

WEST SLOPE WATER DISTRICT

Special Board of Commissioners Meeting

November 18, 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

Public: Michael Carter (District resident); Michael Arthur (non-resident spokesperson for Mr. Carter).

1.0 – CALL TO ORDER

Chair Conrad called to order the Regular meeting of the West Slope Water District Board of Commissioners to order at 5:00 P.M., Wednesday, November 18, 2015.

2.0 - PUBLIC COMMENTS/COMMUNICATIONS

There were no public comments.

3.0 - CONSENT AGENDA

Agenda Items 3.2 and 3.6 were pulled from the consent agenda for discussion. Commissioner Rieck asked clarification on two checks #17096 and #17113. Mr. Grimm explained #17113 was to LSK Graphics to produce the winterization brochures mailed with the November bills, and #17096 was to cover the mailing expense of the brochures and the bills.

Chair Conrad asked for clarification on Agenda Item 3.6 regarding the cost of lodging for the Bend OWUC meeting. The credit card detail sheet lists the cost at \$218.90 and the credit card statement list the cost at \$165.99. The difference was not known at this time, but staff will look into why it was reported this way and respond to the Board at the regular meeting in December.

Mr. Grimm responded to the Board’s questions at the October regular meeting. Check #17026 to Centro Information Systems covered the expense of deposit slips, statements, and past due notices. Check #17050 also to Centro covered door tags and past due notices. Also, check #17030 to Indoor Billboard for \$66.83 covered the expense of restocking the office toilet paper supply, Check #17038 also to Indoor Billboard for \$130.39 covered the cost to restock hand towels in the Operations Building as well as floor mats. In response to Commissioner Reiersen’s request at the October regular board meeting, Mr. Grimm presented documentation showing

the investment of funds withdrawn from the Local Government Investment Pool through a Voice Response Withdrawal and into the Bank of New York Mellon for bond payment for Reservoir #3. Commissioner Reiersen commented the documentation was helpful and would like to see similar documentation following future bond payments.

Commissioner Reiersen moved to approve items 3.1 through 3.5 on the Consent Agenda. Commissioner Davis seconded the motion, and it was approved unanimously. Approval of 3.6 was tabled until the December regular meeting.

4.0 - DISTRICT ACTIVITIES

4.2 – Customer Complaint: Mr. Grimm presented a brief summary of the customer service line water leak at the property of Mr. Michael Carter (2535 SW 89th Avenue). Mr. Carter was present at the meeting to speak to the Board about his situation as well. The Board was presented the following issues to consider:

- 1) The cost of the water lost through the customer’s meter: Close to \$1400 in water use charges were attributed to the leak. Instead of waiting for Mr. Carter to submit a leak adjustment request to the District, Staff initiated the request for Mr. Carter and offered a leak adjustment credit of \$680.98 to Mr. Carter. Mr. Carter requested the Board forgive the entire amount of the leak (not including normal domestic use) citing he did not recognize his ownership of the service line between the meter and his property line.
- 2) The responsibility for long term ownership, maintenance, and ultimate replacement of the service line between the meter and Mr. Carter’s property line: Mr. Carter claimed since he did not install the line when his meter was moved roughly 30 years ago from his property line to its current location 40-50 ft. south, he should not be held responsible for costs related to repair or replacement of this segment of the service line.
- 3) Placement of the meter: Mr. Carter stated his desire to see his meter moved back to its original location at the District’s expense.

Mr. Grimm presented a marker board drawing of the piping network at the end of SW 89th Avenue and how it relates to Mr. Carter’s property. The meter was moved to its current location 30 years ago when PRV #10 was installed and Mr. Carter’s meter was moved to the downstream side of the PRV. Upstream pressures could be 120-140 psi while downstream pressures are likely 65-80 psi. Mr. Grimm explained the meter could be moved if the Board so desired at an estimated cost of \$3000. The meter would then be tapped into the higher pressure 8-inch CI main which would require Mr. Carter to install his own PRV on the customer’s side of the meter. It was also explained that meters are located in a straight line from the corporation stop at the main. Mr. Carter stated he was less interested in seeing his meter moved to a new location if it meant exposing his piping system to higher water pressures.

Following a very lengthy discussion by staff, Mr. Carter and his representative Mr. Arthur, and all of the Board members regarding possible alternatives and allowances available to Mr. Carter to reduce his water bill and seek financial assistance for leak repairs to Mr. Carter’s service line, the Board took the following actions:

- Commissioner Reiersen stated the Board’s responsibility is to uphold the fiduciary duty for the District to all of its customers, and along with Commissioners Rieck and Hoffman commented Mr. Carter has benefited for 30 years from the service line being in operation and that is a normal life expectancy for metal service line pipe. As such, Commissioner Reiersen made a motion that the District will have no involvement with

moving Mr. Carter's meter or the cost to either repair or replace any portion of his service line downstream of the water meter. The motion was seconded by Commissioner Davis. Commissioner Hoffman stated involving the District at this level could establish a dangerous precedent for future customers with leaks in their service lines. The motion was passed unanimously.

- Commissioner Davis made a motion to forgive an additional amount of Mr. Carter's water loss bill (suggested at an additional 25% to bring the total forgiveness to 75%). The motion died for a lack of a second.
- Staff questioned the Board if they had a desire to offer some form of compensation such as a not-to-exceed sum to cover some of the service line repair costs incurred by Mr. Carter. The consensus of the Board was to offer no additional compensation to Mr. Carter.

The Board voted to take a brief recess at 6:20 P.M. The meeting continued at 6:30 PM.

4.3 – New Finance Manager Hiring Status: Mr. Grimm gave a brief review of the hiring schedule and the sites the job announcement has been posted. The Board was pleased the process is moving along well.

4.4 – District Rules & Regulations

Mr. Grimm presented the brief history of the Accrued Time Off and Holidays table found in the Employee Handbook and how the errors in accrual rate for 301 to 360 months and 361 months and greater were discovered. To correct the errors, staff proposed Resolution 06-2015 that recognizes the Board's decision in 2008 (through Resolution 11-2008) to add the two additional accrual rates to the table. Resolution 06-2015 also identifies the incorrect accrual rate stated in Resolution 09-2010 and amends the Employee Handbook to reflect the correct accrual rates. A motion was made by Commissioner Rieck to adopt Resolution 06-2015 to correct the Employee Handbook. The motion was seconded by Commissioner Reiersen, and the Resolution was adopted unanimously.

4.5 – Green Tank / 73rd Avenue Pipe Projects

Mr. Grimm shared the MSA budget and timeline for the Green Tank and 73rd Avenue piping project that was presented to the Board at the regular meeting in October. Staff had incorrectly assumed this budget had already been previously approved by the Board and was simply an update for informational purposes only. However, MSA informed staff that the Board had previously only approved a budget (determined later to be about \$75,000 to date) to fund MSA's work to develop a 90% draft set of plans, and it was understood by MSA the Board would need to approve this new budget to complete the design work and manage the rest of the construction project for the District. Chair Conrad asked if the District's budget included this new cost estimate, and Mr. Grimm stated the overall capital budget should cover the remainder of the engineering costs as well as the actual construction costs.

Commissioner Davis made a motion to approve the MSA budget to complete the engineering design work and other engineering construction management tasks through the end of the project for a not to exceed amount of \$252,000, and direct staff to sign an agreement with MSA. The motion was seconded by Commissioner Hoffman, and the motion was approved unanimously.

6.0 – EXECUTIVE SESSION

Commissioner Chair called for a recess to the regular meeting at 6:45 PM in order for the Board to enter into executive session to conduct a 6-month review of the general manager's performance.

Following the executive session, Chair Conrad reconvened the regular Board meeting at 7:20 PM. Chair Conrad led a discussion of the Board to provide comments to Mr. Grimm on his performance to date with several commendations and goals to achieve. Commissioner Davis made a motion to grant a \$1000 cash bonus to the general manager in appreciation for the quality of the work done to date. Commissioner Hoffman seconded the motion, and it was approved unanimously. Chair Conrad will work with the Finance Director on a process to make the payment to the general manager.

Commissioner Rieck excused himself from the remainder of the meeting at 7:40 PM.

4.0 – DISTRICT ACTIVITIES - continued

4.6 – Partnership for Safe Water Membership

Staff presented the background of the Partnership for Safe Water as a benchmark system to gauge operational performance against known and widely accepted industry standards as well as measure the District's improvement toward achieving those standards.

Commissioner Reiersen made a motion to direct staff to register the District as a member of the Partnership for Safe Water and to assure support for the District's involvement in the Partnership program through all phases. Commissioner Hoffman seconded the motion, and it was approved unanimously.

4.7 – Review of Fiscal Procedure Oversight

Staff brought this item forward following the strategic planning workshop for the Board to discuss oversight procedures that the Board would like to see enhanced. The Board reiterated their desire to see the website enhanced to offer better and timely information to a public that is increasingly reliant upon websites to conduct business and gather information especially for issues like "what are my water rates?", "what do my water bills fund?", and "what causes the water rates to increase?".

5.0 – COMMISSIONERS COMMUNICATION

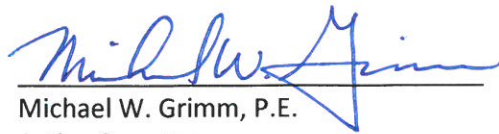
Commissioner Reiersen stated he really appreciated the strategic planning workshop, and he thought it was an extremely productive time spent by the Board. The other commissioners agreed, and Chair Conrad stated he wants to see the process continue as planned to take advantage of the positive momentum generated to date.

ADJOURNMENT

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

Chair Conrad adjourned the November 18, 2015 regular Board of Commissioners meeting at approximately 7:53 P.M.

Respectfully Submitted,



Michael W. Grimm, P.E.
Acting Secretary

Approved:



