

**WEST SLOPE WATER DISTRICT**

**Regular Board of Commissioners Meeting and Public Hearing for the District’s Budget Approval**

**June 19, 2019**

**Meeting Summary**

**CALL TO ORDER**

Present: Chair Michael Hoffman; Commissioners Charles Conrad, Noel Reiersen,

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

Absent: Commissioners Paul Schuler and Carol Wild

Public: Commissioner-Elect Andy Smith

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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 5:00 P.M., Wednesday, June 19, 2019.

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

Mr. Grimm stated there were no public comments about the District’s budget or any other issue.

**3.0 – CONSENT AGENDA**

Commissioner Reiersen asked to remove Agenda Item 3.7 from the Consent Agenda. Commissioner Conrad made a motion to accept Consent Agenda Items 3.1 through 3.6 and 3.8 and 3.9. Commissioner Reierson seconded the motion, and the motion passed unanimously. From the General Manager’s report, Commissioner Reierson asked how much SDAO dues would increase (as defined by “slightly”). Mr. Grimm stated SDAO does not exactly know what the dues increase will be. The increase will be discussed and proposed by the SDAO Board at a future meeting, and the proposal will be discussed among the membership at the SDAO Annual Conference in Seaside in February 2020. Commissioner Reierson moved to approve Agenda Item 3.7, and Commissioner Conrad seconded the motion. The motion was approved unanimously.

At 5:07 PM, the public hearing for the District’s budget was opened. No members of the public were present and no written comments were sent to the District. The public hearing will stay open for a period of time to allow for the public to arrive and offer either written or oral testimony while the Board moved on to discuss items in District Business.

## 5.0 – DISTRICT ACTIVITIES

### 5.1 – Long Term Water Supply / Strategic Outreach Plan

- Mr. Grimm briefly reviewed the status of the consultant selection process who will work with Portland and the five main wholesale water purchasers to write a new wholesale water sales agreement. Of the four consulting firms contacted, two firms responded. Those two proposals (FCS Group and Raftellis) are being reviewed, evaluated, and scored at this time. A selection will be made by the end of June. The initial draft of a new agreement is targeted to be available by January 2020.
- Mr. Grimm discussed the highlights of a recent meeting between the District and Tualatin Valley Water District. Present at the meeting were TVWD's CEO Mark Knudson and CFO Paul Matthews, and Ms. Dawes and Mr. Grimm. TVWD presented two potential alternatives with two different pricing concepts for each alternative. One alternative is to use a "traditional cost-of-service methodology" and the other alternative is a long-term lease option. For each alternative, TVWD would propose two different pricings based on the specific location the District would prefer to purchase water from TVWD. Pricing A would reflect filtered unfluoridated Willamette River water purchased off the Washington County Supply Line near Beaverton-Hillsdale Highway. Pricing B would reflect filtered fluoridated Willamette River and/or JWC Tualatin River water at the District's Sylvan Hill Reservoirs. The rough hypothetical examples provided by TVWD show comparatively both cost of service options could be more expensive than the projected July 1, 2026 Portland wholesale rate while the lease option could be a comparable rate to Portland's projected wholesale rate. Mr. Grimm mapped out a 2-year schedule of events that will occur leading up to the June 30, 2021 declaration day to the City of Portland. Commissioner Reiersen and others expressed concern that Portland's engineering consultants can provide a more concrete construction cost estimate by the end of September 2019. Mr. Grimm stated the consultants and the City announced that date, but if the cost estimate for some reason were not available until early February 2020, the District would still be able to adequately evaluate future wholesale water rates in keeping with the two-year schedule. Commissioner Reiersen asked if the District were to switch water sources from Portland to TVWD, would the five years between July 2021 and July 2026 be sufficient time to prepare to receive the water. Mr. Grimm stated the infrastructure improvements required could easily be accomplished within the five-year period. He also commented that his belief is ultimately the wholesale water rates from both Portland and TVWD will be similar but both much more expensive than today's wholesale water rates from Portland. Given that the costs may be similar, the decision to select a water source may hinge on other issues such as water quality, availability, seismic resiliency, and sustainability.
- Mr. Grimm shared the Board will receive a packet during the week of July 8-12 in advance of the strategic outreach workshop. The outreach effort will become more important as the District gathers more information that will be shared with District customers.

5.2 – Resolution #06-2019: Employee Benefit Policy – Boot Allowance – Ms. Dawes reviewed staff's desire to clarify the District's boot policy that steel-toed shoes are to be worn by the field staff while at work and the process by which those work boots are purchased by the District for each employee for their use at work. Commissioner Conrad asked about the chain of past resolutions that are being amended to adopt this new resolution, and Ms. Dawes stated she

would review the history to make sure the correct resolutions were listed in today's resolution. Commissioner Reiersen made a motion to adopt the amendment to the District's boot allowance policy by approval of Resolution #06-2019. Commissioner Conrad seconded the motion, and the motion was adopted unanimously.

### 5.3 – Late Breaking Issues

- Mr. Grimm informed the Board that TVWD held a community meeting at their Inglewood Reservoir to discuss recent construction work, vandalism activity, and plans to improve the safety of the reservoir and the THPRD park. West Slope WD customers border the Inglewood Reservoir property and were in attendance at the meeting with questions for TVWD and for West Slope.
- Mr. Grimm stated the Portland Water Bureau informed the public that drawdown on the Bull Run Reservoir started in early May which is historically earlier than ever recorded. The reservoir did start at full pool but is currently in drawdown mode. It is anticipated that the Columbia Southshore Wellfield will be activated for a sustained period of time this summer.
- Mr. Grimm shared a brief summary of several key bills that are still sitting in the legislature before Sine Die on June 30 including several agency budgets.

## 4.0 – PUBLIC HEARING

4.1 – There was no written testimony presented to the District.

4.2 – There was no public testimony presented orally during the public hearing.

4.3 – At 6:45 PM, Chair Hoffman closed the public hearing having been open for 1 hour and 38 minutes with no members of the public present.

4.4 – Commissioner Reiersen made a motion to adopt the FYE June 30, 2020 budget and make appropriations as presented in Resolution #05-2019 by approving said Resolution. Commissioner Conrad seconded the motion, and the motion was approved unanimously.

## 6.0 – COMMISSIONERS COMMUNICATION

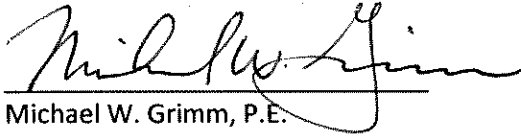
Commissioner Reiersen relayed the outcome of the June 2019 Regional Water Providers Consortium Board meeting. The main topics were the election of new Executive Board members, the summer conservation media program, and the summer supply update. Mr. Grimm mentioned he will have a summary of the communication training seminar at the next meeting. Chair Hoffman stated he thought the meeting went well, and the Board agreed.

## 7.0 – ADJOURNMENT

There being no further business to discuss, Commissioner Conrad moved to adjourn the meeting. Commissioner Reiersen seconded the motion, and it was approved unanimously. Chair Hoffman adjourned the June 19, 2019 Regular Board of Commissioners meeting at 6:52 PM.

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.  
Acting Secretary

