

WEST SLOPE WATER DISTRICT
Regular Board of Commissioners Meeting
August 18, 2021
Meeting Summary

CALL TO ORDER

Present on Virtual Meeting: Acting Chair Paul Schuler, Commissioners Susan Meamber and Carol Wild

Management Staff: Michael Grimm, General Manager

Absent: Chair Andy Smith, Commissioner Ramesh Krishnamurthy, and Lucy Dawes, District Finance & Customer Service Manager

Public: None

1.0 – CALL TO ORDER & ADMINISTRATION OF OATH OF OFFICE

Acting Chair Schuler called to order the regular meeting of the West Slope Water District Board of Commissioners at 5:05 P.M., Wednesday, August 18, 2021. The meeting was held through Zoom remote teleconferencing technology. The public was made aware of the meeting through the District’s website (agenda posted and link to the meeting were posted on the website).

2.0 - PUBLIC COMMENTS/COMMUNICATIONS

No public comments were received by District staff.

3.0 – CONSENT AGENDA

Commissioner Wild made a motion to approve the Consent Agenda consisting of Agenda Items 3.1 through 3.8. Commissioner Meamber seconded the motion, and the motion passed unanimously.

4.0 – DISTRICT ACTIVITIES

4.1 – General Managers Report

Mr. Grimm asked if the Board has any questions about the content presented in the General Manager’s Report. Acting Chair Schuler commented the amount of water sales (demand) was particularly high in the previous period. Mr. Grimm reviewed the District’s demand (See Summary in Agenda Item 3.8 – Operations Report) and the peaking factors (peak three day and peak season) that are part of the District’s wholesale water sales agreement with the City of Portland. At issue is the challenge to not exceed the peak season factor despite a hot, dry from early spring into August. Navigating the District’s demand and the water purchased from Portland in September generally is all that is needed to comply with the peak season factor. 2020 saw the added challenge of higher than normal September demands as a result of

widespread wildfire threats in early September. A long, dry summer could result in similar challenges.

The District is in the midst of advertising for a new utility worker to replace the position vacated by Kyle King. Now, the District will need to hire a second new utility worker. Bart Johnson announced he plans to retire from the District effective September 30. The Operations Manager position has been offered to Daniel Gridinar by the General Manager. Therefore, the District will need to recruit and hire another utility worker to fill the position vacated by Mr. Gridinar. Although the loss of a valued employee like Mr. Johnson with over 33 years of experience and institutional knowledge is difficult for an organization, Mr. Gridinar is an excellent candidate for the Operations Manager position having over 11 years of experience with West Slope. Combined with his strong work ethic and leadership skills, Mr. Gridinar will be a key asset for the District for many years to come.

4.2 – Overview of Long-Term Capital Project Process

Mr. Grimm shared a summary of how the District has been approaching capital improvement projects historically and how the District will be moving to a new approach. Mr. Grimm stated the District does not have a comprehensive asset management program in place or even a static asset management plan. But the District needs a program to measure the three vertical assets (three reservoirs) and the vast majority of the District's pipe assets which are buried underground. Like many water utilities, pipe age and break history were used as primary reasons for pipe replacement projects. But age is not always the most accurate way to evaluate pipe for replacement. Mr. Grimm held up a small piece of cast iron pipe removed when a new connection was made to the existing pipe. The pipe sample showed no signs of interior or exterior corrosion or metal fatigue despite being close to 80 years old. So, the District is using a third-party consultant Fracta to help build an asset management program from hydraulic model pipe segment data for the distribution system that has been converted to GIS data by Murraysmith and adding Fracta's ability assess pipe conditions based on external corrosion, soil types, geologic conditions (fault lines, liquefaction areas, etc.), pipe material, pipe age, and break data. Fracta combines the likelihood of failure with a determination of the consequence of failure for a pipe segment to determine a business risk evaluation (BRE) of that segment to the District. Mr. Grimm shared a listing of the District's pipe break history since 2012, and although the number of pipe breaks in the District is small annually, the District actually has more breaks per year per mile of pipe as compared to other small water utilities in the US. So, it is important for the District to pay attention and plan well for how pipe replacement is to be managed and prioritized over the next few decades. Mr. Grimm displayed a map of the District's distribution system showing the main "backbone" of the system with current capital improvement plan (CIP) projects highlighted on the map. The current CIP projects listed in the District's budget document including the Beaverton-Hillsdale Hwy water main project have been identified as necessary to minimize recurring main breaks and having pipe in a location that is safe to maintain for District staff. But prioritizing future CIP projects will need to be determined efficiently and economically including creating a long-term capital funding plan for infrastructure replacement. Also guiding the District's decision-making process should be an earthquake resiliency evaluation of the District's main distribution system "backbone" based on the Oregon Resiliency Plan (ORP). The ORP helps water utilities determine which parts of the system are important to restore initially following a large Cascadia subduction zone earthquake. An earthquake resiliency evaluation conducted by an engineering consulting firm would likely cost \$200,000 and is something the District would like to include in the 2022-23 District budget. Of course, completing these projects either at a "normal" pace or especially in a slightly accelerated pace will require funding. The Board will need to determine the District's rate increase tolerance even though the projects are valuable to District customers. Also, the Board

will need to consider whether or not it is interested in acquiring more debt to fund future CIP projects at an accelerated rate knowing that funding like the Special Public Works Fund (part of the USEPA/State Drinking Water Revolving Loan Fund) has affordable interest rates and currently has money to loan.

Acting Chair Schuler commented the risk-based assessment approach from Fracta makes a lot of sense to pursue for the District followed by the "backbone" evaluation of the distribution system to the District's most critical customers and most critical infrastructure. The methods used by the District in past was appropriate for the time because it used the data available at the time. But with the data and tools of today's water industry available, the District is able to make better decisions regarding infrastructure replacement.

Commissioner Wild expressed support for moving forward with the risk based approach and provide better assurance to West Slope customers over time for a more resilient water system. Laying awake at 3 AM wondering how many people would be out of water following an earthquake is troubling ... having a more solid infrastructure helps to provide customer assurance in a disaster situation. Commissioner Meamber asked if Fracta would evaluate the resilience of the District's office structure. Mr. Grimm stated the Fracta work is primarily focused on distributions system water mains. Commissioner Meamber asked what the backup plan for the District is the office building is severely damaged or destroyed, and Mr. Grimm admitted there is no specific plan in the District's current plan though there are options depending on what is available to the District to operate the system, but it should be part of the District's emergency response plan.

5.0 – COMMISSIONERS COMMUNICATION

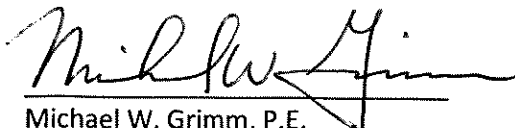
Mr. Grimm mentioned the office is still open despite the rise in the Delta variant infections. Because the District is committed to employee and customer safety, the District will continue to follow proper Covid guidelines. No Commissioners have attended any outside meetings. Acting Chair Schuler and Commissioner Meamber are both registered for in-person training from SDAO, but because of Covid, SDAO may switch to virtual only training. There were no items presented for future meetings. All commissioners stated the meeting went well chaired by Commissioner Schuler.

6.0 - ADJOURNMENT

There being no further business to discuss, Commissioner Meamber moved to adjourn the meeting. Commissioner Wild seconded the motion, and the motion was approved unanimously. Acting Chair Schuler adjourned the August 18, 2021 Regular Board of Commissioners meeting at 6:24 PM.

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.
Acting Secretary

