

**WEST SLOPE WATER DISTRICT**

**Regular Board of Commissioners Meeting Including Water Rate Increase Public Hearing  
and Water District Budget Public Hearing**

Wednesday, June 26, 2024

**Meeting Summary**

**CALL TO ORDER**

Present: Chair Susan Meamber; Commissioners Chris Eppler, Ramesh Krishnamurthy, Paul Schuler, and Andy Smith

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

Members of the Public: Mr. & Mrs. Macon (2510 SW Scenic Drive); Gaylene Runey (8320 SW Canyon Drive)

\*\*\*\*\*

**1.0 – CALL TO ORDER**

Chair Meamber called to order the meeting of the West Slope Water District Board of Commissioners at 5:00 P.M., Wednesday, June 26, 2024. The meeting was held as a hybrid meeting both in person at the District office and through Zoom virtual meeting technology. 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). Chair Meamber opened the Public Hearing for the water rate increase at 5:01 PM and the Public Hearing for the District Budget Adoption at 5:01 PM

**2.0 - PUBLIC COMMENTS/COMMUNICATIONS**

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

**2.1 – Customer Leak Adjustment Policy Exception Request:**

Mr. & Mrs. Macon appealed to the Board of Commissioners for an exemption to the District’s leak adjustment policy which limits a customer from receiving a leak adjustment more than once in a rolling 24-month period. Mr. & Mrs. Macon received a leak adjustment in April 2023 of \$296.10 due to a break in their irrigation system. In April 2024, another break was detected in their irrigation system resulting from the severe winter storm and freeze in January 2024. A second leak adjustment was requested by Mr. & Mrs. Macon in the amount of \$388.67. Per District policy, the leak adjustment was calculated based on the actual water bill less the retail cost of purchasing the water used from the Portland Water Bureau. Commissioner Eppler made a motion to approve the leak adjustment as proposed. Commissioner Schuler seconded the motion, and the motion passed unanimously.

**3.0 – CONSENT AGENDA**

Commissioner Schuler made a motion to accept the entire Consent Agenda Items 3.1 through 3.8. Commissioner Eppler seconded the motion, and the motion passed unanimously.

## **6.0 – DISTRICT ACTIVITIES**

**6.1 – General Manager’s Report:** Mr. Grimm highlighted some key issues from the General Manager’s report:

**Beaverton-Hillsdale Hwy Project:** The District and AKS Engineering are reviewing the construction contractor’s change order list. All work will be completed by the end of June 2024.

**SW Garden View Avenue Water Main Project:** The project is progressing on schedule to date. District staff have been working with AKS Engineers on design options for corrosion control on the exterior surface on the pipe, the crossing of Golf Creek’s culvert, and trenching across Canyon Road.

**Water System Master Plan Project:** Mr. Grimm and Ms. Irwin shared some of the preliminary work that HDR is conducting on customer class determination and the three-tiered water rate structure. Commissioner Smith asked if the consultants are looking at other options other than a three-tiered water rate structure and if so, will the public be able to comment on those options or provide any input. Ms. Irwin stated that the consultants scope of work responded to the District’s request for a tiered water rate structure, but the public can provide input on the actual tiered water rate levels. The consultants will also create public outreach education on how the rates were determined (what is the science behind how the rate model was created?) and how the tiered water rates would impact each customer based on their use. At the Board’s work session on July 30, the consultants will provide a summary of the work completed to date and describe the next steps in the project. Commissioner Smith expressed his desire for the District to be transparent with our customers on the “what and why” we believe the tiered rate is a better alternative for the District and how to navigate the impact of the new rates on the individual customer. Commissioner Smith also mentioned distributing costs to the customers and customer classes who make the biggest impacts on our wholesale water rates is important as well as making sure the District’s revenue need is adequately covered with the new tiered water rate. Commissioner Eppler stated the goal of our public outreach should be education of the tiered water rate proposal. Commissioner Smith agreed that this water rate structure will remove the past process of rate setting that seems more arbitrary and assures the District of having sufficient revenue for the District’s capital infrastructure projects.

**Long Term Water Supply:** Mr. Grimm held up for display the signed copy of the Wholesale Water Sales Agreement with signatures from both Portland Mayor Ted Wheeler and Commissioner Mingus Mapps. The nearly 6-year project of securing a long term water supply agreement is complete.

Mr. Grimm notified the Board the District office will be closed on Friday, July 5 as all District staff were hoping to take personal leave on that day for a four-day weekend. Mr. Grimm also shared the two-year work plan Gantt chart with the Board and updated progress on the District’s active projects. Mr. Grimm also gave a brief summary of the AWWA petition filed with the USEPA over the proposed PFAs Rule and its legal impact to the District considering the General Manager provided an affidavit to AWWA on the impacts of the rule to the District. Furnishing an affidavit to AWWA does not create any legal risk to the District. The petition is not opposing the rule in principle or need but rather it is a request to revisit the rule to consider utility comments submitted that were largely ignored and to recognize departures that EPA made to their own

Federally mandated process for rule promulgation. The petition is an opposition to the process EPA followed as well as the validity of data EPA used to support its rule.

6.2 – Finance Manager’s Report: Ms. Irwin briefly informed the Board about on-going water rate study work with Josiah Close from HDR. Ms. Irwin attended the national Government Finance Officer’s Association in June including many valuable break out sessions. Ms. Irwin has been in contact with the District’s auditors, REDW, which is the auditing firm that bought out Grove Mueller Swank since the 2023 audit. The District was notified of an increase in the audit fee from \$21,000 to \$28,000. Commissioner Krishnamurthy asked if we can shop around for another firm, and Ms. Irwin mentioned not for this year since we are already in process. Ms. Irwin stated the District may be able to reduce the fee by taking on more tasks for the auditors.

6.3 – Board of Commissioners – Officer Roles: By consensus, the Board of Commissioners agreed to appoint Commissioner Krishnamurthy as the Board Chair beginning July 1 for the next fiscal year, Commissioner Smith as the Board Treasurer, and Commissioner Schuler as the Board Secretary.

#### **4.0 – CONVENE PUBLIC HEARING ON THE WATER RATE INCREASE**

Gaylene Runey shared her personal situation with the Board regarding her employment status and family budget. She stated even small increases to her utility bills are alarming to her, but she understood the need for a water rate increase despite the fact it is hard for her to stay on top of her bills. Ms. Runey thought the idea of a tiered water rate was a good idea and ultimately would help her. The Board thanked Ms. Runey for her comments and testimony. The District has not received any other public comment in written or oral form. Chair Member closed the hearing to public testimony. Commissioner Schuler made a motion to approve Resolution #05-2024 to increase water rates by 6% for the consumptive portion and 3% for the fixed portion of the water bill. Commissioner Smith seconded the motion, and the motion passed unanimously. The public hearing was closed at 6:44 PM.

#### **5.0 – CONVENE PUBLIC HEARING ON THE DISTRICT BUDGET**

The District has not received any other public comment in written or oral form. Chair Member closed the hearing to public testimony. Commissioner Eppler made a motion to approve Resolution #06-2024 to adopt the approved budget and make appropriations. Commissioner Schuler seconded the motion, and the motion passed unanimously. The public hearing was closed at 6:47 PM. Commissioner Smith commented that in the District’s pursuit of new vehicles in the future, the District should consider clean energy vehicles as a viable option.

#### **7.0 – COMMISSIONERS COMMUNICATIONS**

Commissioner Schuler stated that he attended the Regional Water Providers Consortium board meeting in early June and the AWWA Annual Conference in Anaheim, CA where the hot topics included PFAs (detection, treatment, etc.) and utility management including consolidation of governance and management. Mr. Grimm stated many small utilities across the country will be challenged with sustainability and consolidation is one of many solutions for utilities. Commissioner Eppler asked if Mr. Grimm would be able to document his philosophy and approach to the General Manager’s position before he retires in 2026 as a benefit to his successor and the District. Mr. Grimm thanked Commissioner Eppler for the kind accolades and assured the Board that documentation is part of the transition plan that he is creating. Mr. Grimm reiterated the importance of the Board working together with staff to understand and accept the needs of both groups in the entire recruitment process for the next General Manager. Chair Member asked the Board their opinion about inviting consultants such as HR Answers and Judy Clarke to attend a future meeting and provide some insight in defining a list of

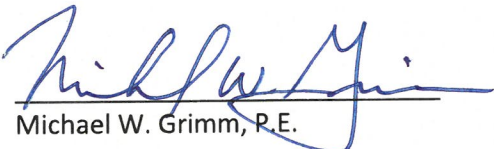
goals and objectives to measure and rank performance for the General Manager's annual merit assessment. The consensus of the Board agreed with Chair Member. The Commissioners stated they thought the meeting went well.

**8.0 – ADJOURNMENT**

There being no further business to discuss, Commissioner Schuler made a motion to adjourn the meeting. Commissioner Eppler seconded the motion, and the motion was approved unanimously. The Commissioners thanked Chair Member for her service to the Board as Chair this past year. Chair Member adjourned the June 26, 2024 Board of Commissioners regular meeting that included two public hearings at 7:06 PM.

Respectfully Submitted,

Approved:

  
Michael W. Grimm, P.E.  
Acting Secretary

