

As voted by the Board of Trustees and in accordance with the notice of the meeting, the Regular Meeting of the Board of Trustees of the Portland Water District was held at the Jeff P. Nixon Training Center, 225 Douglass Street, Portland, Maine, and via Zoom, on Monday, March 25, 2024. Attending from staff were S. Garrison, C. Crovo, D. Kane, S. Firmin, J. Wallace, J. Hudak, D. Katsiaficas, and C. Cote.

The meeting was convened by President Lunt at 6:03 p.m. with the Pledge of Allegiance and a moment of silence.

ROLL CALL

The roll was called by the Clerk. All Trustees were present but Trustee Willett. Trustee Willett joined the meeting at 6:22 p.m.

ELECTION OF OFFICERS FOR 2024-2025

The Clerk requested nominations for the position of President

It was moved by Trustee Cote and seconded by Trustee Shattuck-Heidorn 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 Cote 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 Cote, seconded by Trustee Siviski that the Board vote, David Kane, for Treasurer, Donna Katsiaficas, for Clerk, and Carrie Cote, for Assistant Clerk. Voted all in favor.

ACCEPTANCE OF MINUTES

Trustee Cote made a motion to accept the minutes of the Regular Meeting of February 26, 2024, seconded by Trustee Siviski. It was voted all in favor.

Trustee Cote made a motion to accept the minutes of the Workshop Meeting of March 11, 2024, seconded by Trustee Siviski. It was voted all in favor.

INVITATION FOR PUBLIC COMMENT

None

REPORTS

Operations Committee

Trustee McCann provided a summary of the Operations Committee meeting on March 11, 2024.

Staff provided a review of combined sewer overflows and PWD monitoring efforts in 2023. Due to increased rainfall and intensity during the year, overflow volumes increased significantly.

Staff provided an overview of the 2023 Long Term Control Plan Update for the Westbrook Combined Sewer System. This plan, which was submitted to Maine DEP, includes a required schedule for projects over the next 5 years to further reduce overflows related to wet weather. The plan includes a \$10,000,000 project to provide a storage tank to further mitigate overflows while infiltration and inflow to the City's collection system is addressed over time.

Staff provided an update on the assessment of the Fore River Pump Station pumps and provided a recommendation to engage a consultant to implement solutions to the existing issues.

Planning Committee

Trustee Douglas provided a summary of the Planning Committee meeting on March 11, 2024.

Staff recommended entering into a Lease Agreement with the City of Portland for the Gowen Road Property.

Laurel Jackson, the District's Right of Way Agent, provided the Committee with an overview of the Right of Way Agent's role and responsibilities as it relates to land acquisition and management of the District's real estate's interest. She explained the overall program objectives and provided examples of how all property interests and agreements are documented in the District's Enterprise Asset Management system (EAM).

Administration and Finance Committee

Trustee Cote provided a summary of the Administration and Finance Committee meeting on March 11, 2024.

Mr. Kane presented a motion authorizing an amended contract be signed with Morgan Stanley to provide the administrative services of the defined benefit pension plans. He noted that quotes to provide the service from the Principal Group and Morgan Stanley. The Morgan Stanley quote is lower than the Principal Group and approximately \$71,000 less than the current cost.

Morgan Stanley recommended the pension plan's investment policy. The policy established a minimum, target and maximum percent for various asset classes. Morgan Stanley recommends the policy allow a lower minimum percent of the portfolio be allocated to the International Equities and higher target balance for US Equities.

Ms. Demers presented an overview of the 2023 turnover trends and the current recruiting environment. She noted turnover in 2023 was significantly lower than 2022 (42 positions vs 64 positions, respectively) but continues to be at an elevated level. She presented details on the possible reasons for the turnover, the departments most impacted, and some of the proactive steps PWD has taken to address employee turnover and retention concerns.

Mr. Cutrone presented a status report on the meter replacement project. At the October 10, 2023 Workshop, he informed the Board that the meter and meter reading system was getting close to the end of its 20-year useful life and needed to be replaced. The Board authorized a contract with a metering consulting firm called Diameter. Since the beginning of January, Diameter has held 12 work sessions with the District's cross-functional project team. The sessions include discussions about the project goals, business drivers, implementation schedule and procurement strategy. The sessions wrap up in late March and recommendations will be shared with the Board in May.

General Manager's Report

Mr. Garrison reported the following:

- PWD water and wastewater systems were hit very hard by the ice storm this past weekend, with the 75 wastewater pumping stations taking the brunt of the impacts. We had numerous stations on backup power and/or in fault mode, but fortunately, PWD was still able to maintain service across the entire service territory. PWD called in crews from multiple

departments to help maintain service, fuel generators and reset systems based on the status of line power. Thank you to all those at PWD who responded, some of whom were dealing with challenges at their own homes, due to lack of power and storm damage.

- The DiPietro Scholarship call for applications is open. The deadline is March 31. The DiPietro Scholarship is in its 21st year serving local students.
- There are currently nine open positions at PWD, which is slightly higher than pre-pandemic levels, but is likely the new normal. This is well off the 2022 peak of over 15 open positions. PWD recently hired people in water treatment. Finding staff in that area has been a challenge due to a combination of license requirements and shift work.

NEW BUSINESS

Order 24-009 authorizing an amendment to the current contract with Morgan Stanley.

PWD provides employees a defined benefit and deferred compensation (457) pension benefit. The administrative services are currently provided by different service providers. The defined benefit plan services are provided by Morgan Stanley (investment advice and asset custody) and Key Bank (retiree services). The deferred compensation plan services are provided by Principal.

Staff noted the defined benefit plan cost approximately \$160,000 (0.59% of assets) to administer and sought ways to reduce the costs. Principal provided a proposal to provide those services for \$95,000, \$65,000 or 40% lower. Morgan Stanley provided an updated proposal reducing their cost to \$89,539, which is \$70,000 lower than the current cost. The lower costs do not impact the level of service Morgan Stanley provides.

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

It was Voted and unanimously,

ORDERED, that the General Manager is authorized to amend the current contract with Morgan Stanley to provide the bargaining and non-bargaining pension plans administrative services at lower costs; and

BE IT FURTHER ORDERED, the Board hereby adopts the Portland Water District Bargaining and Non-Bargaining Plans – Statement of Investment Objectives and Guidelines dated March 11, 2024.

Order 24-010, authorizing the General Manager to execute an engineering services contract with Hazen and Sawyer.

Four large wastewater pumps were replaced as part of an upgrade to the Fore River Pump Station in 2015. The pumps satisfied technical specifications and were accepted after installation and testing. Vibration levels in the pumps later became excessive. The excess vibration impacts their physical integrity and the adjoining piping system. PWD has attempted a series of efforts to identify the cause and possible solutions. They have included pump component replacement, extended shaft replacement, piping and discharge nozzle replacements, pump rebuilds, pump modifications, operating modifications, and a full review of the system hydraulics. Despite these efforts, the pumps continue to vibrate at excessive levels, limiting their performance and dramatically decreasing their expected useful life.

Several reviews have confirmed that the pumps are appropriately sized and configured. The system seems to be experiencing hydraulic resonance issues that result in excessive vibration. The most recent review has identified two possible solutions – full pump replacement and modification of the existing pumps that may include impeller adjustments.

In September 2023, the Board authorized a contract in the amount of \$155,000 to complete onsite testing and engineering analysis to determine possible solutions to the issues. The consultant has determined that identifiable areas of looseness that exacerbate vibration could be addressed and that the existing pumps could be reliable into the future.

Hazen has proposed a scope of work not to exceed \$150,000 to implement a series of stepwise solutions. The work will involve addressing the most basic recommendations, testing, and proceeding with the next incremental recommendation if needed. Hazen will provide recommendations, sketch plans, appropriate oversight of any work, and testing of the pumps following the work. The work is expected to be completed within the next year. Any physical work to the pump is not included in this scope of work and will be funded with the 2024 CIP project. This scope of work is for implementation assistance only.

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

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute an engineering services contract with Hazen and Sawyer, not to exceed \$150,000 for technical services and testing for work to correct pump issues at the Fore River Pump Station.

Order 24-011, authorizing the General Manager to execute a Lease Agreement with the City of Portland.

The District and the City entered into a lease agreement in 2010 to allow for the installation and maintenance of an antenna and associated electrical control panel at the District's Gowen Road site. The City's antenna transmits radio telemetry data to its wastewater facilities. The lease agreement expired on May 25, 2020. The City wishes to continue using the antenna; therefore, a new lease agreement is required.

District staff has reviewed the City's request and concluded that there would be no adverse effects on District facilities.

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

It was Voted and unanimously,

ORDERED, The General Manager is authorized to execute a Lease Agreement in substantial form as attached hereto, with the City of Portland for its use of the District's Gowen Road property; 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.

Order 24-012, authorizing the General Manager to enter into a legal services agreement with SL Environmental Group PC and associated firms.

Portland Water District treats wastewater in six municipalities. PWD effluent and biosolids produces as a result of treatment. The biosolids resulting from the treatment process contain PFAS and related substances. As a result of this PFAS contamination, PWD is spending increasing sums in disposing of biosolids, and it is anticipated will continue to experience increasing costs of possibly being required to treat its effluent by regulators as well. The District seeks to recover these costs in legal actions against the manufacturers of these PFAS substances.

It was moved by President Lunt and seconded by Trustee McCann.

It was Voted and unanimously,

ORDERED, the General Manager is authorized to enter into a legal services agreement in substantial form as that attached hereto with SL Environmental Group PC and associated firms for the representation of the Portland Water District in civil actions in state trial courts and/or federal courts related to PFAS contamination of wastewater systems, effluent, and biosolids.

OTHER BUSINESS

None

SECOND INVITATION FOR PUBLIC COMMENT

None

TRUSTEE COMMENTS

Trustee Libby congratulated Matt Beck on his recent election as a representative for South Portland to the legislature.

EXECUTIVE SESSION

Trustee Siviski made a motion pursuant to 1 M.R.S. §405(6)(A) personnel to go into executive session, seconded by Trustee Shattuck-Heidorn. Voted all in favor.

Trustee Siviski made a motion to adjourn the executive session, seconded by Trustee Cote. Voted all in favor.

ADJOURNMENT

The meeting adjourned at 8:17 p.m.

Submitted by,

Carrie E. Cote
Assistant Clerk