

**WEST SLOPE WATER DISTRICT**

**Regular Board of Commissioners Meeting**

**April 17, 2024**

**Meeting Summary**

**CALL TO ORDER**

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

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

Absent: Commissioner Paul Schuler

Public: Ms. Jane Unger, 8475 SW Brentwood Street

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**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, April 17, 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).

**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 – Leak Adjustment Policy Exception Request: Commissioner Smith stated he appreciated the background story presented in Agenda 2.1. Commissioner Smith stated that though the District has a policy to address this issue, he agrees with the customer that the January ice/freeze/loss of power event was an extraordinary event. Commissioner Eppler agreed and asked if there were other leak adjustments related to this storm. Ms. Irwin stated yes, and added that the amount of the leak adjustment is a personal issue to the customer citing what not may seem like a significant \$\$ amount for one person might indeed be a significant amount for another person.

Ms. Jane Unger arrived at the District office for the meeting and introduced herself to the Board, and she told her story of coming home to her home during the ice/freeze storm after being away to find water cascading throughout her home. Chair Meamber asked if Ms. Unger’s homeowners insurance policy covered the cost of the lost water from the pipe break. Ms. Unger stated she had not inquired with her insurance adjuster about lost water costs. Mr. Grimm added that the District’s experience with other customers seeking leak adjustments was that their insurance carriers would cover damage from water but not the cost of the water. Chair Meamber wondered if the Board were to agree to this exception to the policy, would it be obligated to agree to other exception requests to the nearly 40 customers who had

extraordinary water leaks in their home. Commissioner Smith views the policy as solid and that following the policy for an adjustment resulting from this storm event is appropriate. Mr. Grimm pointed out to the Board that the Board approved policy allows any customer access to address the Board to appeal an exception to the policy.

Commissioner Smith moved to approve the exception for Ms. Unger to the Leak Adjustment Policy as presented in the Board packet. Commissioner Krishnamurthy seconded the motion, and the motion passed unanimously (4-0). Ms. Unger thanked the Board for their decision, and Ms. Irwin stated her bill would be credited the amount passed by the Board with this motion.

Commissioner Krishnamurthy asked if the District could furnish tips to customers on how to winterize their home plumbing and irrigation system. Mr. Grimm stated that the District has historically printed seasonal best management tips for winterization and also for turning systems back on in the spring. Chair Member wondered if the District could publish steps the customer could follow like the City of Portland has published if they see a very high water bill and are suspicious of a customer-side water leak. Ms. Irwin replied the District has a higher level of service than most water utilities as before the customer sees the high water bill, District staff sees the bill and proactively contacts the customer to find out the reason behind the higher water usage and bill. Proactive options the District can follow include putting a customer account in suspense, establishing a payment plan for the high water bill or working through the leak adjustment request process with the customer.

### **3.0 – CONSENT AGENDA**

Commissioner Eppler made a motion to accept the entire Consent Agenda Items 3.1 through 3.8. Commissioner Smith seconded the motion, and the motion passed unanimously (4-0).

### **4.0 – DISTRICT ACTIVITIES**

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

Water System Master Plan Project: Mr. Grimm stated the District will pursue a small grant from the Oregon Health Authority’s Drinking Water State Revolving Loan Fund to slightly offset the District’s cost for the Water System Master Plan.

SW Garden View Project: Additional money will need to be added to the FYE 2025 Budget for this project at the recommendation of AKS due to what they believe is a more accurate estimate of construction costs in 2024-25. So, in the May 2024 Budget Committee meeting, staff will present \$1.2 million as a budgeted project expense in 2024-25 instead of \$1.0 million ... a difference of \$200,000. Commissioner Eppler asked if the District could push back on the increased cost. Mr. Grimm stated the recommendation by AKS is to increase the District’s budget for this project or in other words set aside a bit more money for the project thinking construction contractor bids might be higher when opened in October 2024 than what we were thinking they might be back in February 2024.

Lead & Copper Rule Compliance: Mr. Grimm gave a brief update on the status of Lead & Copper (LCR) rules (both the Revised LCR and the Improved LCR). Many of the regulatory requirements from the Revised LCR are on hold until the USEPA produces a final Improved LCR. Some of the requirements from both rules may actually still be challenged in federal court, so it is really difficult to have any assurance as to what the future regulation will look like except for the customer service line inventory water systems are required to create by October 2024. The company 120Water is under contract to assist the District with creating the inventory of service line materials from the water main to the meter box (the District’s part of the service line) and

the materials from the meter box to the edge of the customer's building or dwelling. Commissioner Krishnamurthy asked where compliance monitoring for LCR is conducted, and Mr. Grimm replied that the District is part of the Joint Monitoring Plan with the Portland Water Bureau. The District uses two in-home testing sites both of which are known to have copper pipe with 50/50 lead solder. Homes with lead pipe or lead solder are believed to be the most likely places to find lead in water resulting from customer plumbing. If those homes and as well as the other 120 homes in the Joint Monitoring Plan show levels of lead below the USEPA's lead action level, the water utilities are in compliance with the LCR. Chair Member asked if the District was required under the old rule to remove any lead service lines between the water main and the water meter. Mr. Grimm replied that the District would have been, but the District has never used lead pipe for service lines. Other utilities in the "Rust Belt" part of the US are very busy with this rule as they historically have had widespread use of lead for service lines.

Federal Legislation Update: Congresswoman Lori Chavez-DeRemer (R-OR) co-sponsored a bill in the US House to re-establish the Low Income Household Water Assistance Program (LIHWAP) to provide opportunities for customers to receive assistance with water utility bills. The USEPA released new maximum contaminant levels (MCLs) for four PFAs chemicals, but there is considerable consternation over the regulation and the MCLs from all sides in the water industry. Congressman Crawford (R-AR) introduced a new bill (HR 7972) in the US House to establish the Water Risk & Resiliency Organization to provide improved cybersecurity protection to community water utilities.

Condition Assessment of District Assets: Mr. Grimm shared the 2024 total business risk exposure (total BRE) map from Fracta. The relative changes from the 2023 map are less significant than the change from 2022 to 2023, but there are some additional High and Very High segments due to another season of main break data and new information obtained by Fracta on other environmental conditions. Changes in the total BRE have been included in the budget assumptions for the upcoming Budget Committee meeting in May 2024.

Two Year Work Plan Map: Mr. Grimm displayed the Gantt chart two-year work plan with the Board showing the fifteen different work tasks/projects the General Manager and the Board will be tracking through 2026. Chair Member stated she likes the work plan map for the list of tasks but believes there are other separate elements that should be evaluated apart from this work plan to help establish the General Manager's goals especially as it relates to the General Manager's performance evaluation and merit increase. Chair Member commented that through interaction with human resource consultants she believes the future evaluations should be based on 6-8 different hard goals like are represented in the two-year work plan and several soft goals that represent leadership and communication goals. Commissioner Eppler suggested the Board have a special work session to discuss the hard goals and soft goals for the General Manager's future performance evaluation after the start of the new fiscal year. Chair Member agreed and suggested that consultants like Judy Clarke and HR Answers would be valued participants in the future work sessions.

4.2 – Finance Manager's Report: Ms. Irwin briefly informed the Board work she had completed on creating the proposed budget and the addressing the customer requests for leak adjustments resulting from the January ice/freeze storm. Ms. Irwin commented the use from January and February this year was over \$70,000 more than the previous five-year average.

4.3 – FYE 2025 Overview of Proposed Budget Assumptions: Ms. Irwin presented an overview of the assumptions that will make up the proposed budget being presented to the Budget Committee in May. Revenue assumptions include a 6% consumptive water rate increase and a

3% fixed fee increase that should yield an extra \$265,000 in revenue. Key expenses include a 4% increase in the wholesale water rate to the Portland Water Bureau which the District estimates will be an increased cost of \$47,000 for purchased water. Commissioner Eppler asked how much revenue was able to be directed to capital projects in the current fiscal year, and Ms. Irwin responded that \$1.3 million was able to be invested in capital reserves in the current fiscal year. Commissioner Smith liked the letter to the District customers that was delivered in 2023 informing customers of the rate increases and the “why behind the rate increases” as well and believes a similar letter would have value again this year. That said, Commissioner Smith stated he believes there should be additional ways the District can reach out to customers to not just inform but to strategically engage and educate customers on the operational and capital investments the District is making. Ms. Irwin stated part of the Water Master Plan project includes opportunities for HDR to create “Budget 101” training and engagement sessions for Board members and District customers. The goal of the District is make sure customers are aware and understand the value of their investments in the District through their water rates.

4.4 – Metro MPAC Elected Official Nomination: Commissioner Eppler asked about the interests of other Commissioners for being named to the Metro Policy Advisory Committee (MPAC) stating the opportunity could be of interest to him. Commissioner Smith stated that he has no desire to serve on the MPAC. SDAO is aware of two elected officials for Washington County interested in service to the MPAC representing SDAO, and they are inquiring if there are other elected officials who would be interested in service to MPAC. The consensus of the Board was that no one from West Slope Water District Board of Commissioners is interested in service on the MPAC. Mr. Grimm will inform SDAO of the Board’s opinion.

#### 5.0 – COMMISSIONERS COMMUNICATIONS

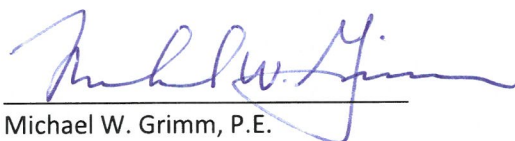
No commissioners attended any outside meetings. There were no other topics for discussion at this meeting from the Board nor were there any agenda items identified for future Board meetings. Chair Meamber asked if there were any federal funds available for storm related expenses. Mr. Grimm responded that Washington County had informed the District that reimbursement was restricted to covering infrastructure damage not the cost of lost water or the cost of personnel overtime hours. The Commissioners stated they thought the meeting went well. Chair Meamber stated the audio quality of the meeting to her was not very high noting her own internet bandwidth could be a contributing factor as well as stronger mics.

#### 6.0 – ADJOURNMENT

There being no further business to discuss, Commissioner Eppler made a motion to adjourn the meeting. Commissioner Krishnamurthy seconded the motion, and the motion was approved unanimously (4-0). Chair Meamber adjourned the April 17, 2024 Board of Commissioners regular meeting at 7:11 PM.

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.  
Acting Secretary

