District Board of Trustees will be held on Monday, December 6, 2021 beginning at 5:30 p.m., in the Nixon Room of the District, 225 Douglass Street, Portland, Maine.

### **AGENDA**

1. **Biosolids Processing and Disposal Assessment**  
Staff will provide a recommendation for engineering services procurement for this project CIP 2021-421/3233. (See attached memo)
2. **2022 Committee Work Plan**  
Staff will review the Committee's purpose and discuss potential topics for the 2021 work plan.
3. **Other Business**



Portland Water District  
*From Sebago Lake To Casco Bay*

## **OPERATIONS COMMITTEE / AGENDA ITEM SUMMARY**

Agenda Item: 1  
Date of Meeting: December 6, 2021  
Subject: Biosolids Processing and Disposal Assessment - Professional Services Contract - Selection  
Presented By: Paul Rodriguez, Sr. Project Engineer

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### **RECOMMENDATION**

The following proposed language is presented to the Board of Trustee for approval:

ORDERED, the General Manager is authorized to execute a professional services contract with Brown and Caldwell in the amount of \$97,145 for engineering services for the Biosolids Processing and Disposal Assessment (CIP 2021-SP421/3233); 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.

### **BACKGROUND ANALYSIS**

The Assessment will include a holistic review of biosolids processing options in the region and an evaluation of alternatives in the context of the current regulatory climate regarding biosolids reuse and ultimate disposal.

Staff reviewed and scored two proposals from engineering teams that provided proposed methods for achieving the project goals. Based on the outcome of the review and ranking, Brown and Caldwell received the best overall score (100). Staff therefore recommends award to Brown and Caldwell for an amount of \$97,145.

This project includes facility planning level engineering services, including alternatives evaluation, life cycle cost comparison and development of a strategic plan. As approved by Board Order 21-021 on July 26, 2021, the phased method for procuring engineering services will be used for this project, meaning engineering procurements for any future recommendations resulting from the study will be procured independently from this effort.

### **FISCAL REVIEW/FUNDING**

The project was included in the 2021 CIP, Subprogram 421, Project 3233. Project costs will be allocated through capitalization and/or expense based on the effort expended for each fund.

**LEGAL REVIEW**

Corporate Counsel has reviewed the proposed order as to form.

**CONCLUSION(S)**

Staff recommends awarding the contract for engineering services for the Biosolids Processing and Disposal Assessment to Brown and Caldwell.

**ATTACHMENT(S)**

SUPPORTING INFORMATION

## **SUPPORTING INFORMATION**

The emergence of awareness regarding Contaminants of Concern, specifically PFAS, related to wastewater and biosolids in the last few years has created a significant regulatory, legislative, and public reaction to the management of these materials. As a result, there has been a significant and immediate increase in the cost to manage biosolids. Additionally, restrictions and market constraints related to the ultimate disposal of wastewater treatment residuals are impacting available management alternatives that have traditionally included composting, land application, landfilling and incineration. Given the current trend of rapidly increasing costs and dwindling options, the District is seeking to evaluate solids processing and disposal alternatives that provide long term resiliency and reliability for this essential part of our operations.

The outcome of this effort will establish a recommended path forward to sustainably manage the biosolids generated in the daily treatment of wastewater at PWD's four treatment plants. As such, its conclusions and recommendations must be thoroughly vetted and its findings well researched based on local factors and conditions in the Portland area, the State of Maine, and New England in the context of national and global trends. The report shall provide objective engineering analyses and evaluations to enable PWD to successfully begin the process of implementing a long-term biosolids management program.

A selection committee of four PWD staff representing Wastewater Operations and AMaP was assembled. Five qualified firms expressed interest in the project: Brown and Caldwell, Hazen and Sawyer, Kleinfelder, Woodard & Curran, and Wright-Pierce. Two proposals were received on October 22, 2021 and the selection committee conducted a review of the proposals and held a series of internal workshops and interviews with the respondents.

Each selection team member then ranked the proposals based on the two non-fee categories identified in the RFP; Methods & Approach (35%) and Qualifications & Experience (35%) and a final review meeting was held. Each proposal was ranked for each category using a 1-2 scale where a #1 ranking represented the proposal that best met the requirements. The rankings for each firm were averaged for the entire review team. The lump sum fee information for each proposal was opened and added to the overall ranking of the proposals (at 30%). Therefore a total of 100 represents a perfect score and the lowest fee.

The firms developed proposals that highlighted the proposed methods of addressing the challenges anticipated to achieve success. Based on the outcome of the review and ranking, the Brown and Caldwell team received the best overall score (100).

Key factors that led to recommendation of Brown and Caldwell include the following:

- Thorough understanding of the Maine biosolids disposal marketplace;
- Well balanced team makeup of technology experts and biosolids management program managers;

The following table summarizes the results of the selection committee’s evaluation of each respondent, including a scoring breakdown:

<b>Criteria</b>	<b>Brown and Caldwell</b>	<b>Hazen and Sawyer</b>
<b>1. Methods &amp; Approach</b>		
Weight - 35% (Best Score = 35)		
<b>Methods Score</b>	35	70
<b>2. Qualifications &amp; Experience</b>		
Weight - 35% (Best Score = 35)		
<b>Qualifications Score</b>	35	70
<b>3. Fee</b>		
Weight - 30% (Best Score = 30)		
Lump Sum Fee (through Final Design and Bidding)	\$97,145	\$99,823
<b>Fee Score</b>	30	32
<b>Total Score</b>	100	172
<b>Rank</b>	<b>1</b>	<b>2</b>

Staff therefore recommends awarding a contract for engineering services for the Biosolids Processing and Disposal Assessment to Brown and Caldwell. As approved by Board Order 21-021 on July 26<sup>th</sup>, 2021 the phased method for procuring engineering services will be used for this project, meaning engineering procurements for any future recommendations resulting from the study will be procured independently from this effort.



## MEMORANDUM PORTLAND WATER DISTRICT

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TO: Planning Committee / Board of Trustees

FROM: Christopher Crovo, P.E., Director of Asset Management and Planning

DATE: November 26, 2021

RE: **Planning Committee Meeting – December 6, 2021**

A meeting of the Planning Committee of the Portland Water District Board of Trustees will be held on Monday, December 6, 2021 at 5:30 p.m. at the Nixon Training Center of the District, 225 Douglass Street, Portland.

### **AGENDA**

1. **Request for Contribution to the Loon Echo Land Trust to Support the Rolfe Hill Conservation Project**

Staff will recommend a contribution of \$148,000 to conserve 439 acres in the Sebago Lake watershed in town of Casco. (See attached memo)

2. **Request for Lease Extension and Expansion of the Leased Area - FWP Realty LLC – Broadway, South Portland**

Staff will recommend a lease extension and expansion of the leased area to FWP Realty LLC owner of Pape Automotive. (See attached memo)

3. **Recommendation to Extend a Contract for Telecommunications Consulting and Management Services**

Staff will recommend a contract extension with Communication Facilities Inc. for marketing telecommunication antenna siting and site management services. (See attached memo)

4. **Land Reserve Project Updates**

Staff will discuss and provide updates to the Committee on the following projects:

- Sebago Lake Overlook – working with DEP and the town to come up with a plan for maintaining the scenic overlook
- 319 project – Boat Launch native plant stabilization project

5. **Other Business**



Portland Water District  
*From Sebago Lake To Casco Bay*

**PLANNING COMMITTEE / AGENDA ITEM SUMMARY**

Agenda Item: 1  
Date of Meeting: December 6, 2021  
Subject: Request for Contribution of up to \$148,000 to Loon Echo Land Trust to Support the Rolfe Hill Conservation Project  
Presented By: Kirsten Ness, Water Resources Specialist

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**RECOMMENDATION**

The following proposed language is presented for Board of Trustee approval:

ORDERED, that the General Manager is authorized to contribute up to \$148,000 to Loon Echo Land Trust to support the conservation of land known as Rolfe Hill located in Casco.

**BACKGROUND**

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 Watershed Land Conservation Policy states the District's commitment to and support for locally initiated land conservation efforts.

The Rolfe Hill property is 439 acres and located in the town of Casco. Loon Echo Land Trust plans to purchase the Rolfe Hill property for the purpose of conservation. The property is forested and contains wetlands, a natural stream, and vernal pools. The property was also identified by Sebago Clean Waters as high priority for conservation due to its above average capacity for water quality protection.

**ANALYSIS**

The recommended contribution was determined using the District's site-specific assessment and is the amount requested by the applicant. The District's conservation value for the parcel is calculated to be \$781,400, and the appraised value of the property is \$820,000. The requested contribution by the land trust of \$148,000 represents about \$337 per acre of protected land within the watershed. The District's contribution is to be used towards the purchase of the land. The entire property is within the watershed of Sebago Lake.

According to the Watershed Land Conservation policy, the details of this project require that the District obtain a real-estate interest. Loon Echo Land Trust will purchase the land in fee and grant a conservation easement to the District.

**FISCAL REVIEW / FUNDING**

The recommended contribution of \$148,000 was calculated using the District's site-specific assessment. The District will apply to the Maine Drinking Water Program Land Protection Loan program for the contribution to this project. If the application is not approved, the contribution will be drawn from the District's Watershed Protection Cash Land Fund.

**LEGAL REVIEW**

Corporate Counsel has reviewed the proposed Motion and has approved as to form.

**CONCLUSION(S)**

This project will contribute to the long term protection of Sebago Lake and the recommended contribution meets the guidelines of the District's Watershed Land Conservation Policy.

**ATTACHMENT(S)**

Rolfe Hill Report



# PORTLAND WATER DISTRICT

## *Land Conservation Program*

### *Site-Specific Assessment*



## **Rolfe Hill Property**

### Casco, Maine

*Report prepared by PWD's Environmental Services Department*  
*October 27, 2021*

# Rolfe Hill Property Site Walk

## Site Visit

Brie Holme  
10/22/2021

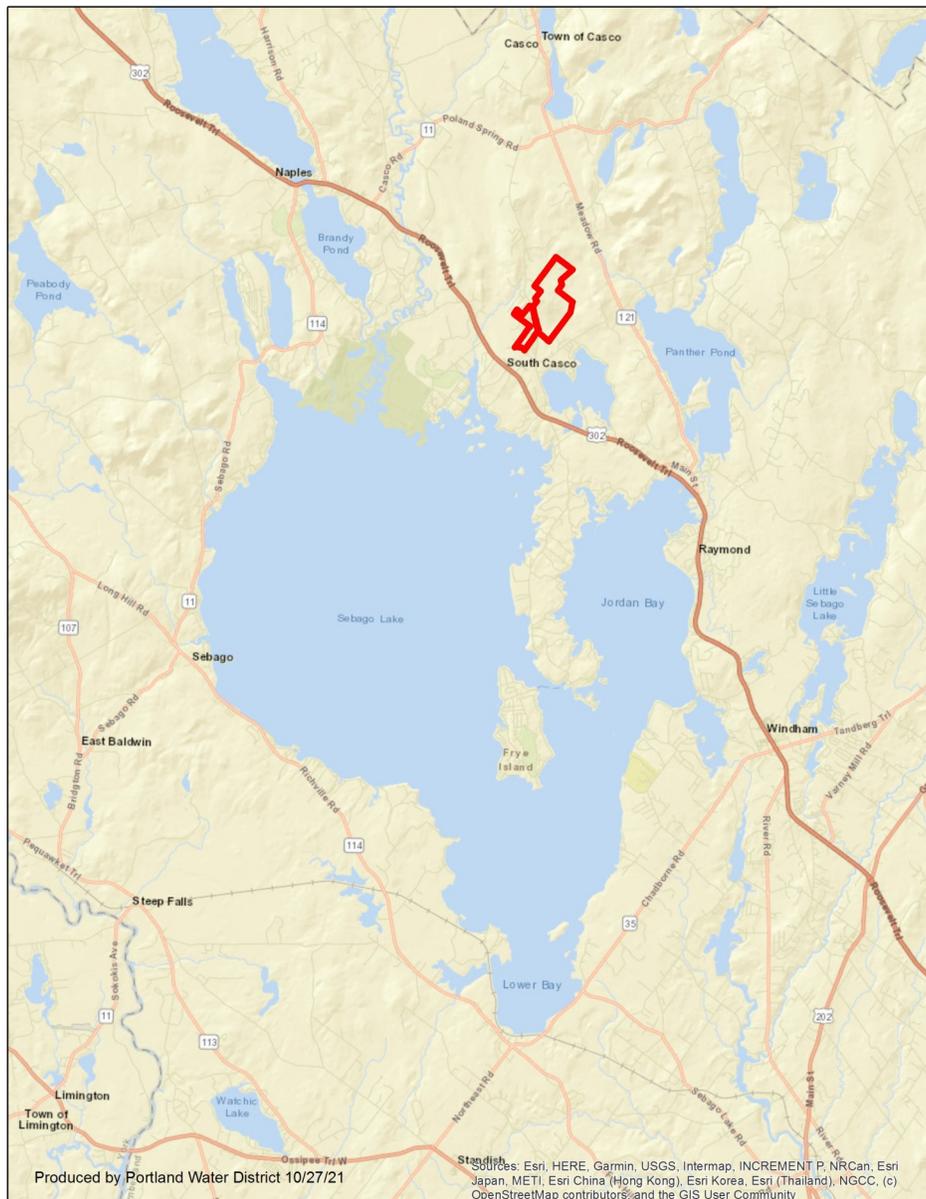
## Description

The Rolfe Hill project is comprised of two parcels totaling 439 acres in the town of Casco. The parcels are located entirely within the Sebago Lake watershed. The property will be held in fee by Loon Echo Land Trust.

## Site Features

### Location

The property is located in Casco.



Rolfe Hill Property Location map

## Rolfe Hill Property Site Walk

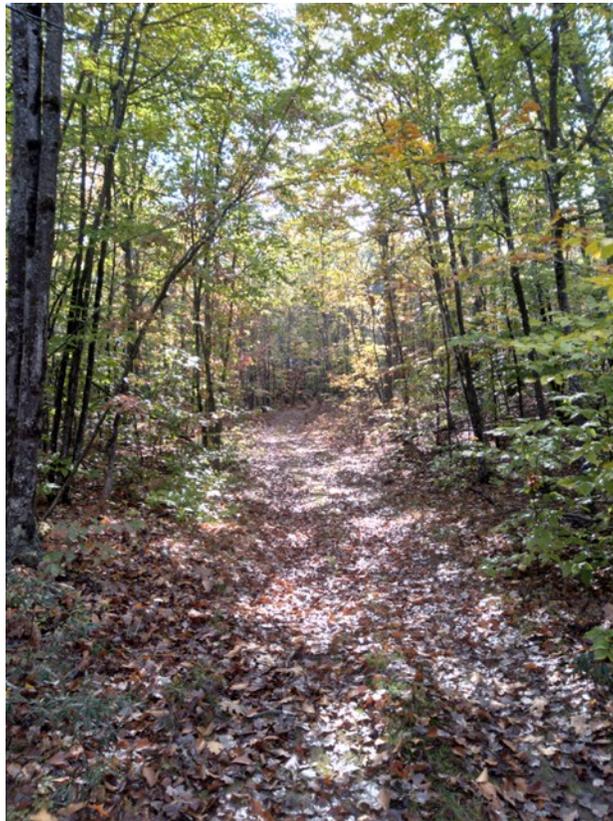
### *Land Use/Land Cover*

The land is primarily forested, with pine-oak forest being the dominant type. Timber harvesting last took place about 10 years ago and these areas have re-forested.



Reforestation of last timber harvest

The current use of the property includes low-impact recreation such as walking and cross-country skiing, as well as an authorized ATV and snowmobile trail, sponsored by local clubs. Loon Echo Land Trust plans to continue to allow these types of public access and would like to re-locate a section of ATV trail so it will be farther away from a wetland.



Trail near Rolfe Hill summit

## Rolfe Hill Property Site Walk

### *Water Resources*

The parcels have a total of 61 acres of wetlands, including a wild brook trout stream, freshwater marsh, swamps, and vernal pools. Using data from the Conservation Priority Index, which scores and ranks the importance of forestland for surface water quality for the Sebago Lake watershed, Sebago Clean Waters analyzed every tax parcel in the watershed to determine those parcels with the greatest capacity for water quality protection. The Rolfe Hill lots rank in the top ten parcels in the entire 282,600-acre watershed for land with above average capacity for water quality protection.



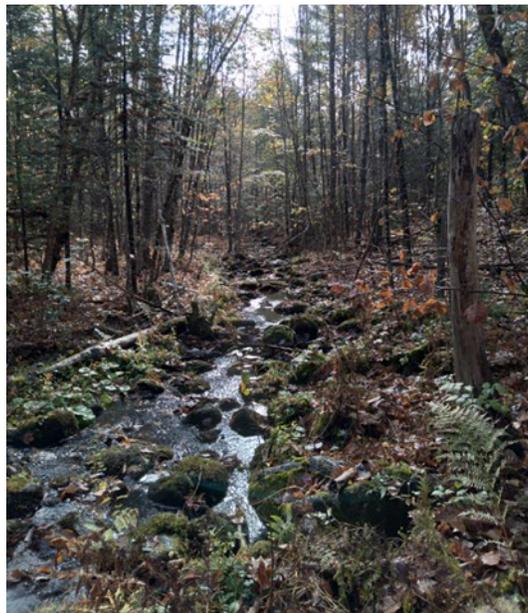
Freshwater marsh



Site of significant vernal pool

### *Connection to Sebago Lake*

The property's stream and wetlands drain into Thomas Pond, and ultimately into Sebago Lake. The property is less than 1.5 miles from the eastern shore of Sebago Lake.



Rolfe Brook

## Site-Specific Property Assessment

**Property Name:** Rolfe Hill

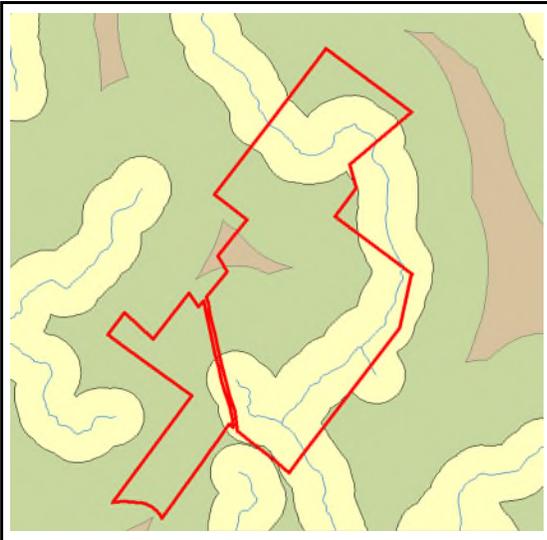
**Area (acres):** 439

**Location:** Casco

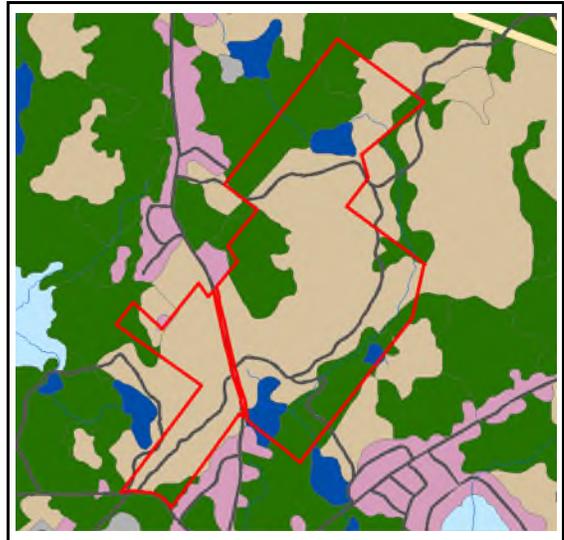
**Land Trust:** LEFT

**Description:** Forested parcels located in the town of Casco

**Location map**



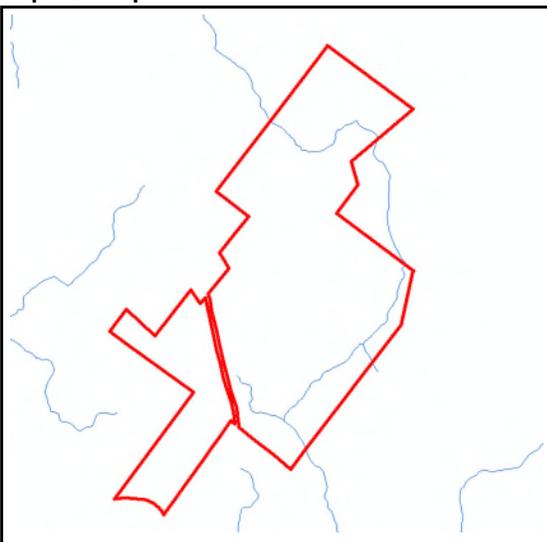
**Land cover map**



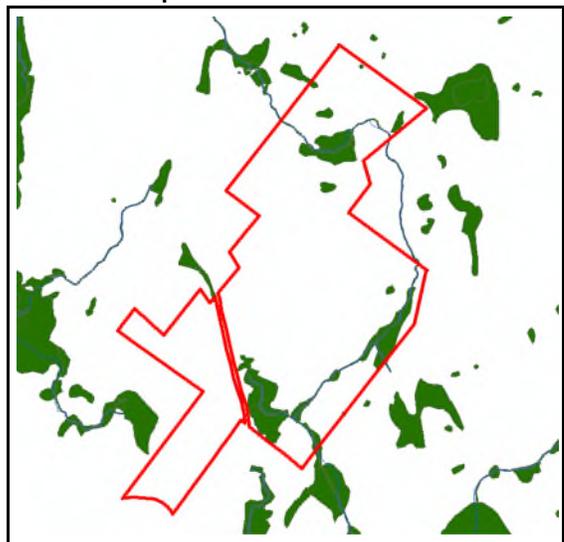
	acres	percent
<b>Prioritization Zone 1</b>	174	40
<b>Prioritization Zone 2</b>	257	59
<b>Prioritization Zone 3</b>	8	2

<b>Forest cover</b>	401	acres
	91	percent

**Aquifer map**



**Wetlands map**



<b>Sig. sand and gravel aquifers</b>	0	acres
		percent

<b>Mapped wetlands</b>	30	acres
	7	percent

## Site-Specific Property Assessment

**Property Name:** Rolfe Hill

### Est. Value of Property

PWD Value: \$781,400

Appraisal: \$820,000

\$781,400

### Watershed Zone

Highest priority zone encompassing at least 25%

1

### Low Percentage of Contribution Range

Zone I = 15-25%

Zone II = 10-20%

Zone III = 5-15%

15 %

### Factors

Located in 7 shoreland towns?

Yes

add 2 %

More than 50% forested

Yes

add 2 %

More than 10% aquifer?

No

add 0 %

More than 20% wetlands?

No

add 0 %

Other (explain)

add %

**Calculated contribution (percent)**

19 %

**Calculated contribution (dollars)**

\$148,466

**Recommended contribution (dollars)**

\$148,000

### Please note:

The site-specific assessment land cover analysis identified a large portion of the parcels as "partial cut" in 2004. Reforestation of the area was verified using aerial imagery and observations during the site walk.



Portland Water District  
*From Sebago Lake To Casco Bay*

## **PLANNING COMMITTEE / AGENDA ITEM SUMMARY**

Agenda Item: 2  
Date of Meeting: December 6, 2021  
Subject: FWP Realty Lease Agreement  
Presented By: Laurel Jackson, Right of Way Agent

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### **RECOMMENDATION**

The following proposed language is presented to the Board of Trustee for approval:

ORDERED, the General Manager is authorized to execute a new lease agreement with FWP Realty LLC for a driveway and parking area on PWD land located on Broadway in South Portland in accordance with the terms described herein; and

BE IT FURTHER ORDERED, 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.

### **BACKGROUND ANALYSIS**

FWP Realty LLC, owner of Pape Automotive, has a lease with Portland Water District to use a portion of the District's fee-owned land located on Broadway in South Portland as a driveway entrance to the car dealership. The current lease expires in April 2022 and FWP Realty LLC has requested a new lease and to expand the leased area to include a paved vehicle display area.

Staff recommends that the agreement be in the form of a twenty year lease beginning April 2022. The Lease can be terminated if necessary by either party upon 30 days written notice. The District has similar leases with Maplewood Dental in Gorham and the Coast Guard Commissary in South Portland. Using these leases as well as Pape Subaru's existing lease as guidance to determine an annual lease payment; staff recommends an annual payment of \$11,000 for the first five years of the lease term to increase 10% in each subsequent five-year term.

### **FISCAL REVIEW / FUNDING**

FWP Realty LLC will pay annual rent as described above.

### **LEGAL REVIEW**

Corporate Counsel will review the proposed lease prior to execution.

**CONCLUSION(S)**

Staff recommends that PWD proceed with the proposal described above.

**ATTACHMENT(S)**

Current Lease Agreement

## LEASE AGREEMENT

THIS LEASE is made this 24th day of April, 2002, by and between the **PORTLAND WATER DISTRICT**, a quasi-municipal corporation organized and existing under the laws of the State of Maine with a principal place of business at Portland, in the County of Cumberland and State of Maine (hereinafter the "DISTRICT") and **FWP REALTY COMPANY, L.L.C.**, a Maine Limited Liability Company of South Portland, County of Cumberland and State of Maine (hereinafter "FWP REALTY").

### BASIC FACTS

- 1) The DISTRICT owns a parcel of land located on the northerly side of Broadway in the City of South Portland, County of Cumberland and State of Maine as described in a deed from Horace W. Wilder dated and recorded in the Cumberland County Registry of Deeds in Book 2387, Page 459 (hereinafter the "DISTRICT LAND").
- 2) The DISTRICT has a 36" water transmission main with appurtenant facilities crossing under the DISTRICT LAND.
- 3) FWP REALTY and FREDERICK W. PAPE, III own land on both sides of the DISTRICT LAND as described in deeds from Louis Kyle et al to FWP REALTY dated January 26, 2001 and recorded in the Registry of Deeds in Book 15982, Page 75 and from CLP Servico, Inc. to Frederick W. Pape, III dated December 18, 1998 and recorded in the Registry of Deeds in Book 14405, Page 123.
- 4) FWP REALTY wishes to construct and maintain a driveway and utilities to connect the parcels of FWP REALTY and FREDERICK W. PAPE, III across a 50 foot wide strip of the DISTRICT LAND shown as "50' Access Easement From Portland Water District" on Sheets 2 and 3 of a set of plans entitled "Pape Property, Broadway, South Portland, Maine" prepared by Mitchell & Associates dated November 21, 2001 as amended February 3, 2002, the plans being on file at the offices of the DISTRICT and FWP REALTY (hereinafter the "LEASED LAND"), a copy of that portion of said plan showing the LEASED LAND being attached as Schedule A hereto.
- 5) The DISTRICT is willing to allow this driveway and utility crossing of the LEASED LAND as shown on the above plans, subject to the terms and conditions of this Lease Agreement.

### AGREEMENT

The parties hereto agree as follows:

- 1) The DISTRICT does lease to FWP REALTY and FWP REALTY accepts such leasehold and agrees to be bound by the terms hereof, the right to enter the LEASED LAND for the purposes of constructing and maintaining a paved driveway, landscaping and utilities as shown on the above described plans and crossing the LEASED LAND on foot and with

vehicles of all types for a period of twenty (20) years beginning on the date of this Lease. FWP REALTY agrees to pay the DISTRICT an annual lease payment upon the execution of this Lease and on or before the anniversary date for each successive year of the Lease. The annual lease payment for the first five years period shall be \$1500.00. The annual payment will increase 10% of the immediately prior rental for each successive five-year period of the Lease. The DISTRICT acknowledges and agrees that the rights leased to FWP REALTY hereunder may be utilized by any tenant of FWP REALTY, and/or the employees, agents, customers, patrons, visitors, and invitees of either FWP REALTY or any tenant of FWP REALTY.

- 2) FWP REALTY, prior to constructing any additional improvements, facilities or pavement on the LEASED LAND that are not shown on the above described plans, shall submit a plan of such improvements, facilities or pavement to the DISTRICT for its review and approval, which approval will not be unreasonably withheld. The DISTRICT shall review the plan with respect to the protection of its present and future pipelines and its ability to operate maintain and repair the pipelines and will respond in writing within 10 business days.
- 3) Each party agrees to notify the other at least 48 hours prior to conducting work on the LEASED LAND that will involve excavation or construction, except in an emergency, whereupon either party shall notify the other immediately.
- 4) FWP REALTY shall reimburse, fully and completely indemnify and save harmless the DISTRICT from any and all loss, damage, cost and expense caused by or arising out of FWP REALTY'S use of the LEASED LAND, including without limitation any and all such costs and expenses, including reasonable attorney's fees, incurred to assure the safety, securement, protection and continuity of present and future operations which are deemed necessary by the DISTRICT, including but not limited to the cost of inspection. FWP REALTY agrees to carry, at its expense, for the benefit of the DISTRICT public liability insurance in an amount of not less than \$1,000,000 and property damage insurance in an amount of not less than \$500,000, said insurance to be in the usual form for the protection of the DISTRICT and FWP REALTY and listing the DISTRICT as an additional insured. Any FWP REALTY property on the LEASED LAND shall be at the sole risk of FWP REALTY. The DISTRICT shall not be liable to FWP REALTY or its employees, agents, customers, patrons, visitors or invitees for any loss or damage to person or property caused by any act, omission or neglect of FWP REALTY, their employees, agents, customers, patrons, visitors or invitees.
- 5) In the event of any exercise by the DISTRICT of any rights related to the LEASED LAND, it shall have no obligation to FWP REALTY or to any third party, for any loss, damage, cost or expense caused by or arising out of any such exercise, including, without limitation, any loss of business suffered by FWP REALTY or any such third party, except for any such loss, damage, cost, expense or loss of business arising out of the gross negligence or willful misconduct of the DISTRICT.

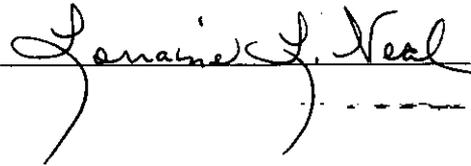
- 6) The DISTRICT reserves the right perpetually and without limitation to possession of the LEASED LAND in common with FWP REALTY, and to lay additional line or lines of pipe within the LEASED LAND at such proximity to the improvements of FWP REALTY as the DISTRICT may, in its sole discretion, determine.
- 7) The DISTRICT agrees to restore any portion of the LEASED LAND to a reasonable condition after the laying, re-laying, maintenance or removal of any existing or future pipelines, and will take reasonable steps to protect the improvements of FWP REALTY located on the LEASED LAND, however, the DISTRICT shall not be responsible to replace any pavement, shrubs, trees or other ornamental plantings.
- 8) Finished grades of any new construction over the DISTRICT'S present or future pipelines shall provide the DISTRICT with a minimum of 4 feet and a maximum of 7 feet of cover over its pipelines. Underground utilities shall cross perpendicular to DISTRICT pipelines allowing a minimum vertical separation of one foot.
- 9) This lease shall be binding upon and inure to the benefit of the parties of this Lease and their respective successors and assigns. FWP REALTY may not assign this Lease to another party, except to any owner of land adjacent to the LEASED LAND and to the holder of any mortgage on the land adjacent to the LEASED LAND, which mortgage holder shall have the right to further assign this Lease to any party who acquires title to the mortgaged premises by foreclosure or deed in lieu of foreclosure.
- 10) If FWP REALTY defaults in the performance of any of the obligations of this Lease, then upon thirty days' written notice, if the default has not been cured, the DISTRICT may terminate this LEASE by entering upon the LEASED LAND, and upon such entry, this Lease shall terminate, provided FWP REALTY shall remain responsible for all the damages caused by the default. FWP REALTY will pay all legal fees of the DISTRICT related to any default by FWP REALTY.
- 11) The failure of the DISTRICT to enforce or insist upon compliance with any of the terms and conditions of this Lease Agreement shall not constitute a general waiver or relinquishment of any of the terms or conditions, but same shall remain in full force and effect at all times.
- 12) Notwithstanding anything contrary contained in this Lease, FWP REALTY may, following not less than 30 days' prior written notice to the DISTRICT, terminate this Lease, in which case neither party shall have any further liabilities or obligations hereunder except for liabilities or obligations as are by their terms, to survive the termination hereof.
- 13) Tenant may record a memorandum of this lease in the CCRD with a description of the premises and term only; provided, however, that if the lease is terminated prior to the end of the term for any reason, then Tenant will promptly record a release of its lease rights. Failure of Tenant to do so shall allow Landlord to bring an action against Tenant to enforce this clause, and the District shall be entitled to collect all damages resulting from

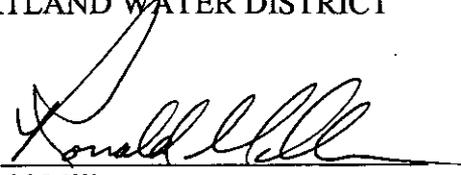
Tenant's failure to release its lease rights, and to collect all legal fees reasonably necessary to have Tenant's lease rights released of record and to recover the District's damages.

The parties have signed two original agreements as sealed documents to be effective on the date at the top of the agreement.

Witness:

PORTLAND WATER DISTRICT

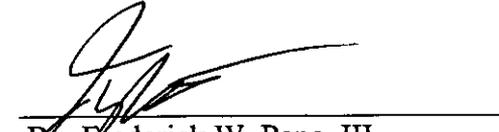
  
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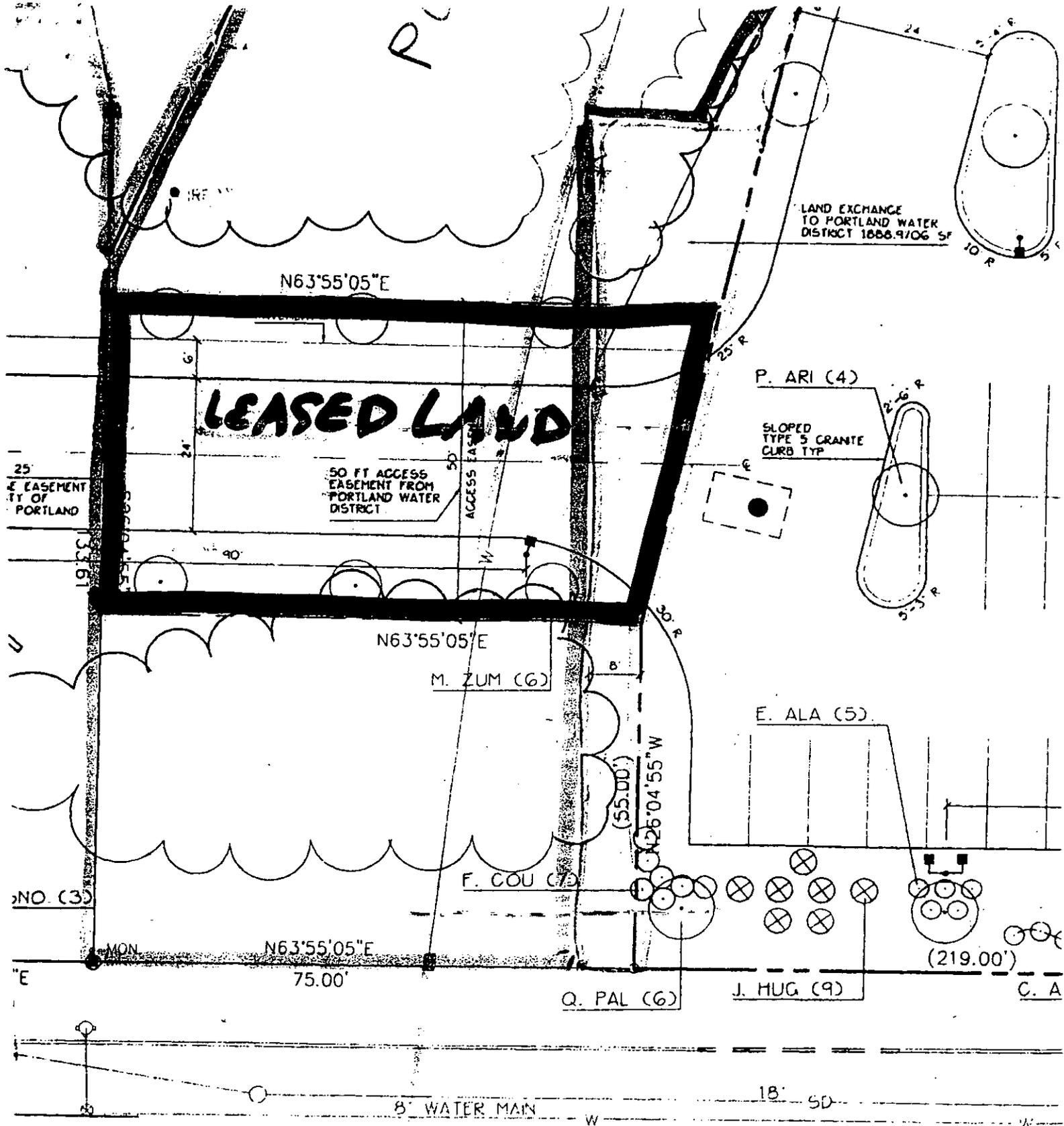
Ronald Miller  
General Manager

FWP REALTY COMPANY, L.L.C.

  
\_\_\_\_\_

  
\_\_\_\_\_

By: Frederick W. Pape, III  
Its: Sole Member and Manager



**LEASED LAND**

N63°55'05"E

50 FT ACCESS EASEMENT FROM PORTLAND WATER DISTRICT

LAND EXCHANGE TO PORTLAND WATER DISTRICT 1888.9/06 5' 10' R

P. ARI (4)

SLOPED TYPE 5 GRANITE CURB TYP

N63°55'05"E

M. ZUM (6)

E. ALA (5)

F. COU (7)

Q. PAL (6)

J. HUG (9)

C. A

N63°55'05"E

75.00'

8" WATER MAIN

18" SD

(219.00')

8



Portland Water District  
*From Sebago Lake To Casco Bay*

## **PLANNING COMMITTEE / AGENDA SUMMARY**

Agenda Item: 3  
Date of Meeting: December 6, 2021  
Subject: Recommendation to Extend the Contract for Telecommunications Consulting and Management Services  
Presented By: Christopher Crovo, Director of Asset Management  
Donna Katsiaficas, Corporate Counsel

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### **RECOMMENDATION**

The following proposed language is presented for Board of Trustee approval:

ORDERED, that the General Manager is authorized to execute a contract extension with Communication Facilities, Inc. for the provision of Telecommunications Antenna Consulting and Management Services; and

BE IT FURTHER ORDERED, that the General Manager or the Treasurer, each acting singly, may take whatever steps necessary to implement the intent of this vote.

### **BACKGROUND**

The District entered into a contract with Communications Facilities Inc. (CFI) in February of 2013 for marketing of lease antenna space and site management of the Shore Acres Tank. They were selected to provide these services as a result of a request for proposals that were sent to three companies in December 2012. The District received one proposal for these services, from CFI. In 2016, the Planning Committee of the Board of Trustees has expressed an interest in expanding these services to market all of the District Tanks for leasing to wireless communication companies. At that time the District asked for a proposal from CFI to provide their services to all of the District's water tanks. CFI submitted a proposal (attached) to provide marketing and management services. Their current contract requires the District to pay a 15% marketing fee for the next new lessee obtained by them and to reduce to 12.5% fee for the subsequent lease and 10% for every property leased thereafter. This marketing fee is limited to the first five years of any lease. They also proposed a 10% ongoing site and tenant management fee for the life of each lease that is executed where the tenant occupies the site.

Staff recommends extending the current contract for a 5-year period. Communications Facilities, Inc. has the experience sought by the District in working with cellular telephone and information providers who may be interested in using our tank sites. The company will be able to assist the staff in negotiations of lease terms and in the management of the property once the communication antennas are in place.

**FISCAL REVIEW / FUNDING**

Communications Facilities Inc. would be paid 15% of gross rents collected by the District for a marketing fee for the first five years of the next lease, then 12.5 % for the subsequent lease and then 10% for every lease thereafter for the first five year portion of any lease that they acquire on behalf of the District. In addition, they would receive a 10% fee for tenant management for all leases acquired for the life of the lease term. Currently the District is collecting in excess of \$70,000 per year in lease payments from two cellular phone companies located on the Shore Acres Tank.

**LEGAL REVIEW**

Corporate Counsel has reviewed the motion and approved as to form.

**CONCLUSION(S)**

The hiring of a contractor to market antenna space on the water tanks will help the District maximize the use of these sites and maximize revenue for the lease of space on the tank.

**ATTACHMENT(S)**

Communications Facilities Inc. proposal March 11, 2016

COMMUNICATIONS FACILITIES, INC.

March 11, 2016

Mr. Christopher Crovo, PE  
Executive Director of AMAP  
Portland Water District  
225 Douglass Street  
PO Box 3553  
Portland, ME 04104-3553

VIA: Email

RE: Proposal for Telecommunications Antenna Consulting & Management Services

Dear Chris:

We have always been excited by the prospects for the District's portfolio of properties for accessory wireless communications use and are pleased the District is open to considering an expanded leasing program for them. We have reviewed the District's property site list you provided and, on behalf of Communication Facilities, Inc. (CFI), I am pleased to present the following proposal for additional services for your consideration.

Scope of Work

Communication Facilities, Inc. will continue to represent the District's interests throughout the life cycle of any wireless communications installations. As per our current contract agreement, we would expect our services to include, but not be limited to, the following activities:

- Marketing of the property to wireless communications companies and users including property information collection and distribution to various wireless communications users. These would include cellular and PCS companies but other wireless communications users as well.
- Assistance with lease negotiation
- Facilities planning and design
- Utility and site improvement coordination
- Plan review and tenant construction oversight to ensure compliance with applicable lease specifications and industry standards
- Coordination with tenant during zoning and permitting process and review for compliance with said permits. Permitting would include not only local permits but compliance with NEPA, FAA and/or other required governmental permits and approvals.
- Quarterly site inspections (after more frequent initial installation inspections) and maintenance of a photo inventory of all installations

## COMMUNICATIONS FACILITIES, INC.

- Management of tenant installations including coordination of tenant proposed installation upgrades and modifications, access and security policies, and lease administration issues. Note that we would expect lease payments called for under lease agreements to be paid directly to the District.
- Tenant retention programming

### Compensation Schedule

As you know, we currently are paid a management fee equal to twenty-five percent (25%) of gross rents collected by the District (excluding any tenant expense reimbursement to the District, such as real estate taxes or common utilities) for the Shore Acres Tank property in Cape Elizabeth. This reflects compensation for the marketing and leasing component (15%) and ongoing site and tenant management (10%).

In consideration of the positive working relationship we have developed with the District, and to reflect potential economies of scale, we would propose to reduce the marketing and leasing portion of our overall fee from fifteen percent (15%) to twelve and one half percent (12.5%) for the second District property which we successfully lease, and to ten percent (10%), for the third and all subsequent properties thereafter. The other terms of our agreement would remain the same.

We look forward to the opportunity to continue and expand our work with and on behalf of the District. Please call me with any questions or comments concerning this proposal.

Sincerely,



David H. Libby  
President

Cc: Donna Katsiaficas, Esq.  
Peter Cooke - CFI

CFI  
PO Box 8784  
Portland, ME 04104-8784  
207-615-4646