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, February 24, 2025. Attending from staff were C. Crovo, S. Firmin, J. Wallace, M. Archibald, D. Kane, J. Hudak,

D. Katsiaficas, M. Clements, and C. Cote. Charles Katz-Levy, Esq. and Rick Licht of Licht Engineering were in attendance. Joe Piccone, bargaining agent for the Teamsters local 340 and union members were in attendance as well.

President Lunt convened the business meeting at 6:02 p.m., with the Pledge of Allegiance and a moment of silence.

**ROLL CALL**

The roll was called by the Clerk. Trustee Shattuck-Heidorn was absent.

**ACCEPTANCE OF MINUTES**

Trustee Willett made a motion to accept the minutes of the Regular Meeting of January 27, 2025, seconded by Trustee Crockett. It was voted all in favor.

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

**INVITATION FOR PUBLIC COMMENT**

Joe Piccone, bargaining agent for the Teamsters Local Unit 340 addressed the Board. He was accompanied by employees who are members of the union. Mr. Piccone repeated his demand that a member of the Board of Trustees participate in negotiations. He raised the pension issue as a major issue in negotiations and asked for an answer in writing as to the union’s pension request. The Board indicated that they are listening and will be able to discuss the issues at another time. President Lunt thanked everyone for coming in.

Jonathan Clegg addressed the Board and expressed displeasure with the Board of Trustees and their communication.

Matt Lane addressed the Board. He explained the length of his service at PWD as an employee. He expressed dissatisfaction with the manner in which union employees are treated, salaries and the manner in which pensions are calculated.

Andrew Edson addressed the Board. He suggested that PWD should be on a list of employers where people want to work and stated he is proud of the work he does for PWD.

**REPORTS**

**Operations Committee**

Trustee Crockett provided a summary of the Operations Committee meeting on February 10, 2025.

Staff discussed how job market conditions for plant operators have changed in recent years. This has made hiring qualified and reliable operators progressively harder, especially to work overnight shifts. Over the past 10 years, automation of plant processes has significantly increased and has reliably met operational expectations. The SLWTF Unattended Operation Assessment will assess the current systems to determine needed upgrades or modifications to allow for periods of unattended operation in the future.

Staff provided an update regarding damage to a pump at the Northeast Pump Station. During a wet weather flow event, pump 2 was turned on and off 17 times in a ten-minute period. This caused damage to the pump and the isolation valve. The damaged isolation valve will be replaced in the next month and assessment of the pump will begin. Staff is exploring options to implement bypass pumping at the station while the issue is resolved to ensure peak flow capacity is maintained at the pump station.

Staff will revisit the Committee in the coming months as the full impact and costs become more defined.

**Planning Committee**

Trustee Douglas provided a summary of the Planning Committee meeting on February 10, 2025.

Staff recommended approving an easement modification agreement to relocate the District’s easement on Marion Way. This will be taken up under new business.

Staff recommended entering into a new lease agreement with YMCA for the Otter Ponds property in Standish.

Staff and the Committee discussed the process for performance evaluations of the General Manager and Corporation Counsel. Staff will present the proposed process at a future workshop.

**Administration and Finance Committee**

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

Mr. Archibald presented an overview of the 2024 turnover trends and the current recruiting environment (see attachment). He noted last year’s turnover rate was close to 14%, a slight increase from the prior year but significantly lower than 2022. The District’s turnover rate is comparable to the latest American Water Works Association’s benchmark. He noted several observations as listed below:

* Voluntary resignations have decreased for the second year in a row, indicating people are choosing to stay.
* Internal transfers have increased (17 to 21 YOY), further indicating people who could leave chose to find opportunities within the district rather than leave.
* Average tenure at departure is under ten years, providing further evidence that employees make out better under the 457 defined contribution plan vs the old defined benefit pension.
* Wastewater, in alignment with industry benchmarking, continues to be where most of the turnover is occurring.

Mr. Kane presented a motion authorizing Water bonds of up to $49,325,000 million to finance capital projects and to declare those bonds as ‘green’ bonds. Additionally, staff presented a motion declaring the 2015 bond as ‘green’. This will be taken up under new business.

The Committee went into Executive Session pursuant to 1 M.R. S. §402 (3)(L), Records describing security plans, and 1 M.R.S. §405 (6)(F) Discussion of information protected as confidential by statute.

# General Manager’s Report

Jim Wallace, Director of Water Operations, provided an update to the Board on water main breaks that have been occurring over the winter. PWD had 25 breaks last month, which is unusually higher than average. Most of the breaks are related to temperature. Many related to cast iron mains in the older areas of the system. Staff have been working 16-hour days.

**NEW BUSINESS**

**PUBLIC HEARING** regarding the authorization of Water Bonds.

President Lunt opened the public hearing for comments. There was no one in attendance or online wishing to comment.

President Lunt closed the public hearing.

**Resolution 25-003**, authorizing the issuance of up to $49,325,000 in water bonds.

The approved 2025 and 2024 Capital Improvement Plans (CIP) and the separately authorized Meter Replacement project includes $49,325,000 of water projects to be financed by the issuance of water bonds.



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

It was Voted and unanimously,

RESOLVED, the issuance of up to $49,325,000 in water bonds to finance the installation and renewal of water mains and the 407 Zone Chute Road transmission line, replacement of water treatment plant chemical feed system and Douglass Street heating system, purchase of land rights for watershed protection purposes, 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.

**Order 25-004**, authorizing water bonds issued in 2015 to be designated as ‘Green Bonds’.

The Board previously adopted Resolution 15-001 and authorized water bonds of up to $8 million to finance the installation of water mains, fire hydrants, and related infrastructure and installation of an ozone destruct system at the water treatment facility. PWD issued its $5.73 million bonds for these purposes on June 25, 2015. Those 2015 bonds are eligible to be refinanced this year and the PWD’s Financial Advisor, Moors & Cabot, recommends considering including the refinancing in the PWD’s regular annual water bond issue in August. The 2015 bonded projects relate to the installation of water mains and related infrastructure. These 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 refunding bonds can be designated as ‘Green Bonds’.

Based on discussions with PWD’s Financial Advisor, and published materials staff has reviewed, a ‘Green Bonds’ designation results in yields that, on average, are about 6 basis points below yields on otherwise equivalent bonds that do not have that designation. 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.

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

It was Voted and unanimously,

ORDERED, that the water bonds to be issued to refund and refinance the current outstanding callable principal of PWD’s $2,235,000 water bonds previously issued in 2015 pursuant to Resolution 15-001 adopted January 26, 2015, are designated as ‘Green Bonds’, with the proceeds to be used for ‘Green’ purposes.

**Order 25-005**, authorizing an operation assessment contract with Tighe & Bond, Inc.

The Sebago Lake Water Treatment Facility (SLWTF) provides all of the water for the Portland Water District’s water distribution system (outside of the isolated Steep Falls system). The plant runs 24/7 in order to provide this water, and as job market conditions have changed in recent years, hiring qualified and reliable operators for this plant, especially to work overnight shifts, has become progressively harder. One way to alleviate this operational difficulty is to build and implement the ability for the SLWTF to run unattended for set periods of time. The first phase of this project will assess which processes, control systems, and operator work tasks need to be upgraded or modified to support said unattended operation mode. Recommendations from Phase 1 will later be fully designed (as needed) in Phase 2 and finally implemented and tested in Phase 3.

The majority of the funds that were allocated for the Fuel Storage Tank Upgrade CIP are no longer needed for that project, as PWD is now pursuing a State Fire Marshall approved inspection process to update the registration of the underground storage tank on an annual basis. The cost for this is minimal and will allow PWD to get more useful working life out of the existing fuel tank before replacement is actually necessary.

Tighe & Bond was engaged directly for this project because they employ Stephan Rafferty, PE, an engineer and previous water superintendent who is an expert in converting existing water plants to unattended operations. He successfully led an effort with the same end goal for the water plant in Falmouth, MA. In addition, he is familiar with the automation that PWD has at SLWTF, especially as it pertains to the Ozone system, as he was brought in as a specialist to help troubleshoot and get the system running when it was upgraded in 2015. That project ran into difficulties during startup, and Mr. Rafferty was brought in, and was able to successfully lead the team through those difficulties and to a stable operating state.

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

It was Voted and unanimously,

ORDERED, an operational assessment contract with Tighe & Bond, Inc. is hereby authorized, for a sum not to exceed $200,000 for Phase 1 of the SLWTF Unattended Operation project (CIP 2025 – 122/3329, the “Project”); and

BE IT FURTHER ORDERED, the SLWTF diesel tank replacement project (SLWTF – Fuel Storage Tank Upgrade CIP 2025 project# 122/3252) budget is decreased by $200,000 and said amount transferred to the Project budget, increasing the total budget for the Project by that amount, for a total Project budget of a sum not to exceed $200,000; 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.

**Order 25-006**, authorizing the General Manager to execute an Easement Modification Agreement with Oceanview Retirement Community Limited Partnership.

The District has a thirty-foot wide easement for an 8” water main in Marion Way, a private road, in the Town of Falmouth. The main was installed in 2013 and serves the Oceanview at Falmouth retirement community. The developer, Oceanview Retirement Community Limited Partnership, desires to relocate an approximately 350-foot portion of this water main and its associated easement, in order to expand one of its buildings adjacent to the District’s water main. Currently, the building expansion is not possible without encroaching on the existing easement.

Staff has reviewed the proposal and has determined that the relocation of the water main in Marion Way will not negatively impact the District’s ability to operate and maintain its infrastructure. The District will release a portion of its existing easement, and will be granted an easement of the same area and with the same terms as the existing easement. The main relocation will allow Oceanview to build additional housing units, and add to the District’s customer base.

The engineering, design and construction of the new main will be done at Oceanview’s expense.

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

It was Voted and unanimously,

ORDERED, the General Manager is hereby authorized to execute an Easement Modification Agreement with Oceanview Retirement Community Limited Partnership for the relocation of a portion of an easement on Marion Way in Falmouth; 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.

**OTHER BUSINESS**

None

**SECOND INVITATION FOR PUBLIC COMMENT**

None

# TRUSTEE COMMENTS

Trustee McCann commended the staff for the repair work done on Little Diamond Island. President Lunt echoed his sentiments.

# EXECUTIVE SESSION

None

**ADJOURNMENT**

Meeting adjourned at 7:13 p.m.

Submitted by,

 Donna M. Katsiaficas

 Clerk