

**WEST SLOPE WATER DISTRICT**

**Regular Board of Commissioners Meeting**

January 18, 2023

**Meeting Summary**

**CALL TO ORDER**

Present on Hybrid Meeting: Chair Paul Schuler, Commissioners Ramesh Krishnamurthy, Susan Meamber in person; Commissioners Andy Smith and Carol Wild virtually

Management Staff: Michael Grimm, General Manager; Wendy Irwin, Finance Manager (both in person)

Absent: None

Public: Eriya Nagahori, District Customer

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**1.0 – CALL TO ORDER**

Chair Schuler called to order the regular meeting of the West Slope Water District Board of Commissioners at 5:03 P.M., Wednesday, January 18, 2023. The meeting was held as 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 Krishnamurthy made a motion to accept the entire Consent Agenda Items 3.1 through 3.7. Commissioner Meamber seconded the motion, and the motion passed unanimously (4-0).

**4.0 – DISTRICT ACTIVITIES**

4.2 – Finance Manager’s Report: Ms. Irwin pointed out that Quinton Anderson successfully completed his training and examination to achieve his Commercial Driver’s License allowing the District to now have two staff with CDL’s to operate the District’s vactor truck. Commissioner Krishnamurthy asked if special expenses or one-time expenses could be highlighted in the Finance Manager’s Report. Ms. Irwin pointed out that all monthly expenses are listed in Agenda Item 3.3 each month (Monthly Disbursements). The District has advertised for a new Utility Worker 1 position.

4.4 – Customer Leak Adjustment Appeal: District customer Eriya Nagahori at 4455 SW Laurelwood Avenue informed the Board of the leak history at her property (background information included in the Board packet for this meeting). Ms. Nagahori received a water leak adjustment (credit on her water bill) in September 2022 for \$793.63 and is requesting a second water leak adjustment for \$444.15 in December 2022. Both water leaks were in her irrigation system. Ms. Nagahori appealed before the Board for an exception to the District’s leak adjustment policy because the 2<sup>nd</sup> request is within 24 months of the first request which is outside of the District’s policy. Commissioner Krishnamurthy asked if the Board has approved exceptions to the District’s policy in the past, and Chair Schuler stated that although these requests are rare, the Board has granted a small number of exceptions in the past. Commissioner Meamber asked if Ms. Nagahori is sure the leaks have all been repaired through the last billing period. Ms. Nagahori stated her family has not yet lived in the home, and currently there is no water use on the property. But, she is content if the wise option to wait for another month to see if there are no further leaks. Mr. Grimm stated the request of the Board is to allow staff to act outside of the District’s policy as presented. If so, staff will continue to work with Ms. Nagahori regarding the timing of the leak adjustment calculation. Commissioner Meamber made a motion to grant Ms. Nagahori an exception in this specific case to be granted a second leak adjustment within 24 months of the previous adjustment. Commissioner Krishnamurthy seconded the motion, and the motion passed unanimously. Ms. Nagahori shared with the Board that Gary Pline (District staff) has been working with her on this issue and has been very nice to work with and appreciates how he listens to her issues and advises her on how she can resolve those issues. She appreciates how much the District in general supports the community and how well the District is concerned about its customers and their well-being.

4.5 – Legislative Update: Mark Landauer, Lobbyist for Special Districts Association of Oregon. Mr. Landauer stated over 2000 bills have been introduced in legislature. This session is the first in-person session since the start of the pandemic. Over half of the elected officials have been elected since 2019 and both chambers of the legislature are under new leadership. Mr. Landauer expects more bills related to water to be introduced as the session progresses. Rep. Helms and Rep. Owens have been crossing party lines to work together on state water issues especially directing the Water Resources Department to work beyond simply being a permit issuing agency. Mr. Landauer expects more battles in this session over deferring or waiving system development charges, redefining the definition of “substantial completion”, and changes to public records retention and public contracting rules. Mr. Landauer also mentioned there are bills to allow “cloud seeding”, funding low income utility bill assistance programs, and the prevention of water theft for illegal marijuana growing fields. PFAs in water is a significant national issue but because Oregon does not have much manufacturing processes where PFAs are used, Oregon does not expect detection of PFAs in drinking water.

Commissioner Smith thanked Mr. Landauer for attending the meeting, and he asked what Mr. Landauer thought would be the real fights over water this session and why there were so many bills introduced related to public records law and public meetings especially executive sessions. Mr. Landauer believes the Helm/Owens bill that could limit the request for additional water rights will be a fight along with attempts to limit SDCs. Bills related to public meetings and executive sessions are the result of the recent Newberg School District Board fiasco. Chair Schuler asked about two bills in the legislature regarding desalination. Mr. Landauer stated the desalination bills were introduced by Rep. Paul Evans who has a strong background in emergency preparedness, and Mr. Landauer believes neither bill will be taken seriously to move out of committee. Commissioner Krishnamurthy asked if the bills related to public meetings, cybersecurity, and public contracting laws will effect the District. Mr. Landauer stated indeed many of those bill will likely have impacts to Districts, and the magnitude of the impact is yet to

be determined. Mr. Grimm asked about HB 23 which provides a large sum of money to the City of Carlton for a large water transmission main capital project ... how does a City qualify for getting the rest of the State to pay for their local infrastructure? Mr. Landauer stated the bill is "political pork at its finest", but the truth is Oregon legislators have the opportunity to propose legislation that results in financial opportunities to their local constituents. Commissioner Smith thanked Mr. Landauer for taking time to speak to the West Slope Board as did the rest of the Board.

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

- Long term source of supply: Several eastside wholesale customers are concerned about "paying for infrastructure we do not directly benefit from" in terms of rate making cost pools. For nearly four years, the wholesale customers have framed the new wholesale water sales agreement with the Portland Water Bureau as a whole regional system not as a collection of asset components. So, late in the game, several eastside wholesale customers are concerned that having two water rates (Portland retail & Portland wholesale customers) will result in eastside wholesale customers paying for infrastructure that only serves westside wholesale customers. Portland agreed to have FCS Group look into what rate difference will look like if the wholesale customer cost pool is split into eastside wholesale and westside wholesale customers. FCS Group will report back to the group at the February meeting. Mr. Grimm stated he believes an adjustment to the cost pools will not have a significant impact on rates. The larger impact results from Portland's rate of return and funding construction work in progress. Adhering to the regional approach is still in the best interest of all Portland wholesale customers. Commissioner Krishnamurthy asked what goals are the District hoping to achieve with the work with Portland. Mr. Grimm stated the goal is a long term wholesale water purchase agreement with the City of Portland for a reliable, high quality water source at an affordable price.
- Beaverton-Hillsdale Hwy Water Main Project: Mr. Grimm stated the District is still waiting for ODO, the City of Beaverton, and Washington County / Clean Water Services to approve and sign our permits. The District is working with Christine Rains on creating project construction project updates in English and Spanish for the District's website. Ms. Rains has already translated this quarter's newsletter into Spanish. Commissioner Krishnamurthy asked what is the District getting for the two payments already made to the construction contractors. Mr. Grimm stated the District has made payments from the contractor's mobilization line item, and the contractor is using the mobilization funds to purchase ductile iron pipe. Commissioner Meamber asked if the work by Ms. Rains will be screen-reader friendly / ADA compliant, and Mr. Grimm stated upgrading the District's website to be ADA compliant will be part of the District's budget for FYE 2024. Commission Meamber asked about the legality of the District using water rate revenue for ODOT highway improvements. Commissioner Wild also asked if the District is at risk for not fulfilling its fiduciary duty by allowing rate payer money to pay for ODOT transportation improvements. Mr. Grimm responded that it is not illegal but it is bad public policy. In this case, ODOT is leveraging approval of the permit to get their desired infrastructure improvements. Commissioner Wild asked if other Districts have had similar experiences, and Mr. Grimm responded other utilities have experienced similar situations but maybe not to the magnitude of this project. Commissioner Wild expressed concern about ODOT obligating the District to pay for transportation improvement and encouraged District staff to make inquiries with other utilities on how to navigate the situation to shift the funding of transportation improvements from the District back to ODOT. Commissioner Smith suggested that



ODOT make a presentation to the Board on why these transportation improvements are needed as part of the District's water project and funded by the District.

- Mr. Grimm stated the District has a signed contract with Frontier Precision for the District's GIS project.

4.3 – Budget Committee Process for FYE 2024: Mr. Grimm gave a brief review of the District's budget process. Staff recommends to the Board appointing Wendy Irwin as the Budget Officer to manage the District's budget process. Ms. Irwin gave a brief summary of the proposed Budget Calendar for the budget adoption process. Mr. Grimm and Ms. Irwin reviewed the proposed budget concepts (main elements) for the next fiscal year:

Personnel: Staff salary range adjustments including COLA adjustments; training for field operations staff as well as administrative staff, addition of a Utility 1 worker

Finance & Customer Service: Improvement to the District's public outreach strategies (newsletters, water quality reports, etc.); technology upgrades (main server upgrade as well as additional laptop computers); District website revision and upgrade

Operations: Installation of new water meters (replacing older MasterMeters with new Mueller water metes); funding for replacing the meter-reading truck and establishing a reserve for the eventual vactor truck replacement; replacing gate valves in the distribution that leak; adding sump pumps to the District's valve vaults; rebuilding pressure regulators in the distribution system; replace the chlorine analyzer at the Sylvan Hill reservoir site

Engineering / Water Quality: Begin work on the District's next capital improvement project as the Beaverton Hillsdale project winds down in the early Fall 2023; Update the District's 2014 Water Master Plan to include the Oregon Resiliency Plan platform; establish new wholesale water sales agreement with the Portland Water Bureau; complete the customer service line inventory as part of the Revised Lead & Copper Rule

Commissioner Meamber made a motion to appoint Ms. Irwin as the Budget Officer, accept the Budget Calendar as presented, and accept the preliminary Budget Concepts as presented. Commissioner Krishnamurthy seconded the motion, and the motion passed unanimously

## **5.0 – COMMISSIONERS COMMUNICATIONS**

No commissioners had attended any outside meetings, and there were no additional topics raised by the Board for this meeting. The consensus of the Board would be to have Mark Landauer return to the District's Board meeting for a legislative session wrap after Sine Die in June. The general consensus of the Board was that this current meeting was well run and valuable.

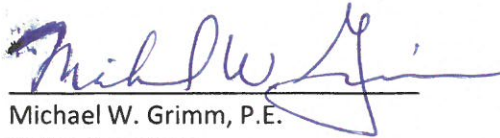
Mr. Grimm shared with the Board that four commissioners will be attending sessions at the SDAO Annual Conference along with two staff members (Note: Commissioner Krishnamurthy opted to cancel his conference registration due to a family event). Mr. Grimm also stated two members of the Board have four-year terms that expire June 30, 2023. The deadline to file to run in the May election is March 16. The deadline to submit content for the Voter's Pamphlet is March 20, 2023. Those two positions are currently held by Commissioner Wild and Smith

## **6.0 – ADJOURNMENT**

There being no further business to discuss, Commissioner Krishnamurthy moved to adjourn the meeting. Commissioner Meamber seconded the motion, and the motion was approved unanimously. Chair Schuler adjourned the January 18, 2023 Regular Board of Commissioners meeting at 7:13 PM

Respectfully Submitted,

Approved:



Michael W. Grimm, P.E.  
Acting Secretary

