

WEST SLOPE WATER DISTRICT

Regular Board of Commissioners Meeting

September 21, 2016

Meeting Summary

CALL TO ORDER

Present: Chair Noel Reiersen, Commissioners Charles Conrad and Bob Rieck

Absent: Commissioners Donna Davis and Micky Hoffman

Management Staff: General Manager, Michael Grimm

Public: Robert Lazrine

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, September 21, 2016.

2.0 - PUBLIC COMMENTS/COMMUNICATIONS

Chair Reiersen welcomed Robert Lazrine to the Board meeting and informed him that all Board members received and read his letter to the Board. The Board had no comments they wished to make regarding the letter nor did they desire to enter into a discussion over its contents. Chair Reiersen asked if Mr. Lazrine had any additional comments he wished to make to the Board. Mr. Lazrine hoped to have a discussion about the "contentious relationship" that he believes exists between him and the District. Chair Reiersen stated it is not his desire to have a contentious relationship with any of the District's customers, but sometimes the District has to do things that some may not agree with simply because the decisions made are in the best interest of the District and all of its customers, and at times the District may take actions in ways where other Districts do not do just to help out one customer. Mr. Lazrine stated he has not been comfortable with the overall relationship for the last 3 years between himself and the District, and he felt he needed "to defend himself because he was being handled roughly and aggressively". He hoped he could change that at this meeting. Mr. Lazrine stated he believed he was entitled to the sum of \$10,000 if he removed the infrastructure from the District's easement until he said Commissioner Conrad and the General Manager "played a slight of hand" and "bait and switch" trick on him and accused the District of having no intention of ever paying him any of the money (that the District's only goal was to clear the easement). Chair Reiersen commented that indeed Mr. Lazrine has his check reimbursing him for out of pocket costs for vacating the District's easement not covered by his title insurance company. The final step in this issue is to sign the Settlement Agreement. Mr. Lazrine stated clearly he was "not willing to do that" and questioned the Board "you got what you wanted (vacating the easement), why do you want more?". Mr. Grimm stated the Settlement Agreement is the final step to settle the

matter for both sides ensuring no further action can be taken by either party over this particular issue. It is protection for both parties, and in reality cashing the check and accepting the District's money is the equivalent of signing the agreement, although signing the agreement is slightly cleaner. Mr. Lazrine complained about needing some form of "legal closure" and questioned the Board why that was necessary. Mr. Grimm reminded Mr. Lazrine the District never had any intention of making this issue a legal matter but that it was Mr. Lazrine who first introduced an attorney into the matter when he had Mr. Clark Balfour, attorney from Cable Huston, contact the District. At that point, the District was obligated to involve its own legal counsel, and once the matter involved attorneys from both sides, the matter takes on a completely different pathway. The Settlement Agreement is the final legal chapter in this issue, and at this point the District believes this issue is completely resolved. The Board has made numerous comments in the public record it was always their collective desire to show the Lazrine family compassion for the situation they were in and never at any time discussed not honoring the reimbursement agreement proposed and signed by the District. Mr. Lazrine had no additional comments of substance, bid goodbye to the Board, and left the meeting.

Commissioner Rieck mentioned a few months ago he was asked by Columbia Bank to submit his personal Social Security Number in order to be an authorized signer for outgoing District checks. He was not comfortable with submitting that information unless the bank provided sufficient details on how the bank protects the personal information of authorized signers. At this point, the bank has not responded to Commissioner Rieck's request. Mr. Grimm stated staff will check into the request for Commissioner Rieck.

3.0 - CONSENT AGENDA

Commissioner Conrad requested Agenda Item 3.1 be pulled from the consent agenda. Commissioner Rieck moved to approve Agenda Items 3.2 through 3.6 on the Consent Agenda. Commissioner Conrad seconded the motion, and it was approved unanimously. Commissioner Conrad noted a correction on the first page of the meeting summary (change "Chair Conrad" to "Chair Reiersen" – noted and correction was made to final version of the meeting summary for signature at the close of the meeting.) Commissioner Rieck made a motion to approve Agenda Item 3.1, and the motion was seconded by Commissioner Conrad. The motion passed unanimously.

4.0 - DISTRICT ACTIVITIES

4.1 – Operations Report: Mr. Grimm pointed out the District is now seeing the typical seasonal decrease in water demand. Mr. Grimm also introduced a new spreadsheet chart to the Board showing the daily water readings (inflow, demand, reservoir level, etc.), and the Board members commented they liked seeing the data and the correlations presented. Mr. Grimm stated the spreadsheet will be included in the Board packets going forward.

4.2 – Green Tank / SW 73rd Avenue Pipe Project: Mr. Grimm provided an update to the Board packet project status:

- Forming for the vault walls began Wednesday
- Landscaping restoration for the Blackerby property is to begin this week
- Contractor is thinking they need to renegotiate the contract price for large rock excavation. There is no contractual obligation for the District to honor that request
- Quality of construction work continues to be excellent, though there was an incident with subcontractor flagger who reportedly was abusive to some motorists while SW

Canyon Drive was closed during paving at SW Ridgewood. That particular flagger was asked to leave the jobsite by the contractor

- Contractor continues to appear stretched thin in personnel and equipment

Commissioner Conrad mentioned he enjoyed the “guided tour” he had of the project site and thought the construction was progressing well and was able to meet a few of the neighbors bordering the project site who were very positive about the project and the associated temporary disruptions. Chair Noel stated he hoped to tour the site as well.

4.3 – Beaverton Rights-of-Way Fee Update: Commissioner Rieck stated he believed our letter to customers impacted by the upcoming fee was superior to similar letters from other districts. He mentioned the West Slope letter was clearer, more concise, and less encumbered. Commissioner Conrad asked if the District was responsible for the \$5,000 annual attachment fee (page 2 of the city’s resolution). The answer is no as the annual fee is applied to service providers not generating a gross revenue. The fee the District pays is outlined in Section 1.

4.4 – Job Description / Salary Range Update: Mr. Grimm informed the Board this issue came up nearly a year ago when it was discovered the Operations Manager’s current salary exceeds the position’s board-approved salary range. Mr. Grimm stated it his desire to modify the salary range to bring the current salary inside the approved salary range. While doing that, Mr. Grimm reviewed a metro-area salary survey compiled by Sunrise Water Authority this year. One of the positions included in the survey is an Operations Manager. Mr. Grimm shared the current salary range is for the Operations Manager is not the highest in the survey but near the top. The Rockwood Water PUD operations manager job description is very similar to the tasks required by West Slope’s Operations Manager, and the highest salary range is the Rockwood position. Mr. Grimm pointed out the value the current Operations Manager brings to the District is 1) his technical skills and work ethic developed over the span of his career; and 2) his institutional knowledge of West Slope that cannot be duplicated with any other employee or employee candidate for this position. Mr. Grimm requested the Board consider adjusting the upper limit of the salary range to \$8,400/month. Commissioner Conrad asked if the adjustment to the salary range would create an immediate pay increase to the Operations Manager, and Mr. Grimm stated that it could but the actual salary adjustment would be a function of the employee performance appraisal. Commissioner Rieck stated he supported the request to make the salary compensation correct for the Operations Manager and praised him for the work he has done for the District for many years. Commissioner Conrad made a motion to adjust the Operations Manager’s salary range upper limit to \$8,400/month. Commissioner Rieck seconded the motion, and it was passed unanimously.

4.5 – City of Beaverton Land Use Plan Technical Advisory Committee (TAC): Mr. Grimm stated his involvement in the City’s TAC can potentially be a great opportunity to forge an urban service agreement with the City since their land use element update states one goal is to establish agreements with urban service providers within the City’s urban service area. The Board agreed the involvement has value to the District.

4.6 – Financial Audit by Grove Mueller: Mr. Grimm stated the audit is complete and attention is now being focused on the comprehensive annual financial report, the rights-of-way fees, and the impact PERS costs will have on the District in the near future (2017 and beyond). Ms. Dawes will have more information for the Board in future meetings.

4.7 – District Easement Resolution: The Board had no additional comments beyond the dialogue that took place at the beginning of the meeting with Mr. Lazrine. Mr. Grimm will wrap up the comments and dialogues from this issue for the District’s file and the District’s legal counsel.

4.8 – District Property Inquiry: Mr. Grimm presented a letter from the Lithia Auto Group (LAG) expressing an exploratory interest in the District’s willingness to sell the District’s current office and maintenance complex to LAG to allow for expansion their auto dealership. Key elements to consider for the District moving forward are:

- Is there a better place to locate that will provide access to all areas of the District?
- Would the District customers welcome the move?
- Would the purchase agreement cover all moving, relocating, and new set-up costs?
- Would any new site selected provide the District with opportunities or benefits that are not able to be realized in the current location?

Commissioner Rieck made a motion to allow LAG to make a proposal to the District for the purchase of the existing site and relocation to a new site recognizing the District has no obligation to accept the proposal. The motion was seconded by Commissioner Conrad, and the motion was passed unanimously. Mr. Grimm stated he would inform the LAG of the Board’s decision.

5.0 – COMMISSIONERS COMMUNICATION

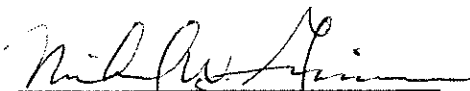
Chair Reiersen commented he appreciated attending the recent SDAO training in Tigard. Though the content was good according to Chair Reiersen, the training pattern where speakers read PowerPoint slides verbatim could be improved. Commissioner Conrad, who also attended the same session, agreed and commented on a new state rule that considers all written comments or stray marks on Board packet information as public record. Staff was unfamiliar with the new rule and promised to take a closer look at it. Chair Reiersen also commented on the recent Bull Run tour he attended hosted by the Portland Water Bureau and how much of an incredible jewel the Bull Run watershed is. It was a very impressive tour. Mr. Grimm mentioned the Portland Water Bureau is hosting a groundbreaking event for the new Washington Park reservoir September 26 at Noon. Members of the West Slope Board are invited. The new buried reservoir will replace the open reservoirs recently taken out of service.

ADJOURNMENT

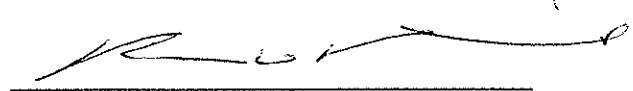
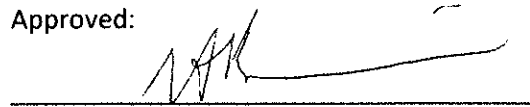
There being no further business to discuss, Commissioner Conrad moved to adjourn the meeting. Commissioner Rieck seconded the motion, and it was approved unanimously. Chair Reiersen adjourned the September 21, 2016 regular Board of Commissioners meeting at approximately 6:53 PM.

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.
Acting Secretary



Charles B. Conrad