

**WEST SLOPE WATER DISTRICT**  
**Regular Board of Commissioners Meeting**  
**September 16, 2020**  
**Meeting Summary**

**CALL TO ORDER**

Present on Virtual Meeting: Chair Charles Conrad; Commissioners Michael Hoffman, Andy Smith, and Carol Wild

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

New Commissioner: Paul Schuler

Public: None present

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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 5:03 P.M., Wednesday, September 16, 2020. The meeting was held through Zoom remote teleconferencing technology. The public was made aware of the meeting through the District’s website (agenda posted on website with the login information). Chair Conrad read the Oath of Office to Mr. Paul Schuler, and he was sworn in as the Commissioner for the Position #5.

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

No public comments or communications were received by the District.

**3.0 – CONSENT AGENDA**

Commissioner Smith asked to pull Agenda Item 3.1 from the Consent Agenda. Commissioner Smith made motion to approve Agenda Items 3.2 through 3.8. Commissioner Wild seconded the motion, and the motion was approved unanimously. Commissioner Smith stated that he wanted to be clear that comments made in the September 3 special meeting of the Board of Commissioners related to Mr. Schuler’s professional expertise and Mr. Krishnamurthy’s community involvement experience was not intended to imply that in Commissioner Smith’s opinion Mr. Krishnamurthy did not have professional expertise as well. The comment was meant to highlight Mr. Schuler’s professional expertise in the **water industry**, and it should be understood that Mr. Krishnamurthy has a great deal of professional expertise in other areas. Commissioner Schuler moved to approve Agenda Item 3.1. The motion was seconded by Commissioner Smith, and the motion passed unanimously.

**4.0 – DISTRICT ACTIVITIES**

#### 4.1 – General Managers Report

Mr. Grimm explained the work by the wholesale water managers to move a new wholesale water sales agreement with the City of Portland. It is likely that the City will need to follow its own standard procurement process to hire a consulting firm to do the rate model work which lays the foundation for a new wholesale water sale agreement. That process could take up to six months, and it would be unlikely the work from that contract could be completed in a time frame to allow wholesale water customers to make an informed decision on whether or not to remain with Portland or look elsewhere for water. Portland is considering a request by the wholesale water customers to waive the five-year notification period (2021 declaration due date to 2026 start of a new contract). However, waiving the five-year period may not be sufficient for any water utility needing to decide now whether or not to invest capital into a new source water project (developing groundwater, building a new surface water source, etc.).

Commissioner Wild asked if the existing FCS Group report will be ignored by Portland or will the findings of the report be incorporated into the rest of the City's work. Mr. Grimm stated the City is committed to moving forward with a new rate model that is based on the principles and desired outcomes of the FCS Group report. It is how that new rate model is constructed that will lead to a new wholesale water sales agreement. Commissioner Schuler asked if the City could write a contract amendment to extend the five-year window, and Mr. Grimm stated the City is not sure how they can proceed at this point understanding that their own procedures often can be bogged down by the process. Commissioner Wild asked what would happen if the District made no declaration at the June 30, 2021 due date (what are the consequences the District would face?). Mr. Grimm stated the City currently recognizes three options: 1) Positive declaration to purchase water in 2026, 2) Declaration of refusal to purchase water after June 30, 2026, and 3) the absence of a declaration which results in pushing the five-year window out an additional year (new due date of June 30, 2022 for purchasing water beginning July 1, 2027). The absence of a declaration does not default to either an acceptance or a refusal response. Chair Conrad commented in the absence of our understanding from Portland what the cost of water would be in 2026 and beyond, the District has little to offer in additional outreach sessions until that information is made available to the District. Mr. Grimm stated that water quality issues, seismic resiliency, and reliability can be shared with District customers in outreach sessions in 2021, and possibly cost of water can be shared later when it becomes available. Commissioner Schuler commented that resiliency is a big issue to consider in the District's decision. Chair Conrad and Commissioner Wild both agreed that even the recent wildfires may result in resiliency gaining importance in the public's opinion.

Mr. Grimm stated only two of the eight consulting firms who were invited to propose on the District's Beaverton-Hillsdale Hwy water main replacement project RFP submitted a response to the District: AKS Engineering & Forestry and Murraysmith. The content of the proposers' response has been reviewed, evaluated, and scored by the review panel with AKS holding a slight lead over Murraysmith (85% of the total scoring). The cost estimate is to be reviewed, evaluated and scored on Thursday, September 17 (remaining 15%), and based on the final scoring, a consultant will be selected and a contract with that will be signed. Commissioner Wild asked if the overall project timeline as presented was what staff anticipated as in her mind the timeline would be a little more compressed. Mr. Grimm stated the schedule listed is the outside frame of the District's desire given the unknown of how long it might take to get permits, select a construction contractor, obtain a construction season window, and begin & complete construction.

#### 4.2 – Accounts Receivable & Again / Past Due Accounts Status

Ms. Dawes shared a summary of the District's Accounts Receivable status. Thirteen past due accounts have had payment activity. Five customers have informed the District of issues related to COVID-19. Thirty-four accounts still have not responded to the District which is the typical for the pre-pandemic era but the difference now is those accounts are six months behind in payments instead of three months. Before the end of the month, yellow colored tags will be hung on the doors of the past due customers who have not responded to the District's attempt to contact the customer. The warning will be that the customer needs to contact the District or face having their water service interrupted.

Chair Conrad asked how the District's audit went, and Ms. Dawes stated it went very smoothly and the comments from the auditors have been very positive.

#### 4.3 – Work After PERS Retirement Procedures

Mr. Grimm pointed the Board to the two key points in the agenda item: 1) "Retirement" is defined as leaving the PERS system and beginning to draw upon the PERS benefits while still working full-time for the District., and 2) The District incurs no added financial impact as a result of an employee choosing to retire from PERS who continues working full time. Chair Conrad asked if the District's contribution to PERS changes when an employee retires from PERS, and Mr. Grimm replied it does not. Commissioner Wild commented the District's PERS contribution is collected into the overall PERS fund which helps to pay down PERS' unfunded deficit which was confirmed by Ms. Dawes. Commissioner Wild asked if any additional insight was gained from the other utilities who did or did not adopt a policy since this issue was initially presented to the Board earlier in 2020. Mr. Grimm stated some utilities who did not adopt a policy chose to not take any action because it appeared to be a lot of work for little return to the broad spectrum of their own employees. Ms. Dawes stated other reasons not to adopt a policy might be include "double-dipping" optics and pay equity issues, but entities like Washington County believed it was a beneficial thing to do for their employees. Commissioners Schuler, Smith, and Hoffman agreed the policy appears valuable to a District the size of West Slope to be able to keep key employees on staff at this time. Commissioner Wild agreed as well but expressed the concern of the "double-dipping" optics and the potential that retaining personnel through this policy could present a barrier to others trying to assume advancement within the District. Mr. Grimm stated retaining staff for a few extra years means the District has a chance to create a smooth transition of training and mentoring prior to key staff retiring as opposed to creating an abrupt change as a result of an employee retirement.

Commissioner Smith made a motion to adopt Resolution #06-2020 to adopt the Work after PERS Retirement policy as presented to the Board, and Commissioner Schuler seconded the motion. The motion was unanimously passed by the Board.

#### 4.4 – General Board Position Vacancy Replacement Process

Mr. Grimm stated that Attachment 4.4.1. is presented as a Board best management practice to follow when there is a vacancy on the Board. The proposed process is broken out into four different options or scenarios regarding a vacancy with the actions required to address the vacancy. Commissioner Wild stated that flexibility should be given to the timeframe to each of the options and include a time range for each option. Commissioner Smith agreed with those comments and further suggested the District work to partner with other entities like Washington County to advertise or recruit for a new appointee thinking some customers in the District could be overlooked and not reached through traditional outreach methods. Commissioner Wild asked if renters would be eligible to run for the Board. Mr. Grimm stated the qualifications for a Commissioner are the candidate must be a customer of West Slope, a

registered voter, and have their primary point of residency within the District. Commissioner Schuler asked if the District is omitting any customers because they may not pay a water bill directly. Mr. Grimm stated the requirement is be a water user which would include a renter/tenant as long as the property being rented is the customer's primary residence. The District would send announcements of Board position vacancies to all customers living inside the District using the same contact list that is used to notify customers of the annual Water Quality Report / Consumer Confidence Report. Commissioner Smith agreed and relayed his desire to see the District use partnerships to reach the customers who are renting property who may have a tendency to be part of a disadvantaged community and possibly left out of direct representation in the District as a Commissioner. Mr. Grimm stated that it would be easy to utilize the translation services at Washington County for future broad-based announcements sent to all District customers.

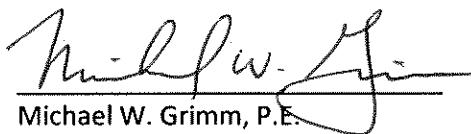
#### 5.0 – COMMISSIONERS COMMUNICATION

Chair Conrad acknowledged that no commissioners had attended any other outside meetings. Commissioner Schuler asked if any progress has been made over the last year to create email addresses for Commissioners instead of relying on personal email accounts for District business with an eye on compliance with public records requests. Mr. Grimm stated staff has not moved forward with that task but would look into it following this meeting. Chair Conrad corrected a statement he had made in an earlier meeting of the Board. Chair Conrad originally stated employees at Home Depot were given 240 extra hours of COVID leave. The correct information is that all Home Depot employees received 80 hours of leave of COVID leave, but employees who were deemed "at risk" were given an additional 160 hours. So, not all Home Depot employees received 240 hours as was originally stated. Mr. Grimm suggested the Board consider what kind of recognition the Board would like to offer to former Commissioner Reiersen for his years of service to the Board. Commissioner Smith was pleased with the discussion through all of the agenda items, and he believed it went along smoothly and in a timely fashion, and the consensus of the Board was the meeting went very well.

#### 6.0 - ADJOURNMENT

There being no further business to discuss, Commissioner Hoffman moved to adjourn the meeting. Commissioner Wild seconded the motion, and it was approved unanimously. Chair Conrad adjourned the September 16, 2020 Regular Board of Commissioners meeting at 6:13 PM.

Respectfully Submitted,

  
Michael W. Grimm, P.E.  
Acting Secretary

Approved:

