

**WEST SLOPE WATER DISTRICT**

**Special Board of Commissioners Meeting**

**December 16, 2015**

**Meeting Summary**

**CALL TO ORDER**

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

Absent: None

Management Staff: General Manager, Michael Grimm; Interim Finance Manager Lucy Dawes

Public: Kathie Strathern (District staff)

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**1.0 – CALL TO ORDER**

Chair Conrad called to order the Regular meeting of the West Slope Water District Board of Commissioners at 5:01 P.M., Wednesday, December 16, 2015.

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

There were no public comments.

**3.0 - CONSENT AGENDA**

Agenda Items 3.2, 3.3, and 3.6 were pulled from the consent agenda for discussion. Chair Conrad asked clarification in Agenda Item 3.2 on check #17164 for independent actuaries. Commissioner Reiersen pointed out corrections needed for the bank reconciliation summary page (West Coast Bank heading) and a misspelling of Reiersen in Agenda Item 3.1 Meeting Summary. Commissioner Rieck moved to approve consent items 3.1, 3.4, 3.5, and 3.7. The motion was seconded by Commissioner Davis, and the motion was approved unanimously.

Ms. Dawes explained check #17164 for \$1500 is to cover the actuarial study covering a three year post-employment period. Retirees are allowed to remain on the District's health care plan until the retiree reaches the eligibility age for Medicare. The actuarial study is an assessment of the cost difference between the health insurance premiums charged and the District's costs if the retiree remained on the District's health care plan. The District is required to disclose the information in the comprehensive annual financial report (CAFR). Currently, there are no retirees on the District's health care plan.

Ms. Dawes gave a brief overview of the completed CAFR and a summary of the CAFR findings including new GASB requirements to disclose the District's retirement pension liabilities.

Commissioner Reiersen moved to approve items 3.2, 3.3, and 3.6 from the Consent Agenda. Commissioner Davis seconded the motion, and it was approved unanimously.

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

4.1 – Operations Report: In addition to the report included in the Board packet, Mr. Grimm informed the Board the results of the Portland Water Bureau combined in-home lead and copper monitoring conducted in October. Drinking water samples are collected for lead and copper analysis at 120 homes throughout the Portland retail and wholesale distribution system. The 120 sites are specifically identified as the most likely homes in which lead could be detected in drinking water solely based on the age of the home and the internal plumbing materials used. West Slope contributes one sampling site to the pool of 120 sites. The detected concentrations of lead and copper at West Slope’s site was found to be well below the combined results for the entire system as well the regulatory limit.

4.2 – New Finance Manager Hiring Status: Mr. Grimm gave a brief summary of the hiring process for the new finance manager. The first round of interviews were completed prior to the Board meeting with the last round of interviews with the three finalists to be conducted early in the Christmas holiday week. Ruth Mattox from LGPI did not actively participate in the interviews, but she was instrumental in prepping the interview panel and providing expert insight during the evaluation stage.

In relation to the anticipated human resource duties of the new finance manager, Chair Conrad asked if there could be some process in place where an employee with work-related issues could seek a “safe zone” if the employee did not feel comfortable discussing the matter with a supervisor or the general manager. Commissioner Rieck commented larger organizations have HR departments who can perform conflict resolution and mediation tasks.

Mr. Grimm shared his vision for the District’s conflict resolution process as a four step process:

- 1) Employee to employee
- 2) Employee to supervisor
- 3) Employee to supervisor and general manager
- 4) Employee to the finance/HR manager

The finance/customer service/HR manager will have cross-cutting authority among all staff to address conflict resolution issues and report findings to the Board and the general manager. If the conflict cannot be resolved within the above four tiers, the District could consider outside assistance from a neutral third party such as SDAO or LGPI. Commissioner Hoffman liked the idea and believes the process should be documented in the employee handbook.

4.3 – Green Tank / 73<sup>rd</sup> Avenue Pipe Projects: Staff continues to have several meetings with MSA. Paint/coating suppliers have advised the District can add one more coating to the tank which should last between 20-25 years. At that time, it would be necessary to encapsulate the tank and strip all the existing paint/coating layers off and apply a new base coating. Adding one more coat this year will be less expensive than the encapsulation process needed 20-25 years from now. Lastly, MSA estimated the 95% plans will be ready for District review in early January.

4.4 – Easement Vacation Resolution: Mr. Grimm stated the Lazrines have given the District a final list of their expenses which Mr. Grimm has passed on to the District’s attorney. The District is still waiting to find out what part of those expenses the Lazrine’s title insurance company will

be covering. The signed agreement with the Lazrines states the District is willing and gracious to cover costs related to the removal of the carport and minor surface restoration (such as shrubbery, bark dust, etc.).

4.5 – District Office Hours through the Holiday Season: Mr. Grimm informed the Board the office will be closed for Christmas Day and New Years Day, and the office will be closing early at 2:30 PM on Christmas Eve and New Years Eve if there are no urgent issues to address prior to the end of a normal business day.

4.6 – Leak Adjustment Policy: Mr. Grimm presented a summary of leak adjustments given to customers in FY 2014-15 and up through November in FY 2015-16 as well as a brief summary of leak adjustment policies from other metropolitan area water systems. Commissioner Hoffman asked if possibly the District is giving away too much money in leak forgiveness, and Mr. Grimm said yes and in his opinion, the District's policy is too generous as compared to other water systems.

Commissioner Reiersen wondered if the District could legally and practically offer some mandatory low cost leak protection insurance to District customers. He also stated that a district the size of West Slope cannot afford to be writing off \$14,000 annually in lost revenue due to customer leak forgiveness, and Commissioner Hoffman agreed. Both agreed the District should not be punitive but rather be respectful of how to cover the District's costs.

Commissioner Rieck mentioned that though this issue is important, the District has a number of potentially more urgent issues currently. Commissioner Reiersen agreed though he is concerned the cost to the District for leak forgiveness does not continue to escalate.

Mr. Grimm suggested the District not temporarily modify the policy until staff has a chance to thoughtfully analyze the current policy and propose changes to the Board for consideration as part of the Policy & Procedures overhaul. The Board agreed.

Commissioner Davis left at 6:18 PM.

4.7 – Miscellaneous: Mr. Grimm shared with the Board information from other metro area water systems regarding conservation rebate programs, website hits on the West Slope WD webpage, and information about an open house meeting with the City of Beaverton on franchise fees which will impact the District. (Later, Chair Conrad stated he would be willing to attend along with the general manager).

## **5.0 – COMMISSIONERS COMMUNICATION**

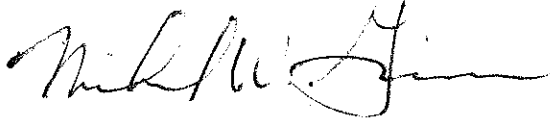
Chair Conrad reminded the Board about the Strategic Planning work session with Dale Jutila at 3 PM, Thursday, December 17 at the District office.

## **6.0 - ADJOURNMENT**

There being no further business to discuss, Commissioner Reiersen moved to adjourn. Commissioner Rieck seconded the motion, and it was approved unanimously.

Chair Conrad adjourned the December 16, 2015 regular Board of Commissioners meeting at approximately 6:30 PM

Respectfully Submitted,



Michael W. Grimm, P.E.  
Acting Secretary

Approved:

