

**WEST SLOPE WATER DISTRICT**

**Regular Board of Commissioners Meeting**

**February 20, 2019**

**Meeting Summary**

**CALL TO ORDER**

Present: Chair Michael Hoffman; Commissioners Charles Conrad, Noel Reiersen, Paul Schuler, and Carol Wild

Management Staff: General Manager, Michael Grimm; Finance & Customer Service Manager, Lucy Dawes

Absent: None

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**1.0 – CALL TO ORDER**

Chair Hoffman called to order the regular meeting of the West Slope Water District Board of Commissioners at 5:01 P.M., Wednesday, February 20, 2019.

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

Mr. Grimm shared that Carl Fisher (not a West Slope WD customer) contacted the District to learn the names and position numbers of each of the five commissioners. That information was provided to him. No addresses or other personal information was requested or released. District customer Michelle Blackerby sent an email to McClure & Sons, Inc. (MSI) requesting they arrange to have one of her Douglas Fir trees taken down at MSI's expense. Mrs. Blackerby claims MSI's work damaged her tree during MSI's work on the District's Green Tank. The District was cc'ed on that email (Note: A few weeks later the tree was taken down). Mr. Nick De Morgan emailed the District commenting that he checked out the District's new website and read the 2017 Comprehensive Annual Financial Report. He also stated he is looking forward to the Budget Committee work and the upcoming tutorial session with Ms. Dawes.

**3.0 – CONSENT AGENDA**

Commissioner Conrad asked to remove Agenda Items 3.2, 3.5, and 3.8 from the Consent Agenda. Commissioner Schuler made a motion to approve Agenda Items 3.1, 3.3, 3.4, 3.6, 3.7 and 3.9. Commissioner Reiersen seconded the motion, and the motion passed unanimously. Commissioner Conrad asked about the report on page 1 of Agenda Item 3.5 showing Reimbursable Payables from the Equipment Reserve and the Capital Improvement Funds to the Main (General) Fund, but he did not see those funds transferring into the General Fund in the report included in Agenda Item 3.2. Ms. Dawes explained the transfer is a cash move to reimburse the General Fund for checks written out of the General Fund for reserve fund expenses. Some of the expenses are from the previous months or even the previous fiscal year. Reimbursement transfers are not made on a monthly basis but instead only periodically.

Related to Agenda Item 3.8, Commissioner Conrad asked about who was the requesting party in the public records request for staff names, positions, and salary information. Ms. Dawes stated the organization is “Open The Book” – a non-profit organization who requests this information from government agencies across the county. Ms. Dawes explained she informed the organization the information they requested would require a fee in order to collect the information. Some information requested was readily available and was provided to the organization without fee. Open The Book has not responded with payment for the remainder of the records request. Commissioner Conrad made a motion to approve Agenda Item 3.2, 3.5, and 3.8. The motion was seconded by Commissioner Wild, and the motion passed unanimously.

#### **4.0 - DISTRICT ACTIVITIES**

**4.1 – Long Term Water Supply:** Mr. Grimm shared with the Board Portland’s Preliminary Five-Year Rate Forecast which was presented at the February 13 Water Managers Advisory Board meeting. Mr. Grimm reviewed the rates for each year and the comparisons to last year’s five-year forecast. Commissioner Conrad asked about restrictions on utilizing the rate stabilization fund. Ms. Dawes replied the District is required to charge rates equal to our bond payment in the year following a transfer from the rate stabilization. In effect, the rate stabilization fund can be used every other year. Mr. Grimm also noted both the peak season and the peak three-day factors declared to the City of Portland by the District. Though higher peaking factors will result in a slightly higher wholesale water rate, the declaration was made to compensate for summer interruptible most likely not being available this summer (or if it is available, the lack of assurance of that summer interruptible water would be available all summer).

Staff at Tualatin Valley Water District are looking to the end of March to present a proposed wholesale water rate and agreement to the District for purchasing water after June 30, 2026 from TVWD through the 24-inch transmission line on the north side of US Hwy 26.

Work continues by a wholesale managers group to draft a new wholesale water sales agreement with the City of Portland and its wholesale customers. The next steps are to draft a scope of work for consultant to draft a wholesale water sales agreement and the approval of an agreement between the wholesalers and the City to manage that contract. Cable Huston (through Rockwood Water PUD) will draft an intergovernmental agreement (IGA) for all parties to participate in the wholesale purchase agreement. Commissioner Conrad asked if the District has the right to “spend money from other entities” for this project. Mr. Grimm explained the IGA obligates each entity signing the IGA to pay their portion of the consultant’s cost (their contract). The consultant’s work to draft a new wholesale water purchase agreement will cost roughly \$100,000 with an additional \$50,000 of potential add-on work for a total of \$150,000. West Slope is volunteering to manage the consultant’s contract to develop a new wholesale water sales agreement (not manage the new wholesale water sales agreement) for the entire group of wholesale water purchasers.

Katz & Associates was supposed to be at West Slope conducting stakeholder interviews during the week of February 19-22, but Emily Otis, the interviewer, became very ill and will not be traveling to Portland from California. All interviews scheduled will be rescheduled for later in March.

**4.2 – Budget Process – Salary Scale Increases:** Mr. Grimm presented a salary range index adjustment for all of the District’s staff positions except for the General Manager’s position. The CPI index for 2018 reflects the cost of inflation in the Portland metropolitan area. Attachment 4.2.1 is the resolution the Board was asked to adopt to amend staff position salary ranges as presented in Attachment 4.2.2 (Exhibit A). A salary range increase of 3.1% is within the current

fiscal year's budgeted amount for staff salary increases. Commissioner Conrad made a motion to adopt Resolution #02-2019 raising staff salary ranges by 3.1% . Commissioner Schuler seconded the motion, and it passed unanimously.

4.3 – Indexed Rate Increase for SDCs - Mr. Grimm stated the District's system development charges (SDCs) have not been increased by an index for inflation since the current rates were adopted by the Board December 2015. Attachment 4.3.1 is the proposed Resolution to adopt new SDCs indexed to January 1, 2019 by the ENR Construction Cost Index for Seattle (closest area to Portland). Attachment 4.3.2 was included as Exhibit A for the Resolution showing the new rates for each meter size. Commissioner Wild made a motion to adopt Resolution #03-2019 to adjust the District's SDCs as presented in Exhibit A. Commissioner Reiersen seconded the motion, and the motion was approved unanimously. The adopted rates will take effect April 1, 2019.

#### 5.0 – COMMISSIONERS COMMUNICATION

Commissioners Reiersen and Wild attended the Regional Water Providers Consortium board meeting February 6. Both commissioners were pleased to attend the meeting of elected officials from all of the member agencies in the Consortium. Commissioner Reiersen shared with the Board updates on the Consortium's emergency response program and conservation program as well as a consultant's program evaluation of the Consortium's outreach programs.

#### 6.0 – EXECUTIVE SESSION

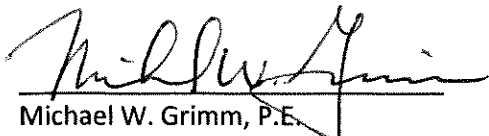
By consensus, the Board left the regular session of the meeting at 6:23 PM. The Board entered into Executive Session at 6:25 PM to discuss the process for conducting the annual performance appraisal for the General Manager. The Board concluded the Executive Session at 6:54 PM and resumed the regular session at 6:55 PM. No decisions were made by the Board during Executive Session.

#### 7.0 – ADJOURNMENT

Commissioner Conrad made a motion for a two-part salary increase to the General Manager's annual salary beginning with a \$1250 increase effective on the first day of the next pay period (March 1) and concluding with a \$2500 increase upon completion of a board approved communications training class and follow-up evaluation by the Board. Commissioner Reiersen seconded the motion, and the motion passed unanimously. There being no further business to discuss, Commissioner Reiersen moved to adjourn the meeting. Commissioner Wild seconded the motion, and it was approved unanimously. Chair Hoffman adjourned the February 20, 2019 Regular Board of Commissioners meeting at 6:59 PM.

Respectfully Submitted,

Approved:

  
Michael W. Grimm, P.E.  
Acting Secretary

