

WEST SLOPE WATER DISTRICT
Regular Board of Commissioners Meeting
February 19, 2020
Meeting Summary

CALL TO ORDER

Present: Chair Carol Wild; Commissioners Charles Conrad, Michael Hoffman, Noel Reiersen, and Andy Smith

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

Absent: None

Public: None present

1.0 – CALL TO ORDER

Chair Wild called to order the regular meeting of the West Slope Water District Board of Commissioners at 5:01 P.M., Wednesday, February 19, 2020.

2.0 - PUBLIC COMMENTS/COMMUNICATIONS

Mr. Grimm stated there were no general comments for the Board to consider.

3.0 – CONSENT AGENDA

Commissioner Reiersen asked to remove Agenda Items 3.1, 3.2, and 3.3 from the Consent Agenda. Commissioner Conrad asked for Agenda Items 3.3. and 3.7 be removed from the Consent Agenda. Commissioner Conrad made a motion to accept Consent Agenda Items 3.4, 3.5, 3.6, 3.8 and 3.9. Commissioner Reiersen seconded the motion, and it passed unanimously. Commissioner Reiersen inquired about commissioner comments regarding contacting law enforcement that was left off the meeting summary for January. Commissioner Reiersen stated that comments made by commissioners are very important and should not be left out of the record. Mr. Grimm apologized for the omission and stated he would check the recording to determine the exact comments that were left off the Meeting Summary. Commissioner Reiersen inquired if any changes were made to the salary for the District's customer service specialist since coming over from the field staff. Ms. Dawes stated an increase was made to his salary but she did not know the exact amount of the increase without looking it up. Under Agenda Item 3.3, Commissioner Reiersen asked about the vendor Blufin. Ms. Dawes stated Blufin is the merchant services vendor who handles the credit card payments through the on-line bill pay system. Commissioner Reiersen also asked about the \$4,500 payment to a District customer. Ms. Dawes explained the District is reimbursing a customer who likely mistakenly paid a different bill to the District instead of the customer's water bill. Commissioner Conrad

commented about the revised Lead and Copper Rule in Agenda Item 3.7 and asked Mr. Grimm to briefly review the proposed rule for the other three commissioners who were not at the SDAO conference. Mr. Grimm stated that although water utilities support “lead free water”, new proposed changes to the Lead and Copper Rule are burdensome to water systems such as utilities sampling water inside public and private schools as well as day care facilities and the inventory and replacement of service lines in the effort to eliminate lead service lines. Commissioner Conrad moved to approve Agenda Items 3.1, 3.2, 3.3, and 3.7, and Commissioner Reiersen seconded the motion. The motion was approved unanimously.

Prior to the end of the meeting, Section 2.0 Meeting Summary for the January 15 meeting was amended with the following language added to the Meeting Summary: ***“The management team opted not to file a formal report for the incident to law enforcement so as not to escalate the situation. Commissioner Hoffman commented the customer’s comments were inappropriate and unacceptable. Commissioner Conrad stated the comments constitute a threat (real or perceived). Commissioner Hoffman suggested law enforcement be notified not for the purpose of issuing a citation but to register a “first offense” with law enforcement. Commissioner Conrad stated this customer may have made similar threats to others or other utilities. Mr. Grimm stated he can certainly have a conversation with county law enforcement regarding the situation. Ms. Dawes stated she would be concerned about further escalating the situation with the customer especially if law enforcement circles back to the customer. Commissioner Reiersen commented it might be valuable to get some advice from law enforcement.”*** Commissioner Reiersen made a motion to approve the amended version of Agenda Item 3.1, and Commissioner Hoffman seconded the motion. The motion was approved unanimously.

4.0 – DISTRICT ACTIVITIES

4.1 – Wholesale Water Sales Agreement Update

Mr. Grimm stated there were several positive outcomes and gains towards getting to a new wholesale water sales agreement since the start of 2020. Emphasis now needs to turn to what happens after the FCS Group report is completed. The wholesalers project group discussed the need to have FCS Group under a separate contract with Portland to examine the impact of the principles and outcomes of this findings report on the Portland Water Bureau rate model. Once the impacts are known and corrected where there may be discovered issues or unintended consequences, the focus will shift to taking the content of the findings report and inserting it into the template of the existing wholesale water sales agreement. Commissioner Reiersen asked if the work will only have value if all current wholesale purchasers remain with Portland. Mr. Grimm stated the success of a new agreement is independent of which systems remain or even if new systems are added who are not current wholesale water purchasers.

Mr. Grimm discussed the changes and significance of the newest Portland wholesale five-year water rate forecast over last year’s forecast. The rates forecast for the upcoming fiscal year and the two years following are less than projected in 2019. Some of the reduction may be the result of Portland capital projects taking longer to book and the City’s change of practice to not double book first year asset value but instead taking that “doubling” factor and averaging it over the full five-year period.

Staff will be meeting with Tualatin Valley Water District staff on March 10 to discuss proposals for wholesale water purchase. The task that we anticipate being completed by TVWD is their review of their hydraulic model to ensure capacity, pathways, and needs to serve this District.

Mr. Grimm shared comments received from District customers at the recent Information sessions. Mr. Grimm also reviewed a working list of suggestions and asks from the customers that would help customers understand more about each water source (Bull Run from Portland and Willamette River from Tualatin Valley WD). Commissioner Reiersen asked if we think we received a better value by hiring an outreach consultant than if we had proceeded on our own as we have with the three information sessions. Mr. Grimm stated the value to date with the District's consultant was to be the objective third party to "test the water" of customer opinion and determine the level of trust customers have in the District and the Board's capacity to make wise decisions. The consultants also were valuable to lay the foundation of the outreach plan the District has followed. Commissioner Conrad commented it was important for West Slope to lead the meetings so there is a face on the District. Mr. Grimm agreed but also stated that if the District's credibility were poor in the eyes of the customers, a neutral third-party facilitator like Katz & Associates would be extremely important.

4.2 – Discussion Regarding PERS Retirees Returning to Work

Commissioner Reiersen asked if it would be possible to defer this Agenda Item until March 2020 because he believes this item will incur a long discussion. Ms. Dawes acknowledged the amount of discussion that could take place but pointed out that deferring a discussion and ultimate decision on this topic may result in a loss of retirement income to District employees who could retire from PERS, receive full PERS benefits, and continue to work for the District at full salary. Commissioner Reiersen would like to know why some public entities have embraced the return to work policy for PERS benefits and why some entities have dismissed the opportunity. Commissioner Smith stated that if there are no real financial impacts to the District and maybe added benefits to keep current staff with the District, the issue may result in a question of optics (public's perception of retirement "ballon payments") for employees to draw both a PERS pension and a full salary. Commissioners Hoffman, Reiersen, and Conrad all agreed that they would like additional information on impacts to the District before making a decision. Chair Wild suggested the Board agree to discuss this issue for ten more minutes and decide if after ten minutes the Board could make a decision at this meeting. The other commissioners agreed. Ms. Dawes stated that the return to work policy adds no additional financial burden to the District. She compared PERS benefits payouts to social security benefits payouts ... working full time while drawing a full social security benefit because the full benefit retirement age is reached. Commissioner Reiersen commented the social security benefit comparison made it clear to him. Commissioner Hoffman stated the issues seem to be the ability to retain staff with great institutional knowledge and value to the District and the public optic perception which he believes can be explained to the public. Commissioner Smith made a motion to direct staff to develop a policy for consideration at a future Board meeting. Commissioner Hoffman seconded the motion, and the motion passed unanimously. Commissioner Conrad thanked Ms. Dawes for her input on this issue. The other commissioners agreed.

4.3 – Late Breaking Issues

Mr. Grimm & Ms. Dawes announced the District has hired Brandon Wise to fill the vacant utility worker position. His background check and paperwork have been completed, and his first day will be Monday, February 24.

5.0 – COMMISSIONERS COMMUNICATION

Commissioner Reiersen commented that he enjoys being part of the Regional Water Providers Consortium board but is ready to pass the torch on to another commissioner who may want to be involved. Chair Wild commented that she would be willing to attend those meetings for a time representing the District. Commissioner Conrad stated he enjoyed attending the SDAO Annual Conference, and he is appreciative of this Board and this District after hearing some not

so flattering stories from other Districts. Chair Wild gave a brief review of the newly elected SDAO Board members. Commissioner Conrad is looking forward to the emergency response discussion and the Board's responsibility at the next meeting.

6.0 – EXECUTIVE SESSION

Chair Wild suspended the regular meeting at 6:59 PM, and following a brief break, the Board entered into Executive Session at 7:05 PM to discuss a process to review and evaluate the employment-related performance of the General Manager according to ORS 192.660(i). The Board closed their Executive Session at 8:59 PM and resumed the regular session portion of the meeting. No decisions were made in Executive Session.

7.0 - 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 Wild adjourned the February 19, 2020 Regular Board of Commissioners meeting at 9:02 PM.

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.
Acting Secretary

