

**WEST SLOPE WATER DISTRICT**

**Regular Board of Commissioners and Budget Hearing Meeting**

June 21, 2017

**Meeting Summary**

**CALL TO ORDER**

Present: Chair Noel Reiersen, Commissioners Charles Conrad, Micky Hoffman, Donna Davis, and Bob Rieck

Absent: None

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

Public: None

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**1.0 – CALL TO ORDER**

Chair Reiersen called to order the Regular meeting of the West Slope Water District Board of Commissioners at 5:00 P.M., Wednesday, June 21, 2017.

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

Mr. Grimm read a letter dated June 14, 2017 to the District from Mrs. Sandra Combs, 4080 SW 102<sup>nd</sup> Avenue, whose husband had recently passed away and did not know how to charge up her irrigation system since her husband had traditionally performed that task. She identified all of our District field staff (Bart Johnson, Daniel Gridnar, Gary Pline, and Keith Lewelling) as being kind, generous, and very helpful in locating the sprinkler valves and showing her how to operate the valves. The District thanks Mrs. Combs for such a wonderful letter and expresses its deepest sympathy on the recent passing of her husband.

**3.0 – PUBLIC HEARING**

Chair Reiersen opened the public hearing for the proposed budget for FYE 2018 at 5:03 PM. No members of the public were present, and no written testimony was received by the District regarding the proposed budget. Mr. Grimm stated it would be wise to keep the public hearing open to allow for any member of the public who might arrive late to provide comment. Chair Reiersen agreed and stated the public hearing would officially remain open while the remaining items on the Board’s Agenda were discussed.

**4.0 - CONSENT AGENDA & FINANCE MANAGER’S REPORT**

Commissioner Rieck made a motion to approve the consent agenda. Commissioner Hoffman seconded the motion, and the motion passed unanimously. Mr. Grimm commented the budget discussion recorded in the Meeting Summary will be amended to change the wording of “fund”

to “account” such as “rate stabilization fund” to “rate stabilization account”. This amendment more accurately and correctly reflects what would be established by the District. Ms. Dawes commented the year end expense projection will be about \$30,000 more than projected but still about \$70,000 under budget for the year. As a result, the District would not be as far behind in the budget as previously thought.

## 5.0 - DISTRICT ACTIVITIES

5.1 – Operations Report: Mr. Grimm stated the District is running behind 2016 water demands for the same period. Attachments 5.1.2 and 5.1.3 were highlighted to show weekend water use (using a yellow highlighted line). Mr. Grimm commented there did not appear to be any correlation of higher/lower demand on the weekend but that temperature and precipitation continue to directly impact summer demand values.

5.2 – Green Tank / SW 73<sup>rd</sup> Avenue Pipe Project: Mr. Grimm stated the District has trimmed the contractor meetings from weekly to bi-weekly meetings in an effort to save money on the Murraysmith contract. Mr. Grimm mentioned the relationship between the District and the contractor’s project managers has become strained. In what the District believes are moves of desperation, the contractors appear to be challenging most issues and looking for ways to “cut corners” on the project. MSI recent oversights include not reading the plans correctly to determine the proper height of the gabion wall on the NW corner of the tank and excavating the SE corner of the District’s property which was clearly shown on the plans as a “do not disturb” area. Chair Reiersen asked if the District still has a physical presence on the construction site for construction inspection QA/QC purposes. Mr. Grimm stated between our own staff and Ben Foster with Murraysmith, the District will have as much construction inspection available as possible. The key project dates from the contract with the approved change orders are as follows: Substantial Completion: July 10, 2017; Final Completion: July 24, 2017. Commissioner Conrad asked if the contract identified what specifically is defined as “substantial completion”. Mr. Grimm stated “substantial completion” is defined as the Green Tank being operational including pipelines, valves, and the new vault all being in fully functioning condition. Other tasks such as the site fencing, landscaping, wingwalls & rock facing on the new vault, etc. would be tasks to be completed for final completion / final payment status.

5.3 – District Website Upgrade Project – Ms. Dawes presented a brief visual tour of the new website in its early stages of construction which is currently NOT visible to the public. Ms. Dawes described the kinds of features that the District will have that are not available on the District’s current website such as an easily discernable water alert field on the home page which could be used in the event the District needs to notify customers of a water quality or quantity situation. Commissioner Rieck stated the new website will be helpful to keep customers “in-the-know” for important source of supply decisions facing the District in the near future. Commissioner Davis asked how the District will explain the “Email Notification” feature to the customers (what it is, how is it to be used, how does a customer sign up for it, will it be used for “unwanted” emails, etc.). Mr. Grimm responded suggesting a link / button could be created that is titled something to the effect of “learn more about email notification” (or a “?” symbol that would open a pop up dialogue box) to explain how the District would use the notification feature and how it will NOT be used. Commissioner Rieck asked if staff has considered an outline of all the tabs, categories, links, documents, etc. that would be included on the website. Ms. Dawes shared the working Excel file staff is using to create category headings and content topics. Both Ms. Dawes and Mr. Grimm stressed this version is a very preliminary version. Commissioner Rieck asked who does the District anticipate will be the central point of content for the web page. Mr. Grimm stated the vision was to have the customer service specialist

position to be the content manager. However, it is likely that position will be vacant sometime in the latter half of 2017. Therefore, for the interim period, the content manager will be Ms. Dawes through website construction and launch. Ms. Dawes mentioned the working Excel file “road map” could be sent to the Board if they would like to view it in greater detail. With the exception of Commissioner Davis, each Board member wished to review the working document.

5.4 – Personal Development Employee Benefit – Mr. Grimm reminded the Board the tasks the Board wanted completed following the June 2017 Board meeting: 1) Contacting SDAO and LGPI and other Districts regarding similar employee benefit programs; 2) Inquiring of staff regarding their perceived value of this type of employee benefit program. Mr. Grimm stated SDAO and LGPI were not aware other entities with similar programs. A quick survey of Metro area water systems found some systems had gym memberships available to employees, some others offering employees discounts to gym clubs, one water system providing an on-site workout facility, but no water system offering a program exactly like the one proposed. An informal staff survey found the majority of staff would use the benefit if offered, and nearly half admitted they would use the benefit to cover gym membership costs. Chair Reiersen asked the Board how they wanted to proceed at this point. Commissioner Rieck likes the idea employees having access to regular exercise to stay fit and enhance overall health. He also commented his own personal gym/physical training membership is covered by his insurance company, and he wondered if the District’s health coverage through MODA covers such an expense (Note: Following the meeting, Ms. Dawes examined the MODA policy and learned gym membership is not covered by the District’s health insurance policy). Mr. Grimm suggested the Board consider a narrower focused program from earlier proposals to simply include gym / exercise club memberships (physical fitness benefit) to employees. The Board agreed to consider the narrower scope.

Commissioner Rieck made a motion to create an employee benefit program for gym membership available for the District’s field operations staff, the customer service representative, and the finance manager for a maximum of \$350/employee/year in an effort to provide long-term health benefits to District staff. Commissioner Davis seconded the motion, and the motion was approved unanimously. Mr. Grimm will compose a new employee policy to describe the Board’s action creating this employee benefit.

5.5 – Commissioner Oath of Office / Board Position #2 Vacancy – Commissioner Rieck administered the Oath of Office to the three newly elected Board members: Michael Hoffman (Position #3); Charles Conrad (Position #4); Noel Reiersen (Position #5). The term of office is July 1, 2017 to June 30, 2021.

Chair Reiersen presented to the Board Attachment 5.5.2 – Historic Succession of officer roles. Under the rotating pattern used historically by the Board, Robert Rieck would move up to the Chair position, and Michael Hoffman would move up to the Treasurer position for the 2017-18 term. Commissioner Davis submitted her formal written resignation to the Board effective June 30 as she is moving her residence outside of the District boundary. Commissioner Rieck made a motion to accept the resignation, and Commissioner Hoffman seconded the motion. With heavy hearts, the Board voted unanimously to accept the resignation.

Mr. Grimm reviewed the constraints the Board must work within to address the vacant position:

- 1) The Board has no obligation to fill the position prior to the May 2019 general election if it so chooses;
- 2) The Board has complete control over the selection process which can range from a simple single appointment to a broad recruiting and interviewing process.

- 3) The Board is not obligated to conduct any searches, interviews, direct mail requests, or public postings in newspapers or the District website.
- 4) The Board is obligated to conduct all deliberations, discussions, interviews, and decisions in an open public meeting. No business in this regard shall be conducted in executive session.

Mr. Grimm provided advice to the Board to consider candidates that would fit the current Board's collaborative nature and would pledge to consider the good of the District over personal agendas. Candidates with single focus issues (such as "no fluoride" or "no water from XYZ source should be served to West Slope") would be a threat to the current efficient harmony enjoyed by the Board. The Board should consider a candidate who would continue the cooperative and consensus-building demeanor of the Board.

Commissioner Rieck stated he would like to see a replacement to the Board begin sooner than later knowing it will take some time to accomplish the task. There are significant decisions for the Board in the coming years that would be important to have all 5 positions filled. Commissioner Conrad stated he favors creating an inquiry to the District customers to seek new Board member candidates. Such an open process is in keeping with the District's Strategic Plan. Discussion continued among the longer-standing Board members regarding past processes used to fill a vacated Board position.

The Board expressed its consensus to fill the vacant position in a timely yet carefully constructed manner. Chair Reiersen commented the Board may desire to have a special workshop to begin understanding and creating the process. A lengthy discussion continued regarding what the Board can do outside of a public meeting and what they must do in a public meeting. Chair Reiersen stated the next step at this point would be to gather past documents and see what kind of process the Board would like to initiate to fill the current vacancy. The Board agreed by consensus. Mr. Grimm will have those documents available for the Board in the July 2017 Board meeting packet.

Having received no additional comments or members of the public, at 6:45 PM, Chair Reiersen closed the public hearing to approve the FYE 2018 District budget. Commissioner Conrad made a motion to adopt the proposed budget and make appropriation for FYE 2018 by approval of Resolution #02-2017. Commissioner Hoffman seconded the motion, and the motion was approved unanimously.

5.6 – SDAO Best Practices Program – Mr. Grimm briefly reviewed the aspects of SDAO's Best Practices Program. Commissioner Rieck commented the program has value and approves the pursuit of the new policies and procedures.

5.5 – Manager's Report – Mr. Grimm relayed a number items for information only to the Board which does not require any vote by the Board at this meeting:

- City of Beaverton signed a UPPS MOU with Washington County. The larger impact will clearly be on areas of growth in unincorporated Washington County which does not describe nearly built out West Slope. The District will continue to work collaboratively with Tualatin Valley WD to forge USAs for both Districts with the City.
- Water Quality Report postcards have been received by District residents in the mail. The post card directs residents to access the report on the District's website or contact the District for a paper copy. Commissioner Conrad commented on the good content of

the report especially the District's history and upcoming decisions regarding infrastructure management and source development.

- AWWA Annual Conference has wrapped up for 2017 with Brenda Lennox (formerly with TVWD) as the new AWWA President. Mr. Grimm mentioned there were many great presentations offered, and he spent time learning about GIS and Asset Management software in anticipation of moving forward with this project in 2017-18.
- Kathie Strathern has informed staff that she will be moving to the Albany area in coming months to be closer to her daughter and grandchildren. No specific timetable has been set for the transition, but staff believes it is important to begin the recruitment process before the position is vacated to create continuity and not create a workload burden for Ms. Dawes.
- Mr. Grimm met with former District GM Jerry Arnold following the death of his wife. He seems to be doing better as each week passes but is still a ways from being "well" as he works through the grieving process. A memorial service will be held in early August at his home, and Mr. Arnold mentioned the Board is invited.
- In honor of recognizing Commissioner Davis' service to the District, the Board decided to set up a luncheon in early August. Mr. Grimm will coordinate a suitable date that will meet Commissioner Davis' schedule as well as the Board's schedule through a Doodle Poll.

#### 6.0 – COMMISSIONERS COMMUNICATION


Chair Reiersen informed the Board he attended the recent Regional Water Providers Consortium meeting. Chair Reiersen commented the Consortium impressed him as a hard-working, progressive, and engaging group of regional policy makers (Consortium Board) and staff (Consortium Committees).

Commissioner Conrad asked about follow-up on the family who had done the in-home lead testing and found a relatively high lead concentration. Mr. Grimm stated the District is waiting for the follow-up testing to be completed at the home before proceeding with additional customer service.

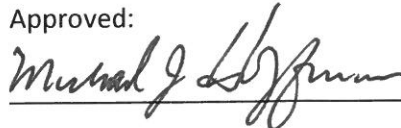
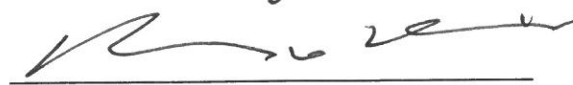

#### 7.0 – ADJOURNMENT

There being no further business to discuss, Commissioner Rieck moved to adjourn the meeting. Commissioner Hoffman seconded the motion, and it was approved unanimously. Chair Reiersen adjourned the June 21, 2017 regular Board of Commissioners meeting at approximately 7:10 PM.

Respectfully Submitted,

  
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Michael W. Grimm, P.E.  
Acting Secretary

Approved:

  
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