

WEST SLOPE WATER DISTRICT
Regular Board of Commissioners Meeting
April 19, 2023
Meeting Summary

CALL TO ORDER

Present: Commissioners Susan Meamber, Andy Smith, and Carol Wild

Management Staff: Michael Grimm, General Manager; Wendy Irwin, Finance Manager

Absent: Chair Paul Schuler and Commissioner Ramesh Krishnamurthy

Public: None

1.0 – CALL TO ORDER

Acting Chair Meamber called to order the regular meeting of the West Slope Water District Board of Commissioners at 5:01 P.M., Wednesday, April 19, 2023. The meeting was held as a hybrid meeting – in person and virtual. The public was made aware of the meeting through the District’s website (the meeting agenda and Zoom meeting link were posted on the website).

2.0 - PUBLIC COMMENTS/COMMUNICATIONS

The District had not received any public comments regarding agenda items or other issues for the Board to consider.

3.0 – CONSENT AGENDA

Commissioner Wild made a motion to accept the entire Consent Agenda Items 3.1 through 3.7. Commissioner Smith seconded the motion, and the motion passed unanimously (3-0).

4.0 – DISTRICT ACTIVITIES

4.1 – General Manager’s Report: Mr. Grimm highlighted several key issues from the General Manager’s report:

- Long term source of supply: Mr. Grimm stated Portland released a draft red-line copy of the new wholesale water sales agreement to the wholesale customer’s group. Comments on the draft can be given to Portland over the next month.
- Beaverton-Hillsdale Hwy Water Main Project: Mr. Grimm shared with the Board a copy of the Gannt project schedule timeline from Emery & Sons. The District will have a pre-construction meeting April 26 with Emery & Sons and AKS Engineering. Commissioner Wild asked if there will be a difference in traffic flow and control from night time to daytime work. Mr. Grimm stated the traffic pattern for each area is unique to the task and area conditions. Day work will involve more traffic so less lane/intersection restriction is allowed. Night time work allows the contractor to take down a larger

section of the highway such as an entire signalized intersection. Final permits by some entities will be issued with the final version of the contractor's traffic control plan which ensures heavy construction traffic will not be routed down side residential streets during night work, for instance.

- Fracta update: Mr. Grimm shared the 2nd year total business risk exposure (BRE) dashboard map with the Board. Changes from the 1st year map are the increased number of very high and high BRE pipe segments. Mr. Grimm explained the change is not due to the District distribution system suddenly degrading in year's time but rather Fracta gathering additional data for its algorithm and refining the existing data used in the 1st year map. The map is to be interpreted as total risk understanding that consequence of failure (CoF) and likelihood of failure (LoF) are just two of the components that create the BRE. Commissioner Wild asked about areas of concern (future CIP projects) in the distribution system that have high pressure and the effect on other areas not slated for CIP projects that also have higher pressures (that is, if an asset is not serviceable, are alternate routes to that asset at a higher risk for adverse impacts?). Mr. Grimm stated that ultimately this situation would be evaluated on a case-by-case basis understanding the condition of the surrounding pipe and the potential to adjust pressure zones. Commissioner Smith asked how the District will interpret a plan to move forward with addressing the very high and high BRE areas in the distribution system. Mr. Grimm stated we will need to prioritize the very high and high BRE areas with the aid of evaluating both the LoF and CoF as well as input from the engineering consultant creating the District's water master plan in the next few years. Commissioner Wild asked if neighborhoods where residents have encroached on the public street rights-of-way (ROW) have influenced the District's pipe replacement priority (such as an increased CoF). Mr. Grimm stated that repairs the District must make on pipe that is in the public ROW but is actually under what homeowners perceive as their yard is cumbersome and expensive to the District. In those neighborhoods, the replacement construction would be performed back out under the roadway surface abandoning the old pipe and paying for asphalt costs for the District to have a clear area over its pipe.
- Water Quality/Consumer Confidence Reports: The District will be required to send two reports to customers starting in 2025.
- The District will begin recognizing June 19th as a paid District holiday following the determination of June 19th as a state and federal holiday.

Acting Chair Member asked if there were takeaway lessons or messages from the AWWA Fly In and the Utility Management Conference (UMC) that the General Manager attended. Mr. Grimm mentioned the difficult political scenario created by the re-emergence of congressional discretionary spending (aka earmarks) for sound, valid capital projects vs. the depletion of the Drinking Water State Revolving Loan Fund (DWSLRF) to pay for the earmarks meaning less money for state drinking water programs and small system DWSLRF loans. One of the key takeaways from the UMC was the concept of adding the element of "Belonging" to the District's DEI strategies.

4.2 – Finance Manager's Report: Ms. Irwin stated the Budget Document will be released on April 27, and the District's Employee Handbook will be updated with the new Oregon Paid Leave (OPL) section from HR Answers. Acting Chair Member asked if the District's Strategic Plan were included as far as helping employees understand the District's core values. Mr. Grimm and Ms. Irwin both stated no but agreed with the idea, and it will be included with the OPL update. The District has migrated to the new billing system as well as are preparing for the new website launch on May 1.

4.3 – FYE 2024 Overview of Proposed Budget Assumptions: Ms. Irwin stated that after trying to develop a three tiered consumptive water rate for the last few weeks, it is apparent that more time and customer information is needed to create and implement a new tiered or inverted block rate model that is equitable for District customers ... something that can probably be accomplished with a thorough rate study in tandem with or as part of a water system master plan. Commissioner Wild liked the idea of multi-tiered water rate but understands the need to take the time to carefully craft an equitable model. Ms. Irwin stated a new multi-tiered rate model must consider that 91% of the District’s customer accounts are single-family homes and that makes up over 70% of the District’s revenue during average use times. Commissioner Wild stated she believes the District should try to keep rate increases on the fixed (meter) part of the bill low and raise the consumptive rate to a sufficient rate that continues to fund the District’s capital improvement program’s projects. Commissioner Wild also would still like to see a tiered consumptive rate implemented for proposed FY2023-24 budget. Mr. Grimm and Ms. Irwin explained the development of a rate model with the proposed level of complexity will take more time than is available to roll out for this current proposed budget to equitably balance all residential and commercial customers while still guaranteeing sufficient revenue to the District’s budget. Acting Chair Meamber praised Ms. Irwin for conducting numerous scenarios to look at a tiered rate now but admitted it would be better for the District to carefully develop a rate model from a stand-alone rate study or a study that is part of a water system master plan. Commissioner Smith stated there are benefits of having a rate study with demographics, equity, and capital projects considered that are tied to the District’s strategic plan and developed with or as part of the water system master plan. Commissioner Smith also stated a communication plan and a customer assistance program should be part of a rate model analysis so customers understand what they are actually purchasing for their water rate payments, and Commissioner Smith added the District’s newsletter could be used to communicate FAQs answered by the General Manager as well as some Commissioners regarding the reasons and necessity for the water rate increases. After a very lengthy period of valuable discussion by the Board, the Board’s consensus was to direct staff to determine a modest rate increase for the fixed part of the bill and a flat (non-tiered) consumptive rate increase.

5.0 – COMMISSIONERS COMMUNICATIONS

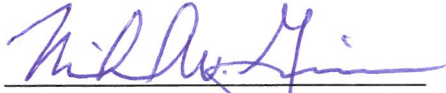
Acting Chair Meamber asked if any commissioners had attended any meetings on behalf of the District, and none had. There were no additional topics for this meeting and none for future meetings beyond the Budget Committee meeting in May. The general consensus of the Board was that this current meeting was well run and valuable, and both Commissioners Smith and Wild thanked Acting Chair Meamber for leading the meeting in the absence of Chair Schuler.

6.0 – ADJOURNMENT

There being no further business to discuss, Commissioner Smith moved to adjourn the meeting. Commissioner Wild seconded the motion, and the motion was approved unanimously. Acting Chair Meamber adjourned the April 19, 2023 Regular Board of Commissioners meeting at 6:56 PM.

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.
Acting Secretary





