

WEST SLOPE WATER DISTRICT

Regular Board of Commissioners Meeting

September 20, 2017

Meeting Summary

CALL TO ORDER

Present: Chair Robert Rieck, Commissioners Charles Conrad, Micky Hoffman, and Noel Reiersen (Commissioner Position #2 remains vacant at this time)

Absent: None

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

Public: None

1.0 – CALL TO ORDER

Chair Rieck called to order the Regular meeting of the West Slope Water District Board of Commissioners at 5:02 P.M., Wednesday, September 20, 2017.

2.0 - PUBLIC COMMENTS/COMMUNICATIONS

Chair Rieck acknowledged there were no members of the public present, the District has received no public comment regarding any agenda items with the exception of two email messages from a resident near the Green Tank (See Agenda Item #4.2).

3.0 – CONSENT AGENDA

Commissioner Rieck asked Ms. Dawes to present the Finance Manager’s report. Ms. Dawes directed the Board’s attention to the net operating revenue for the beginning of the fiscal year (at 53% of budget). The amount reflects robust water sales for July and August, and the first half of September. Meanwhile, net operating expenses were close to average for two of twelve months. Ms. Dawes pointed out the District has \$1.06 million in cash on hand, and the District has a \$300,000 bond payment due soon for Reservoir #3. The bond payment will be covered by funds from the District’s LGIP investment main account. The main account has a current balance of just over \$700,000.

Chair Rieck asked if the accounts payable document was a new document and intended to be included in the Board packet. Ms. Dawes admitted that it was not intended to be included in this month’s Board packet, but she wondered if the Board found value in the document. Chair Rieck responded he liked the document for the added detail given to each expense logged, and the commissioners agreed. Ms. Dawes stated the A/P statement will be included in future Board packets.

Commissioner Reiersen made a motion to accept the Consent Agenda consisting of Items #3.1 through #3.7, and the motion was seconded by Commissioner Hoffman. The motion passed unanimously. Chair Rieck wished to discuss Item #3.7 regarding the General Manager's vacation and conference training schedule through the remainder of the fiscal year. Chair Rieck commented he personally had attended AWWA's Annual Conference and Utility Management Conference during his working career and found great value in both events. Commissioner Reiersen asked if Mr. Grimm reviews an agenda before deciding to go to any of these conferences, and he replied that he does review them to see if the conference presentations offer value to himself and to the District. Commissioner Conrad made a motion to approve the travel schedule in the General Manager's Report. Commissioner Hoffman seconded the motion, and the motion passed unanimously. Mr. Grimm mentioned all of these conferences have sessions designed for elected officials, and that he can furnish the conference agendas to the Board in future packets. Chair Rieck stated though the District has no firm tradition of elected officials attending national or regional conferences, the Board should review upcoming conference programs and assess the value of the program to the Board members. Mr. Grimm stated his opinion was the SDAO annual conference in February (Portland or Sunriver) probably is the biggest value to elected officials.

4.0 - DISTRICT ACTIVITIES

4.1 – Operations Report: Mr. Grimm reviewed the water demand for August and for the first part of September. The District has experienced high customer demands throughout the summer until the last week. Daily water demands have dropped from 2 MGD to 1 MGD in a week's time due to the recent cool, wet weather conditions. As the District approaches the end of the peak season period in the Portland wholesale water purchase contract, projections are the District will be able to sell between 6 and 10 MG of the 19 MG of interruptible water purchased from Portland. The purchase of the 19 MG ensures the District does not exceed either the peak season or the peak three day demand values built into the contract.

4.2 – Green Tank / SW 73rd Avenue Pipe Project: Mr. Grimm stated as of August 24, the Green Tank was once again filled and placed back into service with the new foundation. The project will likely be completed by the end of October, and the contractors continue to be responsible for owing the District liquidated damages for failure to complete the project by the final completion deadline. Chair Rieck noted the District has collected enough money to date in project retainage to cover what the District is owed in liquidated damages. Mr. Grimm stated he expects the contractor will push back hard to get all of the retainage money back in an attempt to avoid LD costs including litigation and/or arbitration. However, Mr. Grimm believes it will be extremely difficult for the contractor to prove the District was the source of the contractor's delays.

Chair Rieck mentioned he had received a pair of e-mail messages from Theresa Baird whose property backs up to the NE side of the District's Green Tank property. He stated he understood Ms. Baird's frustration of having an active construction project on the other side of her fence for over a year. However, her unfounded accusations of fraud and collusion regarding the contract award to McClure & Sons, Inc. crossed the line, and Mr. Rieck supported the General Manager's response to her. Mr. Grimm stated that throughout the project, Ms. Baird has shared these types of email exchanges with the District, and he believes it is very important to listen to her and the issues she raises and respond politely and appropriately. This exchange is the first time she has accused the Board and/or staff of illegal activity, however, which required an immediate and stern response from the District. At this point, the best solution is for the project to be completed as quickly as possible including the installation of the District's perimeter fencing.

4.3 – Board of Commissioner Position #2 Vacancy: Mr. Grimm informed the Board the Commissioner vacancy application packet is on the website, and the recently mailed water bills include a flier announcing the vacancy. To date, the District has not received any submitted applications for the vacant Board position though Mr. Grimm is aware of two potential candidates who have the application packet and a third potential candidate who has expressed interest in the position in the past. Mr. Grimm reviewed the submission deadline and review dates for the Board.

4.4 – Customer Service Specialist Position – The District has received eight qualified applications (resume and signed application) for the position. The resumes have been reviewed, and staff will move forward with scheduling interviews for the top six candidates. Commissioner Conrad asked if Kathie Strathern has given a date of final notice. Ms. Dawes explained no final date has been given due to uncertainty about the sale of her home. However, it likely will take six or more weeks to get a new employee on board as we work through the interview round(s), a background check with a job offer, and a notice period with the new employee’s current employer.

4.5 - General Manager’s Report – Mr. Grimm relayed a number items for information only to the Board which does not require any vote by the Board at this meeting:

- The Portland Water Bureau has kept the wholesaler’s group of utilities well informed about the Eagle Creek Fire and its impact on the Bull Run Watershed. Mr. Grimm stated the fire required the City to activate its Emergency Operations Center using Incident Command Structure format. Staff at West Slope WD are not current on ICS training, but getting current on ICS training will be a goal for this coming fiscal year.
- Portland’s corrosion control pilot project continues with the start of the actual water testing beginning recently after a period of “pipe conditioning”.

5.0 – COMMISSIONERS COMMUNICATION

Commissioner Reiersen informed the Board that he will be attending the Regional Water Providers Consortium Board (RWPC) meeting in October. The West Slope Board discussed the need to have a future discussion (probably at a work session) on a strategic conservation plan for the district where the Board could discuss and evaluate individual elements of an overall plan including outdoor watering controller device rebates, “RWPC – like watering kits”, and tiered retail water consumption rates to name a few. No other issues were raised by the Board.

6.0 – ADJOURNMENT

There being no further business to discuss, Commissioner Reiersen moved to adjourn the meeting. Commissioner Hoffman seconded the motion, and it was approved unanimously. Chair Rieck adjourned the September 20, 2017 regular Board of Commissioners meeting at approximately 6:09 PM.

Respectfully Submitted,

Approved:

Charles S. Connel

Michael W. Grimm, P.E.
Acting Secretary

[Signature]

Michy Lyman