

AGENDA
PORTLAND WATER DISTRICT

225 Douglass Street, Portland, Maine

Jeff P. Nixon Training Center

6:00 p.m. on Monday, February 23, 2026

<https://us06web.zoom.us/j/89362245019?pwd=o4v8mX5mLH53FzXCAvUXdHq5AkpvWd.1>

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|-----|--|--------------------------------------|
| 1. | <u>Convene Meeting</u> with Pledge of Allegiance and moment of silence. | President Lunt |
| 2. | <u>Roll Call</u> | Clerk |
| 3a. | <u>Acceptance of Minutes</u> of the Regular Meeting of January 26, 2026 | President Lunt |
| 3b. | <u>Acceptance of Minutes</u> of the Workshop Meeting of February 9, 2026 | President Lunt |
| 4. | <u>Invitation for Public Comment</u> | President Lunt |
| 5. | <u>Reports:</u> | |
| | ▪ Operations Committee Reports | Trustee Crockett |
| | ▪ Planning Committee Reports | Trustee Douglas |
| | ▪ Administration & Finance Committee Reports | Trustee Willett |
| | ▪ General Manager's Report | General Manager |
| 6. | <u>New Business</u> | |
| | A. <u>Public Hearing</u> regarding the authorization of a water bond. | Administration and Finance Committee |
| | B. <u>Resolution 26-002</u> authorizing the issuance of up to \$19,850,000 in water bonds. | Administration and Finance Committee |
| | C. <u>Order 26-002</u> authorizing the General Manager to extend the HomeServe USA Corporation contract for a period of one year. | Administration and Finance Committee |
| | D. <u>Resolution 26-003</u> directing staff to review the District's procurement practices. | Administration and Finance Committee |
| | E. <u>Order 26-003</u> amending the 2026 Capital Improvement Plan to include the Westbrook WWTF Biosolids Dewatering Project. | Operations Committee |
| | F. <u>Order 26-004</u> amending the 2025 Capital Improvement Plan, Stroudwater Pump Station Site Improvements Project to include site improvements at Thompson's Point Pump Station. | Operations Committee |
| 7. | <u>Other Business</u> An item may be added to this agenda provided seven trustees vote to waive the rule regarding agendas. | President Lunt |
| 8. | <u>Second Invitation for Public Comment</u> | President Lunt |
| 9. | <u>Trustee Comments</u> | President Lunt |
| 10. | <u>Executive Session</u> A motion will be made to go into Executive Session pursuant to 1 M.R.S. §405(6)(D) to discuss labor negotiations. | President Lunt |
| 11. | <u>Adjournment</u> | President Lunt |

Donna M. Katsiaficas
Clerk

Portland Water District
Board of Trustees Regular Meeting
February 23, 2026

New Business

Agenda Item 6A-6F

BOARD OF TRUSTEES/AGENDA ITEM SUMMARY

Agenda Item: 6B Resolution 26-002
 Date of Meeting: February 23, 2026
 Subject: Water Bonds - \$19,875,000
 Presented By: David Kane, Executive Director of Administration

RECOMMENDATION

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

RESOLVED, the issuance of up to \$19,875,000 in water bonds to finance the installation and renewal of water mains and valves, replacement of the plant chemical feed system and roof at the water treatment facility and Douglass Street heating system and related improvements, installation of water meters and other related and ancillary water system infrastructure upgrades and improvements is hereby authorized. The full form of the Resolution attached hereto is hereby approved and shall be attached to and incorporated as part of the minutes of this meeting.

BACKGROUND ANALYSIS

The approved 2026 Budget included the issuance of water bonds totaling \$33,875,000. The bond would provide funding for \$14,000,000 of projects approved included in the 2025 Capital Improvement (Chute Road main and Meter Replacement) and the Board authorized a bond on February 24, 2025 (Resolution 25-003). Additionally, the bond would provide funding for \$19,875,000 of projects included in the 2026 Capital Improvement Plan.

	Bond Issued:				Bond Authorization:		
	2025 Bond	2026 Bond	Future Bonds	Total	2024/2025 Bond	2026 Bond	Total Authorized
Distribution System:							
General Mains		\$ 8,000,000		\$ 8,000,000		\$ 8,000,000	\$ 8,000,000
Brighton Avenue		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000	\$ 1,000,000
Elizabeth Road Valve		\$ 700,000		\$ 700,000		\$ 700,000	\$ 700,000
Chute	\$ 4,000,000	\$ 3,000,000	\$ 2,000,000	\$ 9,000,000	\$ 9,000,000		\$ 9,000,000
Windham Pump Station	\$ 850,000	\$ 1,500,000		\$ 2,350,000	\$ 850,000	\$ 1,500,000	\$ 2,350,000
Treatment Facility:							
Sebago Lake Roof		\$ 700,000		\$ 700,000		\$ 700,000	\$ 700,000
Chemical Storage	\$ 1,550,000	\$ 4,650,000		\$ 6,200,000	\$ 1,550,000	\$ 4,650,000	\$ 6,200,000
Douglass Street:							
2025 Improvements		\$ 1,600,000		\$ 1,600,000		\$ 1,600,000	\$ 1,600,000
2026 Improvements		\$ 1,725,000		\$ 1,725,000		\$ 1,725,000	\$ 1,725,000
Meters	\$ 7,000,000	\$ 11,000,000	\$ 10,750,000	\$ 28,750,000	\$ 28,750,000		\$ 28,750,000
Watershed Protection			\$ 1,500,000	\$ 1,500,000	\$ 1,500,000		\$ 1,500,000
GPS/Galvernized Pipe			\$ 8,200,000	\$ 8,200,000	\$ 8,200,000		\$ 8,200,000
Grand Total	\$ 13,400,000	\$ 33,875,000	\$ 22,450,000	\$ 69,725,000	\$ 49,850,000	\$ 19,875,000	\$ 69,725,000

GREEN BOND DESIGNATION

The authorized projects are environmentally beneficial projects designed to ensure safe drinking water for the public in the State in accordance with State, Federal, and local standards. Therefore, the bonds can be designated as 'Green Bonds'. Based on discussions with Moors & Cabot, PWD's Financial Advisor, and published materials staff has reviewed, bonds designated as 'Green Bonds' obtain yields that, on average, are about 6 basis points below yields on otherwise equivalent bonds that do not have a 'Green Bonds' designation.

To obtain these debt service savings, PWD's Financial Advisor has recommended the Board designate the bonds as 'Green Bonds,' indicating that bond proceeds will be used for the indicated, environmentally beneficial 'Green' purposes. Other than declaring the bonds as 'Green' in the bond's Official Statement, the only other obligation of PWD would be to provide certain post-issuance reporting showing the actual use of the bond proceeds for its declared purpose.

FISCAL REVIEW / FUNDING

Staff currently expect to issue \$33,875,000 of bonds in a public sale on or about August 1, 2026. The impact of the bonds were included in the multi-year forecast included in the 2026 budget. The estimated impact to the 2027 water budget is an increase of \$2.2 million, or 6.3%. The typical customer impact is an increase of \$1.74 per month.

LEGAL REVIEW

Corporation Counsel has reviewed the proposed Resolution as to form.

CONCLUSION(S)

The Water Fund has the debt, financial, and economic capacity to issue the proposed bonds. Staff recommends that the Committee approve the motion and forward the motion to the full Board for their consideration. The Committee unanimously recommended forwarding the motion to the full Board for its consideration.

ATTACHMENT(S)

- A. Full Form of Motion
- B. Section 1 - Support for Estimated Debt Service Savings
Section 2 - Draft Language to be included in the Official Statement for the publicly sold bonds

**PORTLAND WATER DISTRICT
RESOLUTION OF BOARD OF TRUSTEES
AUTHORIZING WATER BONDS IN THE AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$19,875,000**

WHEREAS, the Portland Water District (the “District”) intends to finance the Costs (as defined herein) of the installation and renewal of water mains and valves, replacement of the plant chemical feed system and roof at the water treatment facility and Douglass Street heating system and related improvements, installation of water meters and other related and ancillary water system infrastructure upgrades and improvements (all collectively, the “Projects”).

WHEREAS, the District desires to finance the Costs of such Projects by issuing its water bonds in the maximum aggregate amount of \$19,875,000 and to borrow such money through a public offering or through the Maine Municipal Bond Bank’s Safe Drinking Water State Revolving Loan Fund program, or its general resolution borrowing program or other qualified purchaser of the bonds or a combination thereof;

NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Trustees of the Portland Water District (the “Board”) Assembled, following a public hearing duly called, noticed and held under District Policy No 6.50-15:

THAT: Pursuant to the District’s Charter, Chapter 84 of the Private and Special Laws of 1975 and all amendments thereof and acts additional thereto, and all other authority thereto enabling, and the Decision and Order of the Public Utilities Commission of the State of Maine issued in Docket No. 2015-00159 dated November 13, 2015, there is hereby authorized and approved the issuance of the District’s water bonds (the “Bonds”)and/or temporary notes in anticipation thereof (the “Notes”) in an aggregate principal amount not to exceed \$19,875,000, the proceeds of which are appropriated for and shall be used to finance the Costs of the Projects.

THAT: The Board hereby finds and determines that the Projects are environmentally beneficial projects designed to ensure safe drinking water for the public in the State in accordance with State, Federal, and local standards and that in recognition thereof, the Bonds and Notes are hereby designated as ‘Green Bonds’, with the proceeds to be used for such ‘Green’ purposes.

THAT: Each Bond or Note issued hereunder shall be signed in the name of and on behalf of the District, by the Treasurer and the President of the District, and shall be sealed with the seal of the District, attested to by its Clerk.

THAT: The Treasurer is hereby authorized, in the name of and on behalf of the District, to establish, determine and approve the time of the sale, award and settlement of the Bonds and Notes, which may be issued at one time or from time-to-time, and which may be issued through a public offering (on a competitive or negotiated basis or a combination thereof) or through the Maine Municipal Bond Bank’s Drinking Water State Revolving Loan Fund program or its general resolution borrowing program or to a bank or other qualified purchaser of the Bonds or Notes, or a combination thereof, and such Bonds and Notes may be issued in serial form or as term bonds, or some combination thereof, such establishment, determination and approval to be conclusively evidenced by his/her execution thereof.

THAT: The Treasurer is hereby authorized, in the name of and on behalf of the District, to establish, determine and approve the form, date, maturity (not to exceed 40 years from the date(s) of issuance), denominations, interest rates, payment dates, provisions for redemption prior to the stated maturity date(s), with or without a premium, and all other

details of the Bonds and Notes, such establishment, determination and approval to be conclusively evidenced by his execution thereof.

THAT: The Treasurer is hereby authorized, in the name of and on behalf of the District, to do or cause to be done all such acts and things as may be necessary or advisable in order to accomplish the issuance of the Bonds and Notes and the investment of the proceeds thereof, including to prepare, approve, execute and deliver, all contracts, agreements, loan agreements (including but not limited to one or more loan agreements with the Maine Municipal Bond Bank), investment agreements, bond purchase agreements, underwriting agreements, paying agent agreements, financial or municipal advisory agreements, continuing disclosure agreements, tax compliance agreements, official statements or other offering documents, instruments, a Letter of Representation or other agreement required to allow the Bonds or Notes to be issued through the Depository Trust Company Book-Entry Only System, and other documents and closing certificates (collectively, the "Bond Documents"), which Bond Documents may be in such form and contain such terms and provisions including, without limitation, the waiving of the District's sovereign or governmental immunity with respect to the enforceability of any of the forgoing, which waiver of sovereign or governmental immunity with respect to the enforceability of any of the forgoing is hereby authorized, confirmed and approved, and such other details as he shall establish, determine and approve, such establishment, determination and approval to be conclusively evidenced by the execution thereof.

THAT: If the Bonds or Notes (or any portion thereof) are issued on a tax-exempt basis, the Treasurer is hereby authorized, in the name of and on behalf of the District:

- To covenant and agree that (a) no part of the proceeds of the Bonds and Notes, or the Projects, shall be used directly or indirectly in any manner that would cause the Bonds or Notes to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and (b) that the District will file any required reports and will perform, take and accomplish all acts and things as may be necessary to ensure that interest on the Bonds or Notes will remain exempt from federal income taxation and that the District will refrain from any action that would cause interest on the Bonds or Notes to be subject to federal income taxation; and
- To designate such Bonds or Notes as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Code, but only to the extent such designation is available and permissible under said Section 265(b)(3).

THAT: The term "Cost" or "Costs" as used herein and applied to the Project, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Project; (2) the cost to design, construct, renovate, improve, furnish and equip the Project; (3) the cost of land, easements and other real property interests, landscaping and site preparation, all appurtenances and other fixtures, facilities, buildings and structures either on, above, or under the ground which are used or usable in connection with the Project; (4) the cost of feasibility studies, surveys, environmental studies and assessments, engineering, plans and specifications, legal and other professional services associated with the Projects; and (5) issuance costs, including premiums for insurance, capitalized interest and other fees and expenses relating to the financing transaction.

THAT: The District covenants to establish, maintain, apportion, revise and collect fees, charges and assessments for water services furnished by the District, to pay when due current expenses of operating and maintaining the water system and to pay when due principal, interest and premium, if any, of all outstanding water system indebtedness, including the Bonds, created or assumed by the District to provide a water system or otherwise for water system purposes.

THAT: If the actual cost of any Project differs from the estimated cost, whether due to completion, delay or abandonment of such Project, or for any other reason, the Treasurer is hereby authorized, in his discretion, to reallocate proceeds of the Bonds and Notes to any other listed Project.

THAT: The investment earnings on the proceeds of the Bonds and Notes, if any, and the excess proceeds of such Bonds and Notes (including premium), if any, be and hereby are appropriated for the following purposes, such proceeds to be held and applied in the order of priority determined by the Treasurer, for the following purposes:

1. To any Costs of the Projects;
2. If issued on a tax-exempt basis, in accordance with applicable terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered by the District in connection with the issuance of the Bonds or Notes;
3. To pay debt service on the Bonds;
4. To any other project or improvement for which the Board has authorized the District's bonds; and
5. To the District's general fund.

THAT: If the Treasurer, President of the District or Clerk are for any reason unavailable to approve and execute the Bonds or Notes, or any of the Bond Documents, the person or persons then acting in any such capacity, whether on an interim or acting or temporary basis, as an assistant, a deputy, or otherwise, is hereby authorized to act for such official, in the name of and on behalf of the District, with the same force and effect as if such official had himself or herself performed such act.

THAT: If any authorized representative of the District who has signed or sealed the Bonds and Notes shall cease to be such officer or official before the Bonds or Notes so signed and sealed shall have been actually delivered by the District and / or authenticated, such Bonds or Notes nevertheless may be issued, delivered and authenticated with the same force and effect as though the person or persons who signed or sealed such Bonds and Notes had not ceased to be such officer or official, and also that any such Bonds or Notes may be signed and sealed in the name of and on behalf of the District by those persons who, at the actual date of the execution of such Bonds or Notes, shall be the proper officers and officials of the District, although at the nominal date of such Bonds or Notes any such person shall not have been such officer or official.

THAT: Notwithstanding the above provisions of this Order, to the extent deemed necessary or appropriate by the District Treasurer, the Bonds and Notes may be issued as water bonds, sewer bonds or some combination thereof as the Treasurer shall determine and establish and that the debt service on the Bonds and Notes shall be allocated annually between the water system and the waste water and sewage system in a manner consistent with Section 15 of the District's Charter.

THAT: To the extent any of the Bonds and Notes shall be allocated to the District's waste water and sewage system as provided in the foregoing paragraph, the District covenants to establish, maintain, apportion, revise and collect fees, charges and assessments for sewer and wastewater services furnished by the District, to pay when due current expenses of operating and maintaining the sewer system and to pay when due principal, interest and premium, if any, of all outstanding sewer indebtedness, including any Bonds so allocated, created or assumed by the District to provide a waste water and sewage system or otherwise for sewer purposes.

THAT: If the Bonds or Notes authorized hereunder, or any portion of them, are issued through the Clean Water Revolving Loan Fund Program, the following resolutions required by Section C(4)(e) of the State of Maine Revolving Loan Fund Rules, Chapter 595, Department of Environmental Protection and the Bond Bank (the “SRF Regulations”), and governing any loan to be made to the District under the State Revolving Loan Fund Program be and hereby are adopted with respect to the said Bonds or Notes issued through the Clean Water Revolving Loan Fund Program:

- (1) that a Project Account shall be created for the Projects which shall be separate from all other accounts of the District. If operating revenues are to be used to retire the debt, a sub-account will be established.
- (2) that the Project Account shall be maintained in accordance with standards set forth by the Maine Municipal Bond Bank and in accordance with generally accepted government account standards.
- (3) that a final accounting shall be made to the Bond Bank of the total cost of the Project upon completion of the Project performance certification as set out in Section G(3) of the SRF Regulations and the District acknowledges that the Bond Bank reserves the right at its sole discretion to be provided with a cost certification of the Project as built.
- (4) that an annual audit of the District, prepared by a certified public accountant or licensed public accountant be provided to the Bond Bank for the term of the loan.
- (5) that the District shall maintain insurance coverage on the Project in an amount adequate to protect the Bond Bank’s interest for the term of the loan with the Bond Bank named as loss payee.
- (6) that the District will comply with any special conditions specified by the Department of Environmental Protection’s environmental determination until all financial obligations to the State have been discharged.
- (7) that the District certify to the Bond Bank that it has secured all permits, licenses and approvals necessary and that it has a dedicated source of revenue for repayment.
- (8) that the District establish a rate, charge or assessment schedule in order to pay principal and interest. Such rate change or schedule shall provide total operations and debt service coverage at a level at which the coverage for the Bond Bank is sufficient.
- (9) that the District must demonstrate the ability to pay reasonably anticipated costs of operating and maintaining the financed Project.
- (10) that the District abide by the SRF Regulations, as revised and amended and relevant State statutes of the State of Maine.

THAT: While any of the Bonds remain outstanding, the Treasurer is hereby authorized, in the name of and on behalf of the District, to issue and deliver refunding bonds on either a current or advance refunding basis, to refund some or all of the Bonds then outstanding, and to determine the date, form, interest rate, maturities (not to exceed 40 years from the date of issuance of the original Bonds) and all other details of such refunding bonds, which may be made callable, with or without premium, prior to their stated date(s) of maturity, and to determine the form and manner of their sale and award, which refunding bonds shall be signed in like manner as the Bonds, and to execute and deliver, all in the name of

and on behalf of the District, such additional Bond Documents as may be reasonable or necessary with respect to such refunding.

THAT: While any of the Bonds remain outstanding, all authority granted pursuant to this Resolution shall be, remain, and continue in full force and effect without the necessity of any further action of the Board of Trustees.

1. Excerpt from 'Financing the Response to Climate Change: The Pricing and Ownership of U.S. Green Bonds' by Malcolm Baker Harvard Business School and NBER, Daniel Bergstresser Brandeis International Business School, George Serafeim Harvard Business School and Jeffrey Wurgler NYU Stern School of Business and NBER:

"We confirm that green municipal bonds are indeed priced at a premium. After-tax yields at issue for green bonds versus ordinary bonds are, on average, about 6 basis points below yields paid by otherwise equivalent bonds. The estimates control for numerous factors related to ratings maturity, tax status, the yield curve, and other time-varying and bond-specific characteristics, even issuer fixed effects. On a bond with a 10-year duration, a yield difference of 6 basis points corresponds to approximately a 0.60 percentage-point difference in value, which seems plausible and economically meaningful."

2. Bond Official Statement – Draft Sample Statement

PWD has designated the "X" Bonds as 'Green Bonds' based on the intended use of the proceeds of the bonds to finance environmentally beneficial projects as described below. Such projects are designed to ensure safe drinking for the public in accordance with State and Federal standards. The purpose of labeling the bonds as 'Green Bonds' is to allow investors to invest directly in bonds that finance such environmentally beneficial purposes. The holders of the bonds do not assume any specific project risk or economic benefit related to any of the funded projects as a result of the 'Green Bonds' designation.

BOARD OF TRUSTEES/AGENDA ITEM SUMMARY

Agenda Item: 6C Order 26-002
Date of Meeting: February 23, 2026
Subject: Service Line Warranty Program Contract Renewal
Presented By: David Kane, Executive Director of Administration

RECOMMENDATION

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

ORDERED, the contract with HomeServe USA Corporation to provide a water and wastewater line warranty program is hereby extended for a period of one year;

BE IT FURTHER ORDERED, staff will look at other market alternatives for providing a similar service and report back to the Board of Trustees prior to the expiration of the one-year HomeServe USA contract extension.

BACKGROUND ANALYSIS

Since 2006, the District has partnered with HomeServe (formerly Home Service USA) to provide an optional, customer-paid warranty program. The program currently provides financial assistance for water lines, sewer lines, and internal plumbing. Currently, the program has 8,410 customers participating. The current monthly fees for the program are listed below:

- Water Service line \$5.99; limit of \$7000
- Sewer Service line \$6.99; limit of \$10,000
- Internal Plumbing \$8.99; limit of \$5,000

Unlike most HomeServe partners, the District chose not to receive a portion of the fee charged to customers, and instead, the customer's fee is reduced by 5%. HomeServe has reported that 4,182 customers have received over \$5.5M in benefits from the program.

In the past, the District provided a list of residential customers to HomeServe. HomeServe was authorized to send letters to those customers using a District-approved letter and frequency. A recent Maine law was passed that prohibits the District from providing customers' name and address. The four options for the District are as follows:

- HomeServe provides the list of HomeServe customers. The District would compare the list to the District's records and mail letters to the PWD customers not on HomeServe's list. HomeServe would bear all costs. (Staff recommended option for a one-year pilot)**
- District provides a list of zip codes for our service territory. HomeServe would send a letter to all residents – District customers and non-District customers. The current HomeServe products cover the well and septage tank lines of non-District customers.
- Modify the partnership arrangement where the District promotes the HomeServe product via bill stuffer and social media. HomeServe sends no solicitation letters to potential new HomeServe customers.
- Provide notice to HomeServe to cease the partnership. This would need to be done by January 9, 2026.

The item was tabled at the January 9, 2026, meeting. Additional information is attached.

FISCAL REVIEW / FUNDING

The District currently receives \$2,400 to cover administrative costs incurred.

LEGAL REVIEW

Corporation Counsel will review and approve the documents prior to their execution.

CONCLUSION(S)

Staff recommends that the Board approve the motion to extend the contract for a year, trying option A. The Committee unanimously recommended forwarding the motion to the full Board for its consideration.

ATTACHMENT(S)

- A. History of Program
- B. Home Service Program Statistics
- C. Contract Amendment

Historical Background

In 2005, the Administration and Finance Committee considered several proposals designed to assist the District's customers with the expense of replacing or repairing water and sewer lines. After reviewing the options, the Committee selected Home Service USA to provide the service. At two Board workshops, the Board reviewed and provided feedback on the program specifics. Based on the Board's involvement, the following provisions were added to the contract:

- All customer contacts and documents must be approved by the District and mandate compliance with a 'do not mail list' for customers who do not want to be contacted regarding the program;
- Wastewater coverage includes all costs, including street opening fees;
- Monthly fee reduced by 5% by waiving the District's commission, and
- The program would be offered only to municipalities where the District provides water or wastewater service.

The Board approved the following motion at their May 2006 meeting:

ORDERED, to authorize the general manager to execute a contract with Home Service USA Corporation to provide a water and wastewater line warranty program, subject to the Public Utilities Commission's approval of the terms and condition allowing a water service line warranty program.

The District signed a 5-year contract running until 2011. The water line program was offered to customers beginning in September 2006. The cities of Westbrook and Portland and town of the Cumberland requested that we offer the sewer line program with the first mailing during the summer of 2007. Cape Elizabeth, Falmouth, Gorham, Scarborough, South Portland and Windham requested that their residents be allowed to participate in the sewer line program in 2010.

At its December 10, 2007 workshop, the Board reviewed the letters sent to customers and requested that the letters clearly indicate the program is being offered by Home Service, and requested that frequency of letters be reduced. Also, the Board requested that the sewer line coverage be expanded, which was agreed to by Home Service.

At its October 5, 2009 meeting, the Administration and Finance Committee further reviewed the letters and requested the following changes:

- Renewal letter should be sent by Home Service in an envelope with the District's logo. This will encourage customers to open the letter.
- The renewal letter should not contain the District's logo and the return address should not include the District's name.
- The introduction letter should contain both the District and Home Service logo.
- The intro letter needs to explain PWD is waiving the 5% fee, normally paid to Home Service partners for the use of the utility's mailing list, to reduce the rate our customers pay for the Home Service product.
- Trustee Lunt requested a price for Home Service to offer the drainage product from the house to the property line only (same as water service product).

The requested changes were incorporated into the letters. Home Service created a separate sewer line product and began offering in 2010. The Board voted to extend the contract for an additional 2 and 3 years, respectively, in 2011, 2013, 2016, 2019 and 2023.

Attachment B

Portland Water & HomeServe Renewal

Portland Water has partnered with HomeServe since June of 2006

- **8,410 customers** enrolled
- **15,952 plans** - meaning almost every customer has opted in to more than one plan
- **87.2% retention** rate

Product Breakdown

HomeServe offers three different coverage plans to Portland Water customers - we could also offer Water Heater, Heating and Cooling coverages serviced by our local contractors

- 8,222 **Water Service Line** Plans - 52% of plans
- 5,231 **Sewer Service Line** Plans - 33% of plans
- 2,499 **Interior Plumbing & Drainage** Plans - 15% of plans

Channel Breakdown

Customers can enroll via web, our call center or via Direct Mail (up to 2 mailings a year)

- 8,614 plans enrolled via the **mailer** - our most popular form with 54% of plans
- 3,828 plans enrolled via **web** - 24% of enrollments
- 3,510 plans enrolled via **phone** - 22% of enrollments

Claims & Goodwill

In addition to our plan repairs, HomeServe performs pro-bono work under our corporate goodwill fund

- Since Launch - 5,557 jobs with **\$5.5 million** in spend
- Last 12 Months - 460 jobs with **\$675,438** in spend
- Since 2017 - more than **\$34,800** in goodwill spend in Portland

Customer Service Score & Testimonials

- 90 surveys in 2025 YTD with a **4.84/5 customer satisfaction** score

"HomeServe is very professional and empathetic to your situation. Good communication."
Daniel & Belinda M

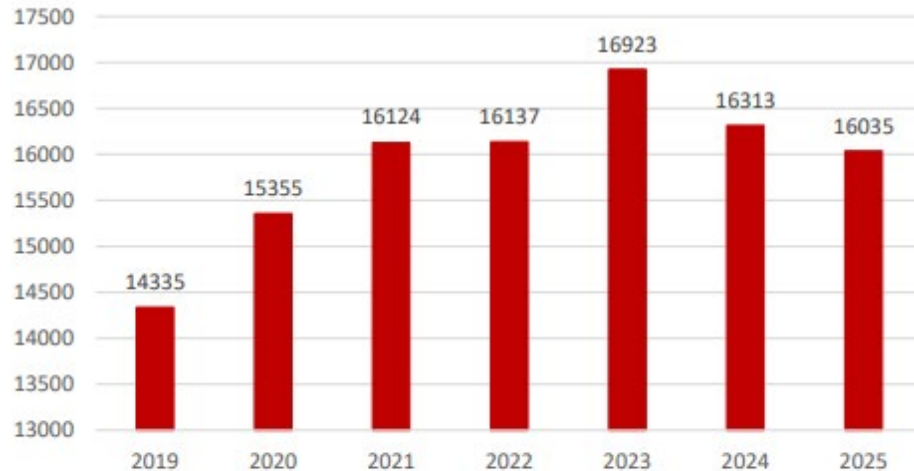
"Our call was answered right away and the plumber fixed what was for us, a difficult problem. We are happy with this service!"
Lorraine K

Plan & Customer Growth since 2019

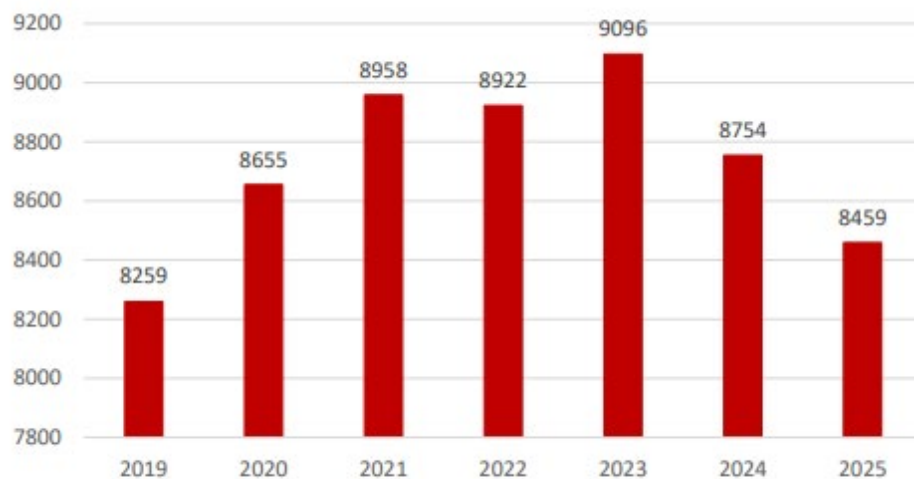
We were seeing consistent growth with plans and customers by mailing twice a year - in 2024 we were only able to mail once a year and saw a slight decline. In 2025 we have one mailing that performed well and have a second that is still in the market.

In addition, many customers have all three plans provided by Portland Water - we believe there could be appetite for additional coverages (ex. Water Heater, Heating, Cooling)

Portland Water Plan Growth



Portland Water Customer Growth



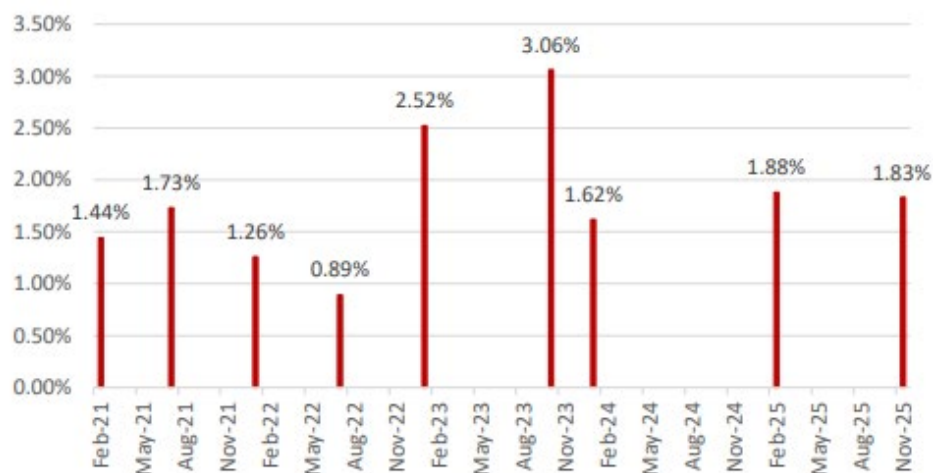
New & Existing Customer Response Rates since '21

Response remains strong for an almost 20 year partnership - mailing twice a year means we do not over-saturate the market and we see continuing interest from any new movers.

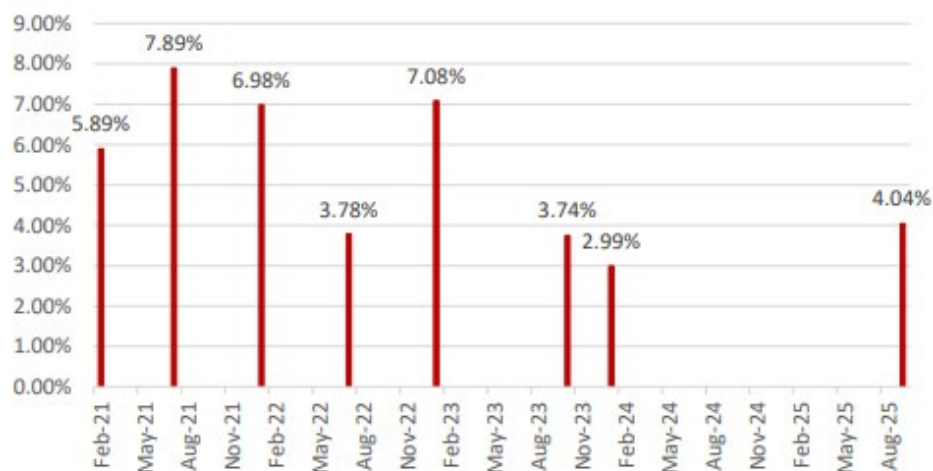
We see peaks and valleys based on creative testing and offer discounts.
On the existing customer side, there continues to be strong interest in additional products.

For reference, a new customer for a brand-new partner is forecasted at a 1.5% response rate, and a cross-sell customer is forecasted at a 2% response rates .

New Customer Response Rate



Cross-Sell Response Rate

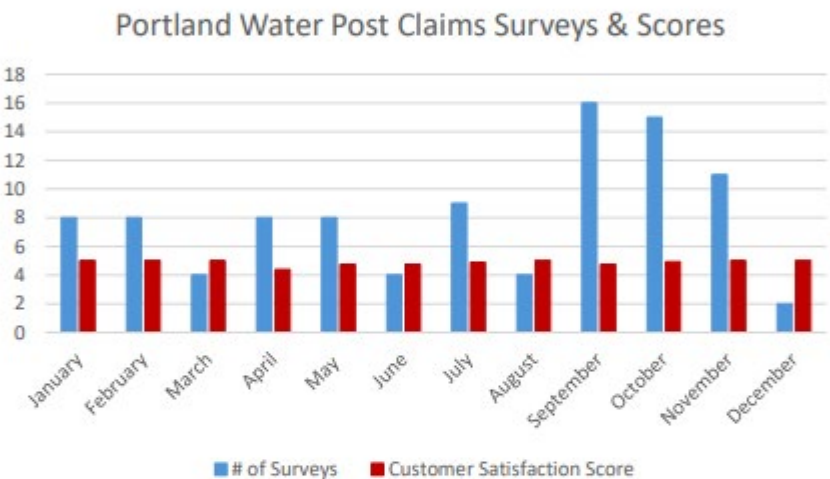


Portland Water Customer Satisfaction

After every claim, we send out a survey via the Dispatch Me application.

Customers are asked to provide a rating between 1-5, and can provide additional written feedback (see Portland Water customer testimonials on page 1)

Year to date, we have received 97 surveys from Portland Water customers averaging a 4.86



Month	# of Surveys	Customer Satisfaction Score
January	8	5.00
February	8	5.00
March	4	5.00
April	8	4.38
May	8	4.75
June	4	4.75
July	9	4.89
August	4	5.00
September	16	4.75
October	15	4.93
November	11	5.00
December	2	5.00

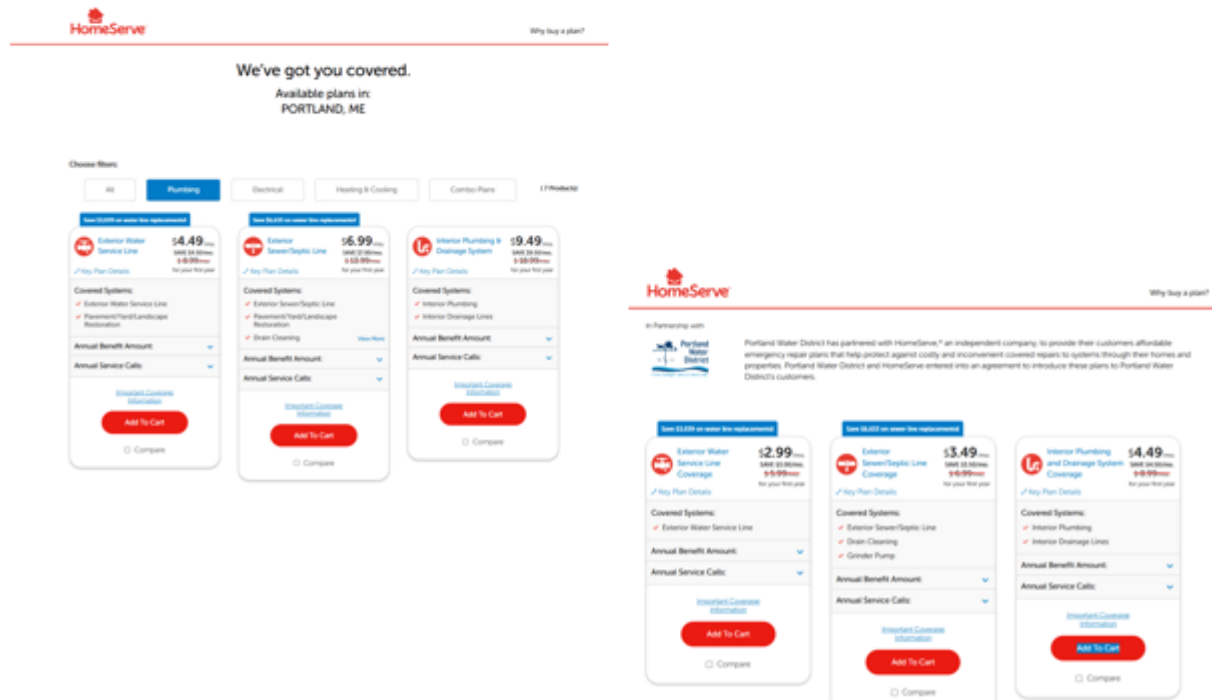
Portland Water Partnership Discounts

When entering into partnership with HomeServe, the Portland Water District Board negotiated a 5% discount for their customers in lieu of receiving a commission.

HomeServe seeks to offer value beyond that, and Portland Water customers benefit from a:

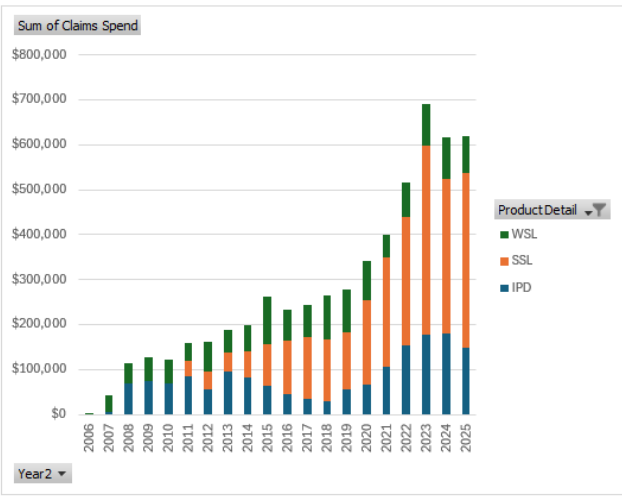
- 33% discount on water service lines
- 50% discount on sewer service lines
- 52% discount on Interior Plumbing & Drainage.

Product	PWD Customer Pricing	Non-PWD Customer Pricing
Water Service Line	\$5.99 (\$2.99 intro)	\$8.99 (\$4.49 intro)
Sewer Service Line	\$6.99 (\$3.49 intro)	\$13.99 (\$6.99 intro)
Interior Plumbing & Drainage	\$8.99 (\$4.49 intro)	\$18.99 (\$9.49 intro)

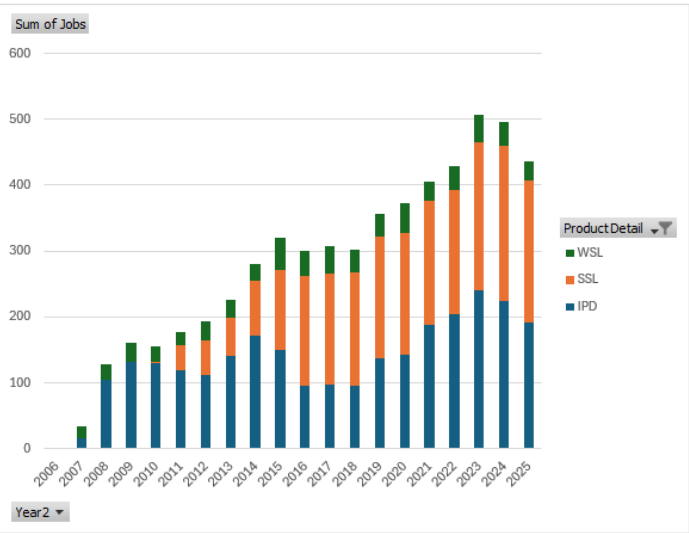


Home Service Claims by Year by Product

Sum of Claims Column Labels				
Row Labels	IPD	SSL	WSL	Grand Total
2006			\$1,780	\$1,780
2007	\$5,402		\$36,684	\$42,087
2008	\$68,257		\$47,010	\$115,267
2009	\$75,392		\$50,894	\$126,285
2010	\$67,904	\$559	\$53,538	\$122,001
2011	\$84,567	\$35,746	\$37,462	\$157,775
2012	\$55,810	\$38,630	\$68,483	\$162,922
2013	\$94,726	\$42,539	\$52,049	\$189,314
2014	\$83,079	\$57,720	\$57,569	\$198,368
2015	\$65,021	\$91,454	\$105,155	\$261,630
2016	\$44,607	\$118,447	\$68,991	\$232,045
2017	\$34,966	\$136,003	\$73,101	\$244,070
2018	\$29,012	\$137,497	\$97,260	\$263,769
2019	\$56,346	\$126,878	\$93,674	\$276,898
2020	\$66,679	\$186,274	\$88,281	\$341,234
2021	\$107,298	\$242,021	\$51,077	\$400,396
2022	\$152,927	\$286,599	\$77,184	\$516,710
2023	\$177,467	\$420,375	\$91,740	\$689,582
2024	\$179,009	\$344,267	\$92,843	\$616,118
2025	\$148,894	\$386,969	\$83,369	\$619,231
Grand Total	\$1,597,363	\$2,651,978	\$1,328,144	\$5,577,484



Sum of Jobs Column Labels				
Row Labels	IPD	SSL	WSL	Grand Total
2006			2	2
2007	16		19	35
2008	105		23	128
2009	132		29	161
2010	130	2	23	155
2011	119	38	20	177
2012	112	53	29	194
2013	141	58	28	227
2014	171	84	26	281
2015	151	120	50	321
2016	95	168	37	300
2017	97	169	41	307
2018	96	171	35	302
2019	138	184	35	357
2020	142	186	44	372
2021	189	188	29	406
2022	204	188	37	429
2023	241	225	41	507
2024	224	236	36	496
2025	191	217	29	437
Grand Total	2,694	2,287	613	5,594



Home Service Financial Information

Home Service response to request:

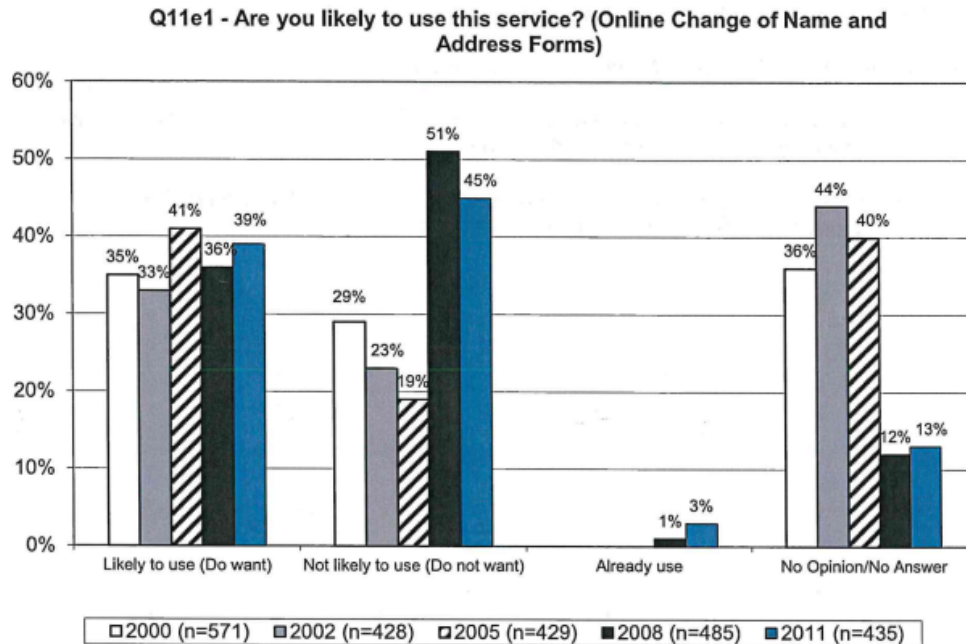
HomeServe's P&L is proprietary and we are not able to share.

Did provide some information on the parent company:

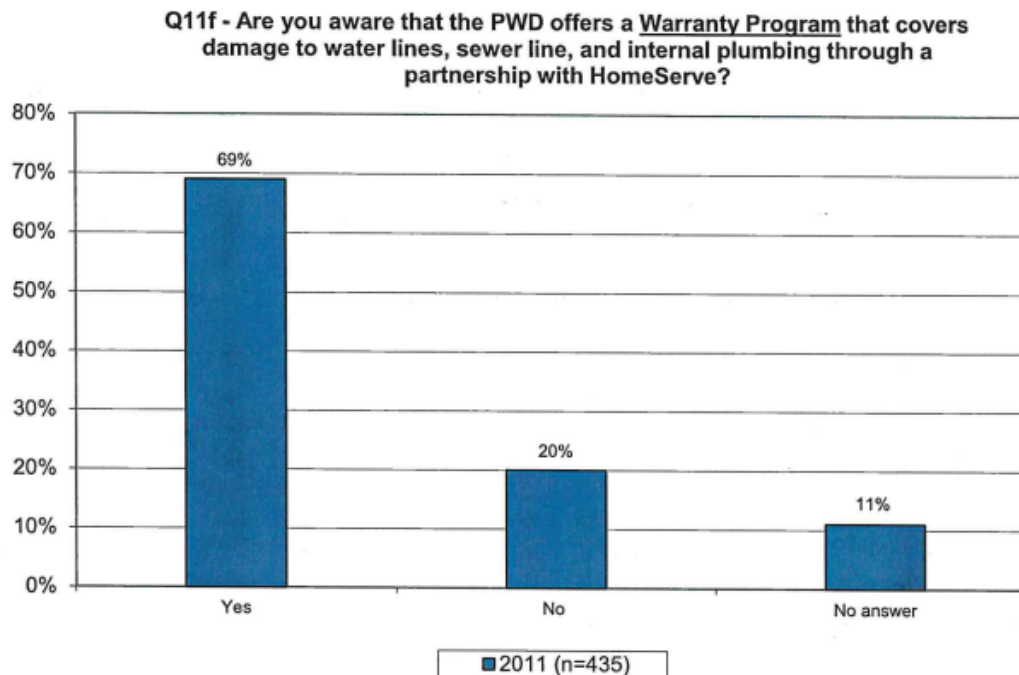
- HomeServe is owned by Brookfield Infrastructure (BIF III) which in turn is ultimately controlled by Brookfield Corporation, a publicly traded entity.
- Brookfield Corporation has approximately \$1 trillion in assets and 240,000 employees in operations around the world in areas such as infrastructure, utilities, renewable power and more.
- HomeServe North America specifically has over 1,340 municipal and utility partners across the United States and Canada.
- We have over 4.6 million customers who hold over 9.6 million plans and have completed over 7 million jobs - saving our customers over \$2.5 billion in home repairs.
- We have 700+ employees across our corporate office in Norwalk, CT / call center Chattanooga, TN / remote employees across North America.

Customer Satisfaction Survey

The District periodically does a customer satisfaction survey. Below is the response to Home Service questions.



More than two-thirds (69%) of respondents are aware that the Portland Water District offers a warranty program through a partnership with HomeServe; 15% already use and 18% are likely to use this service.



Home Service Update for February's Committee Meeting

The information below is provided in response to several questions that were asked at the January Committee meeting.

A. Price Comparison:

	Water Line	Sewer Lateral	Internal Plumbing
PWD	\$2.99/5.99	\$3.49/6.99	\$4.49/8.99
Other Home Service:			
Charlestown, SC	\$3.49/6.99	\$3.99/7.99	\$6.49/12.99
Birmingham, AL	\$4.99/8.99	\$6.99/13.99	\$6.49/12.99
Harwinton, CT	\$4.99/8.99	\$6.99/13.99	\$6.49/12.99
Ellington, CT	\$4.99/8.99	\$6.99/13.99	\$6.49/12.99
Louisville, KY	\$2.74/5.49	\$4.99/9.99	\$4.99/9.99
West Springfield, MA	\$6.07/6.75	\$6.97/7.75	\$9.99
Non-Home Service Program			
Maine Water	\$7.83		
American Home Shield Covers all 3 items + electrical system	\$30/\$59.99 +125 service call fee		

Summary: PWD Customer's monthly charge is less than other Home Service customers with the exception of Louisville Kentucky's water line program. Louisville has been in the program for over 20 years. They were a reference call when we were exploring options 20 years ago.

B. Internal Managed Program

Maine Water's program (Linebacker) is managed internally by Maine Water. Maine Water receives the revenue and incurs the cost to repair the water line. Their staff does the work on private assets. The Linebacker program existed 20 years ago when it was offered by Connecticut Water, a private company that purchased Maine Water. The service is provided 'below the line' so it is not regulated by the Public Utilities Commission.

Legal Counsel comment:

The first problem I see is that Maine Water is a private company. They can do what they want. We are municipal and governed by our charter. Our charter allows us to supply clean water and treat wastewater and collect it. I'm not sure creating such a program and contracting with plumbers to do work on private property is within our legal authority under our charter. I would need to do some research on that. It is complicated and involves the commerce clause of the constitution.

We would need a waiver for PWD for any work done on private, but the plumber wouldn't have the benefit of that waiver. They would still need insurance and need to indemnify PWD. We would need to bid the plumber's work out.

C. New Privacy Law – Legal Counsel Comment

From: Donna Katsiaficas <dkatsiaficas@pwd.org>

Sent: Monday, January 26, 2026 4:12 PM

For the committee:

After consulting with the PUC staff, the following arrangement will not violate the customer privacy law that went into effect in September, 2025:

Home Service can continue to communicate with its present customers.

Home Service can provide us a list of their current customers. We can then assemble a list of all of our customers not on that list and provide it to Direct Mail, our contractor. Home Service can give us the text of the letter they want us to send, and we will provide it to Direct Mail. The letter will then go out under

PWD sponsorship. Home Service will pay all costs related to the mailing by Direct Mail. They will not be provided any customer information.

D. Home Owner's Insurance Option:



Clark Insurance,
A Marsh & McLennan Agency LLC Company
1945 Congress Street, Building A
Portland, ME 04102
T 207 523 2233 M 207 671 1628
jeff.lind@marshmma.com

Memo

To: David Kane, Portland Water District
Date: January 27, 2026
From: Jeffrey Lind, CPCU, CIC, ARM
Subject: Service Line Coverage

David,

Thanks for your question about the availability of service line coverage available through homeowners insurance policies. The availability of this coverage has improved a great deal over the last several years, with many carriers offering this coverage.

To respond to your question, I worked with our personal insurance team to review the service line coverage offered by four homeowners insurers that are active in the Southern Maine marketplace to provide a sampling of what is available in the marketplace.

As you shared, the current Monthly Rates with Home Serve are:

- Water Service Line \$5.99; limit of \$7,000 (approximately \$72 annually)
- Sewer Service Line \$6.99; limit of \$10,000 (approximately \$84 annually)
- Internal Plumbing \$8.99; limit of \$5,000 (approximately \$108 annually)

Below is a brief comparison of the limits, premiums and coverage provided by the four carriers we chose for a sampling.

Carrier	Andover	Hanover	MMG	Patriot
Limit	\$15,000	\$10,000	\$10,000 (\$2,500 if system is more than 50 years old)	\$10,000
Annual Premium	\$45	Embedded in cost of broadening endorsements	\$35	\$18-\$35 depending on policy
Water Line Coverage?	Yes	Yes	Yes	Yes
Sewer Line Coverage?	Yes	Yes	Yes	Yes
Internal Plumbing?*	Yes	No	No	No
Home Systems / Equipment Breakdown Coverage?	Yes	No**	No**	No**

* Internal plumbing is generally covered under a standard homeowners policy, subject to policy exclusions, such as wear and tear.

** Potentially available as a separate endorsement.

As you can see, the coverage available through homeowners insurers is significantly less expensive, since with Home Serve, the cost to purchase both sewer line and water line plans is \$156 annually.

However, this type of warranty program/service plan differs from an insurance policy as the Home Serve program coordinates and facilitates the repair of damaged lines, using their network of contractors, which does go beyond the service that would be provided by an insurance company.

With a homeowners policy, generally the homeowner would need to arrange for repairs themselves and submit those costs to their insurance carrier for reimbursement. In times when it can be difficult to find qualified contractors for small projects, this type of "concierge" service can be of value to customers, but it does come at a cost.

The coverage provided by these service line endorsements does vary from insurer to insurer, so customers should discuss these issues with their insurance provider to make sure the coverage matches their expectations.

BOARD OF TRUSTEES/AGENDA ITEM SUMMARY

Agenda Item: 6D Resolution 26-003
Date of Meeting: February 23, 2026
Subject: Procurement Policy Review
Presented By: David Kane, Executive Director of Administration

RECOMMENDATION

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

RESOLVED, that staff will conduct a review of the District's procurement practices to determine what is taken into consideration when procuring goods and services and will report back to the Board and/or its Administration and Finance Committee on its findings.

BACKGROUND ANALYSIS

During its review of the HomeServe contract renewal, members of the Administration and Finance Committee raised concerns regarding the District's procurement practices and questioned what factors the District took into consideration when procuring goods and services. The Committee asked staff to review the District's procurement policy over the next year and report back on the considerations that went into making a District procurement.

FISCAL REVIEW / FUNDING

No impact.

LEGAL REVIEW

Corporation Counsel has reviewed the resolution and approved as to form.

CONCLUSION(S)

The Administration and Finance Committee recommends approval of the Resolution. This resolution is being put forth as a result of Committee discussion.

BOARD OF TRUSTEES/AGENDA ITEM SUMMARY

Agenda Item: 6E Order 26-003
Date of Meeting: February 23, 2026
Subject: Westbrook/Gorham Regional WWTF – Biosolids Dewatering Project
Presented By: Kyle Jacobson, Capital Planning & Delivery Manager

RECOMMENDATION

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

ORDERED, that the 2026 Capital Improvement Plan is amended to include an additional project (Westbrook WWTF Biosolids Dewatering 2026-3366) (“Project”) to fund the Project not to exceed \$350,000 related to initial engineering design of a biosolids dewatering system, and that the General Manager and the Treasurer, each acting singly, are authorized to take such other steps as may be necessary to accomplish the intent of this vote;

BE IT FURTHER ORDERED, the WWTF Sludge Conveyance Project (CIP 2025 – 416/3256) budget is decreased \$350,000 and said amount transferred to the Project budget, increasing the total budget for the Project by that amount; 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.

BE IT FURTHER ORDERED, that the General Manager is authorized to execute an engineering design contract with AECOM in the amount of \$312,100.00 for the initial engineering design of the biosolids dewatering system.

BACKGROUND

The existing dewatering equipment at the Westbrook/Gorham Regional Wastewater Treatment Facility includes a gravity belt press thickener and a screw press. While the screw press was at times challenging to operate, it met the initial performance requirements. Shortly after the recommended five-year maintenance was performed with the manufacturer, the screw press began causing operational challenges and has failed to produce adequately dewatered biosolids. Since that time, staff has worked closely with the manufacturer, however, the manufacturer has been unable to address the performance issues even with multiple site visits, meetings, and “plans” to fix issues. The screw press remains inadequate, and dewatering is being completed with a temporary, rental centrifuge.

Staff recommends creating a new project to initiate the engineering for a new dewatering system at Westbrook WWTF. To avoid increasing long-term costs, staff has reallocated funding from an under-budget project at the same facility.

FISCAL REVIEW / FUNDING

The 2026 Capital Improvement Plan listed the project’s engineering and construction costs to occur in 2028. The proposed motion recommends that \$350,000 of engineering be authorized to begin in 2026. Staff will return to the Board in 2026 for approval of construction phase funds.

The multi-year forecast assumed that the project's debt service payments, starting in 2029, would be \$540,000. Those payments may begin a year earlier and will be reflected in the updated forecast. The debt service payment will mostly be offset by lower biosolids costs.

Until the project is completed, the higher biosolids costs will be incurred, and those higher costs were not included in the 2026 budget or forecast. The higher costs will need to be assessed for Gorham, Westbrook, and Windham. The Administration and Finance Committee will review the options to pay the higher costs.

LEGAL REVIEW

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

CONCLUSION(S)

Staff recommends that the Project be added to the 2026 CIP to facilitate construction prior to winter. The Committee unanimously recommended forwarding the motion to the full Board for its consideration.

ATTACHMENT(S)

Supporting Information

SUPPORTING INFORMATION

Proper dewatering is critical for several reasons. Higher solids content reduces the volume of material requiring transport, saving money on both the number of trucks and weight-based tipping fees. In addition, the District's disposal contract mandates a minimum solids content in the sludge. When the material is too wet, the District must pay additional fees to stabilize the biosolids before landfilling. From 2020 to 2025, PWD paid an estimated \$405,000 in fees due to excessively wet biosolids, with the majority of this related to the challenges faced in the past two years.

PWD has exhausted all options with the vendor and local representative, including multiple site visits, incremental improvements, and full rebuilds of the screw press. These efforts failed to resolve the issues and imposed considerable capital costs and operator workload on the District. Over the past four years, the District has spent over \$250,000 on repair and replacement parts for the screw press.

Since August 2025, Wastewater Treatment Operations has rented a centrifuge at an average monthly cost of \$40,000. Although the rented unit is slightly smaller than the centrifuge anticipated for the proposed project, operators express satisfaction with its operation. The centrifuge consistently meets receiving facility sludge standards and has recorded zero days out of specification operation.

The District is currently working with AECOM on the East End WWTF Design-Build project, and the team's initial work has exceeded expectations. One East End subproject includes a dewatering upgrade that adds centrifuges to the facility. AECOM has coordinated with centrifuge vendors on the District's behalf and is well positioned to perform a similar assessment at the Westbrook facility. The proposed engineering design phase will direct AECOM to evaluate current and future dewatering needs at Westbrook, analyze space and design constraints, coordinate with vendors to identify suitable equipment, develop cost estimates, and produce engineering plans to integrate the new equipment into the existing processes and infrastructure.

BOARD OF TRUSTEES/AGENDA ITEM SUMMARY

Agenda Item: 6F Order 26-004
Date of Meeting: February 23, 2026
Subject: Thompson's Point Pump Station – Site Improvements
Presented By: Kyle Jacobson, Capital Planning & Delivery Manager

RECOMMENDATION

The following proposed language is presented for Committee approval:

ORDERED, that the 2025 Capital Improvement Plan Stroudwater Pump Station Site Improvements project (70/3303) is amended to include a similar site improvements scope project at the Thompson's Point Pump Station, Portland, not to exceed the remaining funds (approximately \$79,000) of the previously approved project, and that the General Manager and the Treasurer, each acting singly, are authorized to take such other steps as may be necessary to accomplish the intent of this vote.

BACKGROUND ANALYSIS

Recent rain and snow melt events have resulted in water intrusion into the Thompson's Point Pump Station, resulting in electrical shorting in the facility. Staff are proposing this change in response to evolving site conditions (drainage) that warrant reprioritization of the project.

In 2025, PWD worked through a similar site improvements project at the Stroudwater Pump Station that, after engineering design and permitting with the City of Portland, fielded six bidders, and came in under budget. This site, approximately 3 miles away from the Stroudwater Pump Station, faces less significant drainage issues but is expected to require a stamped survey, engineering site design, and City of Portland permitting.

Staff recommends adding the Thompson's Point scope to the Stroudwater Pump Station Site Improvements project.

Project #: 2025-Subprogram 070/Project 3033

FISCAL REVIEW/FUNDING

The project is included in the 2025 CIP with planned withdrawal from Portland's renewal and replacement fund. The fund estimated 12/31/2025 balance is \$4.6 million.

LEGAL REVIEW

Corporation Counsel has reviewed the proposed order as to form.

CONCLUSION(S)

Staff recommends modifying the scope of the 2025 CIP Project 70/3033 to include work at Thompsons Point Pump Station. The Committee unanimously recommended forwarding the motion to the full Board for its consideration.

ATTACHMENT(S)

N/A