

As voted by the Board of Trustees and in accordance with the notice of the meeting, the Annual Meeting of the Board of Trustees of the Portland Water District was held at the Jeff P. Nixon Training Center, 225 Douglass Street, Portland, Maine, and via Zoom, on Monday, March 24, 2025. Attending staff were C. Crovo, S. Firmin, J. Wallace, D. Kane, J. Hudak, D. Katsiaficas, M. Clements, C. Cote, and K. Tibbets.

President Lunt convened the business meeting at 6:01 p.m., with the Pledge of Allegiance and a moment of silence.

ROLL CALL

The roll was called by the Clerk. Trustee Douglas was absent. Trustee Voltz joined the meeting at 6:10 p.m.

ELECTION OF OFFICERS FOR 2025-2026

The Clerk requested nominations for the position of President

It was moved by Trustee Shaughnessy and seconded by Trustee Levinsky to nominate Trustee Lunt for President.

Hearing no further nominations for President, the Clerk closed the nominations, and it was unanimously

Voted to elect Trustee Lunt as President.

The Clerk requested nominations for the position of Vice President

It was moved by Trustee Crockett and seconded by Trustee Siviski to nominate Trustee McCann for Vice President.

Hearing no further nominations for Vice President, the Clerk closed the nominations, and it was unanimously

Voted to elect Trustee McCann as Vice President.

It was moved by Trustee Levinsky, seconded by Trustee Crockett, that the Board vote, David Kane for Treasurer.

It was moved by Trustee Siviski, seconded by Trustee Shattuck-Heidorn, that the Board vote, Donna Katsiaficas for Clerk.

It was moved by Trustee Levinsky, seconded by Trustee Shaunessy, that the Board vote, Kaitlin Tibbets for Assistant Clerk.

Voted all in favor.

ACCEPTANCE OF MINUTES

Trustee McCann made a motion to accept the minutes of the Regular Meeting of February 24, 2025, seconded by Trustee Crockett. It was voted all in favor.

Trustee Willett made a motion to accept the minutes of the Workshop Meeting of March 10, 2025, seconded by Trustee Crockett. It was voted all in favor.

STATEMENT OF PRESIDENT LUNT:

On March 10 the Board of Trustees met in Executive Session with its labor counsel, Peter Bennett, and gave Attorney Bennett specific negotiating guidance and requested that he restart the negotiation/mediation process on the labor contract immediately.

On March 11, Attorney Bennett attempted to schedule a negotiation or mediation session with Joe Piccone, the union's business and bargaining agent right away. He offered to meet as soon as March 14 or 17. He was willing to do so with or without the Mediator present.

On March 14, Mr. Piccone responded through the Mediator and indicated that the first date he was available to meet is April 17. Attorney Bennett indicated the District's willingness to meet on that date.

Mr. Piccone subsequently cancelled that mediation date and said he was refusing to schedule any type of meeting with the PWD until further notice.

The Trustees listened and did what they could to get the District's valued employees a new collective bargaining agreement.

INVITATION FOR PUBLIC COMMENT

None.

REPORTS

Operations Committee

Trustee Shattuck-Heidorn provided a summary of the Operations Committee meeting on March 10, 2025.

Staff requested approval of a contract for phase 4 of HVAC improvements at Douglass Street, utilizing the same contractor from the previous phases. This contractor has met expectations, been on budget, and knows what to expect during these renovations at the District's Douglass St. facility. The committee voted 3-0 to forward the item to the full board for consideration.

Staff reviewed the CSO monitoring program, showing the general locations of assets. They provided examples of flow monitoring data and the recent history of significant wet weather events and expected projects by the community.

Staff then provided an update on pump 3 issues at the Northeast Pump Station and discussed the effort to address the pump. They also discussed the possible need for bypass pumping at this facility to meet DEP's expectations of peak wet weather flow into the treatment plant. Staff will provide continued updates in the future.

Staff provided an update on professional services contracts for General Engineering Services. Nine firms were engaged in 2024, and staff reviewed the purpose and expense of the various projects.

Planning Committee

Trustee Libby provided a summary of the Planning Committee meeting on March 10, 2025.

Staff shared that the 25-year-old Lakescaping Program, by which Lake Office staff help watershed landowners make lake-friendly improvements to their properties, will be modified starting this year. Since its inception, individual landowners have been eligible for up to \$1000 to make the recommended improvements, while road associations and businesses, typically undertaking larger projects, have been eligible for up to \$2000. These limits will be raised to \$1500 and \$2500. This is being done because the grants are meant to be an incentive, and the work costs of this type have increased significantly in 25 years.

Each project requires a landowner match of at least 1:1. Since 2000, PWD has invested \$325,000 in Lakescaping grant awards, and landowners have completed improvements valued at over \$1.2 million.

Staff shared that Maine DOT is drafting an MOU (memorandum of understanding) outlining what PWD and MDOT agree to do as this MDOT-designed and funded project progresses. The draft MOU will be reviewed later in the Planning Committee meeting.

Staff shared a presentation that described the reasons for, procedures, and historical data from this longstanding water distribution system monitoring program, which the federal Safe Drinking Water Act mandates. After several decades of management by the Water Treatment staff, Environmental Services is responsible for the program.

Administration and Finance Committee

Trustee Levinsky provided a summary of the Administration and Finance Committee meeting on March 10, 2025.

Mr. Archibald noted that the State of Maine is implementing a state-run Paid Family Medical Leave program requiring employers to remit 1% of employees' pay to fund the program. The State allows employers to use private insurers that provide a program with benefits that are at least as good as the state-run program. Mutual of Omaha has satisfied the State requirements and is currently the District's disability insurance provider. Staff recommends a motion authorizing a contract with Mutual of Omaha. The Committee unanimously recommended forwarding to the full Board for its consideration.

Mr. Kane presented the preliminary financial results for 2024 (see attached). The results are summarized below:

- Water Fund and Wastewater Funds for Cape Elizabeth and Gorham had positive net income. The net income will be retained in the respective operating fund contingency fund because the contingency fund balance is below 25% of the budget target.
- Cumberland Wastewater fund had a negative net loss. The yearly loss causes the cumulative fund balance to be negative. The amount will be recovered as part of the 2026 assessment.
- Portland and Windham South Wastewater Funds had positive net income. The net income brings the cumulative balance to a level higher than 25% of the budget target. The Committee can decide to retain or return the amount to the municipality. Staff had contacted the municipality about their preference. Since the municipality had not responded, the Committee recommended tabling the item until next month.

Mr. Kane presented information for the Committee to consider as it develops financial parameters for the 2026 planning cycle (see attached). The presentation included the 2026-2029 financial forecast indicating significant increases in water rates and assessments. The increases are being driven by funding of needed capital. The Committee discussed two possible options to mitigate some of the increases: extending the bond term to 30 years from the current typical 20-year term and a water fund system development charge.

Extending the term to 30 years decreases the impact on the annual budget. However, it increases the total financing over the full term. It was decided not to extend the bond term to 30 years.

A Maine state law allows the assessment of a system development charge to new customers. The money raised could only be used to 'finance capital outlays for water system expansion caused by an increase in demand for service.' Given the average number of new customers (470

per year), the charge could generate \$2 million. The Committee recommended that the item be discussed at a future board workshop.

General Manager's Report

Donna Katsiaficas, Corporation Counsel, gave the Board an update on pending legislation with which the District has been involved. The legislation included a bill to protect customer information privacy and a bill designed to improve the District's bond rating. Both were voted ought to pass out of the committee of the legislature and are awaiting final action by the full legislature.

Christopher Crovo, Interim General Manager, updated the Board on the hiring process for the new General Manager.

NEW BUSINESS

Resolution 25-004, accepting the private insurance plan for Paid Family Medical Leave through Mutual of Omaha.

The State of Maine has required all employers to enroll all employees into a state-run Paid Family Medical leave program. The State allows for private insurers to submit to the State proof that they can meet thresholds required to offer products to employers who may then elect to utilize the private plan in place of the state-run program. Mutual of Omaha is currently the District's disability insurance provider and has satisfied the State requirements. They have provided a quote (see attachment) for the District's review and are awaiting approval to move forward. This information was presented in a previous workshop meeting and all were in agreement that when the plan and provider were approved by the State, it would be brought back to the Board for approval and implementation.

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

It was Voted and unanimously,

RESOLVED, that the private insurance plan for Paid Family Medical Leave provided through the Mutual of Omaha, as shown on the attached proposal attached hereto as Exhibit A, is accepted and shall be the District's Paid Family Medical Leave insurance plan to satisfy the requirements of the District to provide Paid Family Medical Leave benefits under Maine law.

Order 25-007, authorizing a construction contract with AAA Energy Service.

This phase of the HVAC upgrade and Office Renovations includes the entire third floor, finance area, HR area, and IS area. Based on our previous work with this company and their demonstrated ability to meet our needs, it is in the best interest of the company to proceed directly with this vendor, offering better overall value. They have consistently met deadlines, maintained high-quality standards, and operated within budget. AAA Energy already understands our operational nuances and can offer a competitive pricing structure based on this relationship. Engaging a new contractor and going through the bidding process would introduce potential delays and costs associated with getting up to speed on our requirements..

It was moved by Trustee Shattuck-Heidorn and seconded by Trustee McCann.

It was Voted and unanimously,

ORDERED, the Treasurer is authorized to execute a construction contract with AAA Energy Service in the amount of \$1,612,710 for the Douglass Street HVAC Improvements Phase 3 – 2025 CIP 068-3054 and Office Renovations Post HVAC – 2025 CIP 068-3217.

OTHER BUSINESS

None.

SECOND INVITATION FOR PUBLIC COMMENT

None.

TRUSTEE COMMENTS

Trustee Voltz asked to have the slide deck provided to the Trustees and asked for a calendar of events.

Trustee Shattuck-Heidorn noted it was employee appreciation day tomorrow.

Trustee Levinsky thanked Trustee Lunt and McCann for serving as Board President and Vice President.

President Lunt thanked all the employees for their work for PWD and said he was happy to be associated with the District.

EXECUTIVE SESSION

None.

ADJOURNMENT

Meeting adjourned at 6:44 p.m.

Submitted by,

Donna M. Katsiaficas

Donna M. Katsiaficas
Clerk