

**WEST SLOPE WATER DISTRICT**  
**Regular Board of Commissioners Meeting**  
**December 19, 2018**  
**Meeting Summary**

**CALL TO ORDER**

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

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

Absent: Commissioner Bob Rieck

Public: Paul Schuler, District customer/Commissioner-Elect

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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 4:59 P.M., Wednesday, December 19, 2018. Chair Hoffman noted Mr. Paul Schuler was in attendance. Mr. Schuler was appointed by the Board at the November meeting to fulfill the remaining months of Commissioner Rieck’s term on the Board.

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

There was no public comment. Mr. Grimm visited with Commissioner Rieck recently and passed along well wishes from him to the Board.

**3.0 – CONSENT AGENDA**

Commissioner Reiersen asked to remove Agenda Item 3.3 from the Consent Agenda. Commissioner Conrad made a motion to approve Agenda Items 3.1 through 3.2 and 3.4 through 3.9. Commissioner Reiersen seconded the motion, and the motion passed unanimously. Commissioner Reiersen inquired about Check #18972 to First Response Systems, Inc. for \$45. The expense was described as covering a second call-out on the District property. After further inquiry by staff, the charge was for a single call-out in response to an alarm on the maintenance building. The alarm was not triggered by an actual intrusion after hours on the property, however, but instead a loss of contact between the maintenance building door and the security alarm contact. Commissioner Conrad made a motion to approve Agenda Item 3.3. The motion was seconded by Commissioner Reiersen, and the motion passed unanimously.

**4.0 - DISTRICT ACTIVITIES**

4.1 – Long Term Water Supply: Mr. Grimm gave a brief status update on options available to the District for purchasing water after June 30, 2026. One option is the District’s current source of supply from the City of Portland which is primarily Bull Run surface water and can be augmented

with groundwater from the Columbia South Shore wellfield. The other option is to purchase water from Tualatin Valley Water District from their 24-inch transmission line on the north side of Hwy 26, and that water would be surface water from the Tualatin River (Joint Water Commission) and/or Willamette River surface water (Willamette River Supply Plan) most likely with fluoride. Both options can have alternate entry points into the District other than the District's Sylvan Hill Reservoirs, but those alternate entry points require significant capital projects by the District in order for that water to enter into the District such as the construction of transmission mains through existing neighborhoods and a booster pump station. The District's public outreach efforts this summer will help solidify customer preferences about the options.

Mr. Grimm shared with a Board a list of the proposed principles and outcomes in a new wholesale water purchase agreement with Portland. The small group of wholesale customer representatives will continue to work on the new contract for July 1, 2026 and beyond over the next 18 months.

Mr. Grimm gave a brief summary of the proposed stakeholder questions and the suggested list of stakeholders in the District for Katz & Associates staff to interview. Over the next month, work will continue to develop the actual script, refine the stakeholders list, and compile a time schedule. Several Commissioners suggested a few more names for the stakeholders list.

4.2 – Budget Committee – Member Selection Process: Mr. Grimm stated an agenda item for the January meeting will be the approval of a Budget Committee for the FYE 2020. Staff is seeking input from the Board on potential candidates for the Budget Committee. If the Board agrees by consensus on several potential candidates, staff will contact each candidate individually to inquire of their interest and willingness to serve. The Board gave consensus approval to the General Manager to inquire of the several potential candidates mentioned during the discussion.

4.3 – Approval of Comprehensive Annual Financial Report (CAFR): Ms. Dawes gave a brief overview of the CAFR. The Board commended Ms. Dawes on her diligent work and dedication to put the CAFR together. Commissioner Conrad commented that it is odd to him that a District as small as West Slope is required to create and submit such a complicated and detailed document. Ms. Dawes explained that while the District is required to have an annual audit which comprises the majority of the document, the part that is the very useful to the District is the last section (pages 46 to the end of the document) of the CAFR that is not required. Commissioner Conrad also asked whether or not the auditors review the District's internal controls or do the auditors ask about or suggest new internal controls or changes to existing internal controls. Ms. Dawes stated the auditors do ask about internal controls and make suggestions where appropriate. This year, the auditors had no new suggestions or comments on internal controls, but they did spot check on some procedures/processes that have been documented in narratives by Ms. Dawes to determine if the District actually follows the internal controls we claim to have. Commissioner Conrad also asked about the contractors from the Green Tank Project and whether or not the District is waiting to take additional steps following the contractor's attempt to challenge the amount of liquidated damage they were charged. Mr. Grimm stated the District has not heard from the contractors since the District's correspondence to the contractor in October. Mr. Grimm also stated the contractor has not as yet cashed the check issued in January 2018 for the balance of the retainage less the assessed liquidated damages incurred by the contractor for missing both the substantial completion and the final completion deadlines. Commissioner Reiersen made a motion to accept and approve the CAFR. Commission Wild seconded the motion, and the motion was approved unanimously.

4.4 – Late Breaking Issues: Mr Grimm informed the Board the District is considering utilizing remote deposit capture capabilities to scan payment checks and electronically deposit them at Columbia Bank without having to make a physical trip to the bank. Mr. Grimm reviewed the agenda item outlining the benefits of the remote deposit capture capabilities and the obligations the District must meet (lease of the bank’s scanner, use of a stand-alone computer, etc.). Commissioner Wild asked if the District had liability insurance coverage that includes electronic deposit transfers. Ms. Dawes stated she would research that aspect of the District’s insurance and respond to the Board later. Ms. Dawes inquired of the Board what kinds of content would be helpful for the Board to meet their needs to process or understand the budget in general or any of the monthly financial reports. Commissioner Reierson stated a 6-month synopsis of the budget status would be helpful, and Commissioner Conrad agreed. Commissioner Reierson stated that if staff were to keep the same level of detail and call out issues from the consent calendar that should be discussed, he would be satisfied. Staff agreed with Commissioner Reierson’s comments.

**5.0 – COMMISSIONERS COMMUNICATION**

Chair Hoffman confirmed no Commissioner attended any outside meeting since the November board meeting. Mr. Grimm mentioned due to Commissioner Rieck’s health and recovery, a gathering to honor Commissioner Rieck and his term on the Board will be postponed until he is back in good health again. Mr. Grimm reminded the Board of the upcoming SDAO conference in Sunriver, and any Commissioner desiring to attend should contact Mr. Grimm for registration. SDAO will be hosting a Legislative Day in Salem on Friday, January 18. Finally, District elections for Board Positions #1 and #2 will be held by Washington County elections Tuesday, May 21. Commissioner Conrad requested the Board finalize the General Manager’s performance evaluation at the regular meeting of the Board in February following a special executive session at 9 AM on Monday, February 4.

**6.0 – EXECUTIVE SESSION**


By consensus, the Board left the regular session of the meeting at 6:40 PM. Following a short recess, the Board entered into Executive Session at 6:45 PM to discuss the process for conducting the annual performance appraisal for the General Manager. The Board concluded the Executive Session at 7:09 PM and resumed the regular session. No decisions were made by the Board during Executive Session.

**7.0 – ADJOURNMENT**

There being no further business to discuss, Commissioner Reierson moved to adjourn the meeting. Commissioner Wild seconded the motion, and it was approved unanimously. Chair Hoffman adjourned the December 19, 2018 Regular Board of Commissioners meeting at 7:10 PM.

Respectfully Submitted,

Approved:

  
Michael W. Grimm, P.E.  
Acting Secretary

