

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
January 22, 2020

Board Members Present: Russ Axelrod, West Linn Mayor, Vice Chair
Rocky Smith, Oregon City Commissioner
Bill Reylea, West Linn Councilor
Frank O'Donnell, Oregon City Commissioner
Richard Sakelik, West Linn Councilor (via telephone)

Board Members Excused: Dan Holladay, Oregon City Mayor, Chair

Staff Present: John Collins, SFWB General Manager
Wyatt Parno, OC/SFWB Finance Director
Katelyn Niece, SFWB Regulatory Compliance
Kim Brown, SFWB Support Staff

Others Present: Alice Richmond, SFWB Citizens Advisory Board

General Board Meeting

(1) **Call to Order**

Vice Chair Axelrod called the meeting of the South Fork Water Board to order at 6:04 pm.

(2) **Public Comments**

John Collins, General Manager, stated that Matt White, [1:38] who owned property near the intake pump station, was supposed to attend to speak to the Board about some homeless issues, noting he might show up late, or speak at next month's meeting.

(3) **Consent Agenda**

(A) Approval of the Minutes of the October 23, 2019 Board Meeting.

Board Member Smith moved to approve the Consent Agenda. Board Member O'Donnell seconded the motion, which passed unanimously.

(4) **Election of Chair and Vice Chair for 2020**

Board Member O'Donnell nominated Mayor Russ Axelrod as SFWB Chair for 2020. Board Member Smith seconded the nomination, which passed unanimously.

Board Member O'Donnell nominated Mayor Dan Holladay as SFWB Vice Chair for 2020. Board Member Relyea seconded the nomination, which passed unanimously.

(5) **Resolution 20-01 Adopting a South Fork Water Board Prevention of Workplace Discrimination, Harassment, and Retaliation Policy**

John Collins, General Manager, noted South Fork adopted a harassment and anti-discrimination policy in October 2017. House Bill 479, which passed last year, required a rewriting of policy. The proposed resolution had been developed by Special District's and SFWB attorneys and its immediate adoption was required by State law for South Fork to be compliant with the House Bill.

Chair Axelrod confirmed that South Fork had always had a policy and this resolution would adopt revisions that made the policy consistent with the House Bill.

Mr. Collins clarified the resolution could be read into the record if a Board member wanted. Otherwise, the resolution would be accepted because it was published in the public documents.

Board Member O'Donnell moved to adopt Resolution 20-01 South Fork Water Board Prevention of Workplace Discrimination, Harassment, and Retaliation Policy as presented. Board Member Smith seconded the motion, which passed unanimously.

(6) **Business from the Manager**

- 1) Introduction of Katelyn Niece as South Fork's New Regulatory Compliance Member
John Collins, General Manager, introduced Kate Niece, who has worked for South Fork for more than 10 years and is an outstanding Grade 4 Operator. She is now providing administrative support and regulatory compliance services as Kim Brown transitions into full retirement. The Board can expect communications from Kate moving forward.
- 2) SFWB RFP For SCADA Upgrade
John Collins, General Manager, noted Board members had been provided copies of South Fork's RFP for an upgrade to the SCADA system, which was sent out January 21st. He welcomed comments on the RFP, noting the SCADA systems needed to be complete in order to properly design the chemical feed building. He requested that one or two Board members participate on the selection committee. He confirmed that interested parties had 30 days to respond to the RFP. He noted that Staff already had meetings scheduled with two companies, and he expected several more would submit RFPs as well.
- 3) SFWB Financial Report for the Fiscal Year Ended June 30, 2019
John Collins, General Manager, noted the Annual Financial Report had been provided for the Board's consideration and review in preparation of the February meeting when Wyatt Parno would also give a presentation and answer questions.
- 4) Update on New Emergency Treatment Trailer
John Collins, General Manager, updated that the contract had been signed and the vendor was in the process of doing the modifications and installing the equipment. The trailer should be delivered the last week of February or the first week of March. The trailer would be wrapped to match the previous trailer with Regional Water Providers, City of Oregon City, City of West Linn, and South Fork. One trailer would be housed in Oregon City and the other would be housed in West Linn.
- 5) America's Water and Infrastructure Act: Risk Assessment and Emergency Response Plans
John Collins, General Manager, explained federal law now required vulnerability assessments to water treatment facilities and evaluate other so-called assets, including watershed protection and emergency response plans. Due to its relationship with the Regional Water Providers, SFWB already had an award-winning Watershed Protection Plan. Additionally, Kim Brown has maintained the Emergency Response Plan to a high level and that Plan was just updated within the last year. With most of the required components complete, he and Kim would create a scope of work for a mini-RFP and he would proceed using the contracts recently signed in the RFP for general services. At the last meeting the Board had given him the authority to proceed with contracts using his

discretionary spending amount of \$50,000. He and Wyatt had met with one set of the consultants who agreed with Mr. Collin's understanding of the scope of work necessary to complete the project and that the project could be completed for less than \$50,000. Contractors on the RFP list would be given the opportunity to bid on the project, which would result in South Fork getting a good value. The project must be completed by the end of December.

6) AWWA ACE 2020 in Orlando Florida, June 14th – 17th 2020

John Collins, General Manager, noted Vice Chair Holladay had expressed an interest in attending, and Chair Axelrod would be attending being on the national committee that would be presenting a paper that would be under consideration for publishing in the AWWA Journal. He had already booked rooms and needed confirmation by the February meeting in order to secure early bird pricing on registration.

Board Member Smith stated he was definitely interested in attending.

Board Member O'Donnell stated he was also interested in attending, but would yield his spot should someone else need to be present.

(7) **Business from the Board**

Board Member O'Donnell said after sitting on the Board for a few years and seeing Mr. Collins' performance, he believed Mr. Collins' title should be changed to chief executive officer (CEO). In the private sector, managers report to CEOs and CEOs, the highest ranking executive in a company, report to the board. Additionally, Mr. Collins performs tasks typical of a CEO, rather than a manager. His responsibilities include making corporate decisions, managing the overall operations and resources of the company, acting as the main point of communication between the board and corporate operations, and at times, being the public face of the company (SFVB), communicating on behalf of the company and government entities, and evaluating the work of other executives within the company. Mr. Collins has executed his duties in the political arena, asset protection, and entered into long-term contracts that benefited SFVB. He believed Mr. Collins should have a title that reflected the highest responsibility of the office.

Board Member O'Donnell moved to change the title of SFVB General Manager to SFVB Chief Executive Officer (CEO) for the reasons previously stated, including the reporting structure and the duties performed. Board Member Smith seconded the motion.

Board Member Reylea asked how other water boards were organized and whether they had managers or CEO positions. He agreed that Mr. Collins had made great contributions, but was concerned about operating within industry norms.

John Collins, General Manager, responded the status quo had been General Manager; however, the new trend was to use the CEO title. Both titles were currently in use, but his peers were being moved into the CEO title. When Tualatin Valley Water District (TVWD) changed to using the CEO title, many other entities have followed. He noted for the record that he had not asked for a title change and thanked the Board for the recognition.

Chair Axelrod agreed with the comments and observations regarding Mr. Collin's performance. He did not know CEO was a title used in public entities.

Mr. Collins noted Metro had a CFO, and Todd Heidgerken's job title at CRW was General Manager/CEO, so that was where the industry was headed.

Chair Axelrod noted senior manager was used by his biggest business client, a water and electric utility. He asked if the proposal was that CEO would replace General Manager, or supplement it, i.e. General Manager/CEO.

Mr. Collins stated he preferred one or the other, adding he was okay with either one.

Board Member O'Donnell stated if the industry was moving in that direction, he wanted to South Fork's officer had standing within the water board community; he did not want a double title either. He confirmed the title would travel with the position, it was not specific to Mr. Collins. The duties were expected to be performed in the future.

Board Member Reylea said he had worked in the public sector most of his life and did not recall seeing CEOs in a public agency. He provided several examples of the titles used in the public verses the private sector. He did not have any data to support that CEOs were a trend in the industry and suggested tabling the motion until more information could be provided for discussion.

Board Member Sakelik agreed that Mr. Collins did the job of a CEO and not a General Manager, but he was curious about any potential legal or budgetary implications within South Fork's organization.

Mr. Collins noted that would be a question for SFWB legal counsel, who was not present.

Chair Axelrod agreed it would be good to consider the legal implications and industry trends before making such a change.

Board Member O'Donnell said he was of the opinion that it was only a name change on the organizational chart, but he wanted to be respectful of the Board's wishes for further review.

Board Member O'Donnell withdrew his motion. Board Member Smith withdrew his second.

Board Member O'Donnell moved to evaluate changing the General Manager's title to Chief Executive Officer pending review by legal counsel and with input from others in the industry as to the correctness of the title and any potential legal implications. Board Member Smith seconded the motion, which passed unanimously.

Mr. Collins confirmed the matter would be added to the February meeting agenda and asked who should do the evaluation. He noted the legal counsel charged \$300 an hour and he believed SFWB was his only client in the water industry. As water operators, he did not believe assigning the work to his staff would be fitting.

Vice Chair Axelrod offered to look into it, but was unsure if he could have something done by the February meeting.

Board Member O'Donnell asked what threshold the Board was looking for; if three of ten utilities have moved from General Manager to CEO.

Mr. Collins responded there would be a few with all the other agencies wanting to move in that direction. He knew the trend was moving towards CEO, but he could not quantify it other than the position at TVWD, the most coveted water management job in the state, had changed to CEO and other agencies were following.

Board Member O'Donnell confirmed a CEO position would have a residual benefit in attracting others to the position in the future.

Board Member Smith believed Mr. Collins had already validated the matter for the Board. He noted the Board relied on Mr. Collins and had taken his word for everything else. Mr. Collins knew the industry and that was good enough for him.

Mr. Collins offered to email his peers in other jurisdictions and ask what their title was and if their organization wanted to move in the direction of using the title of CEO.

The Board consented to have General Manager Collins email his peers and ask legal counsel about the legal implications, all of which would be discussed at the February meeting.

Mr. Collins stated he would compile the responses in a document for the Board to review.

Board Member Sakelik asked if South Fork should retain a separate General Manager position. He believed the General Manager position should be available in case the opportunity to fill it arose.

Mr. Collins explained that an operations manager had been created as part of that strategy and would be directly responsible and in charge of the facility, staff, scheduling, and the function of purifying water, so if the General Manager position was difficult to fill, the operation manager would continue operations until the a General Manager was recruited.

Board Member O'Donnell believed adding CEO to General Manager would be confounding to the general public. He reiterated the position currently had a CEO level of performance, and if the right candidate could not be found to fill the CEO position, interim operations would be addressed by the operations manager.

Chair Axelrod announced that he planned to attend the Regional Water Providers Consortium's Board meeting was scheduled for February 5th. He continued to coordinate with their staff about the paper on cyanotoxins.

Chair Axelrod noted he had received a request for public comment.

Alice Richmond expressed her support for changing the General Manager title to CEO. She had known Mr. Collins for more than 20 years and had seen him make dynamic improvements in the utility and its operations. A CEO could interact more freely with the other boards and the community. She thanked the Board for considering the title change, which also reflected the growth of South Fork.

(8) **Executive Session –Adjourn regular meeting and convene Executive Session if needed.**

No Executive Session was held.

- a. To consider information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f).
 - b. To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed pursuant to ORS 192.660 (2)(h).
- (9) **Reconvene Regular Meeting and Take Action Necessary as Determined in Executive Session.**
- (10) **Adjournment**
Chair Axelrod adjourned the regular meeting of the SFWB at 6:46 pm.

Respectfully Submitted,

By Paula Pinyerd, ABC Transcription Services, Inc.
for John Collins, SFWB General Manager