



American Water Works Association Pacific Northwest Section

FALL TRUSTEE MEETING MINUTES THURSDAY, OCTOBER 5, 2017

Call to Order

The meeting was called to order at 12:30 p.m. in the Summer Twilight Room at Mt. Bachelor Village in Bend, Oregon by Chair Dan Kegley. Also present: Chair Elect Mel Damewood, Past Chair Lacey Goeres-Priest, Trustees Chris Young, Lynn Stephens, Ronda Farmer, Julie Smitherman, Mike Whiteley, AWWA Directors Kari Duncan and Marshall Thompson, Treasurer Bob Ward. Trustee James Dean was excused.

Chair's Report

- Review of Strategic Planning Meeting held in August – revised mission and vision statements, membership survey used to provide basis for strategic plan, drafted strategic objectives and core principles. Ad hoc committee to develop further feedback from trustees and committees.
- Report on Regional Meeting in Whitefish, Montana Sept. 8 and 9. New format provided more opportunity for networking among sections.
- Cal-Nevada Director of Events and Marketing Linda Contreras tragically lost her life in an auto accident; proposal to create a scholarship in her name with a contribution of \$1,000 from the General Fund.

Motion: Damewood moved to allocate \$1,000 from the General Fund to Cal Nevada Section to help establish a scholarship in the name of Linda Contreras. Seconded by Farmer. Motion carried unanimously.

Association Directors Report – Kari Duncan

- President Brenda Lennox has been traveling extensively but will be present at several upcoming events and meetings; she reports that the initiative for recruitment of veterans to the water profession is moving forward.
- AWWA 20/20 (different from PNWS 20/20 vision) is important tool for implementing strategic plan at the Association level. Includes communication, finance, branding, membership.
- Launch of one AWWA education program to look at water in a holistic manner – include water, wastewater, stormwater.
- Potential goals for membership include having 60,000 members paying dues directly or indirectly by ACE 2020.
- First AWWA Operator Scholarship was given at May meeting.
- Changes to governance may be started in the coming year. Recommendation has been made by governance subcommittee that executive committee take day to day business role with 60-member board serving as the strategic planning arm. Lots of feedback from Directors and they may be questioning some of the recommendations, such as how executive committee members are elected or chosen.
- International efforts – started India office two years ago; slow but steady growth with membership developing and first conference scheduled this Fall.
- Several application packets have been submitted for awards and one requires Board approval; Mark Knudsen for outstanding service to AWWA.

Motion: Whitely moved to submit Mark Knudsen's name to for Outstanding Service to AWWA Award. Seconded by Goeres-Priest. Motion carried unanimously.

Executive Director Report – Kyle Kihs

- Tacoma Conference – plans are moving along well with the new meeting planner. Registration is expected to go live on January 2 with early bird rates in effect through the end of March.

- Working on location for meet and greet at ACE in Las Vegas in 2018.
- Election for Section Officers is coming up soon, with voting to be done by electronic ballot for the first time. System is set up for one time only voting, with votes being tabulated immediately after close of voting. The Board typically approves results at the winter meeting. That meeting is being pushed back to try and avoid bad weather so discussion will need to take place about how to announce results prior to that meeting.

Appointment of Trustee to fill vacancy – Dan Kegley

- Trustee at Large Stephanie Raddatz has moved on to a different career path and indicated she could not continue on the Board. Bylaws provide that a Trustee unable to fill out their term may be replaced with the runner up in the previous election for chair. Mike Whiteley has agreed to serve if approved by Board.

Motion: Duncan moved to approve Mike Whiteley to fill remainder of term vacated by Stephanie Raddatz. Seconded by Stephens. Motion carried unanimously.

Treasurer's Report – Bob Ward

- Treasurer's role is non-voting member of Board of Trustees and Education and Training Fund Board. Role is to support Board, review financial matters and verify propriety of transactions as well as help advise on investment of funds. Reporting method will be similar to last Treasurer.

PNWS Director Candidates – Approval of Slate

- Although Bylaws provide that anyone who has been on the Board for two years prior to nomination can be a candidate, recent practice has been to include the past three chairs; Board would like to cast a wider net and has provided that guidance to the Nominating Committee. Committee has been tasked to develop a process for Board review.

Motion: Damewood moved for approval of the following slate of candidates for PNWS Director for AWWA : Jason Canady, Randy Black, Bill Carr. Seconded by Young. Motion carried unanimously.

Approval of Spring Meeting Minutes

Motion: Young moved to approve Spring Meeting minutes. Seconded by Smitherman. Motion carried unanimously.

Budget Overview – Jamie Porter

- General fund currently shows \$1.6 million total with \$360,000 operating cash.
- 2018 Budget estimated revenues \$689,330 and expenses \$730,456.
- Revised budget process was initiated this year.
- Reserve ratio is currently within target (30-60%).
- 2018 Budget assumes \$44,000 deficit.
- Some expenses trimmed but others added. With expected revisions general fund will end year with \$285,000 or 39% reserve ratio.
- Additional trainings opportunities could help bottom line; Board will also review total expenses for Trustee meetings (currently \$90,000).
- Executive Director and Treasurer will review costs and recommend potential savings to Board.

2017 Kennewick Conference Results – Pat Everham

- 800 attendees, 200 vendors, revenue of \$108,751
- Conference went well, surveys showed that CEUs are important, attendees like option to switch tracks, Thursday seminar is popular and the new scavenger hunt format was hard for some to understand.

2018 Tacoma Conference – Jolene Gibson

- Local Committee met with meeting planner, all is going smoothly.
- Competitions will be held in one room next to vendor hall; “circus” style and fun night will be incorporated.
- Some schedule changes with more time for sessions and less for breaks
- Melissa Hill will speak at opening ceremony
- Proposed fee increase for full conference registration of \$6 per person was discussed
 - Noted that James Dean, who could not be present, believes it is difficult for small utilities to absorb even a small increase.
 - Discussion points included whether small incremental increases are preferable over periodic large increases; whether costs should be passed on to membership rather than having Board cut expenses; amount gained, about \$3,000 out of \$700,000 may not be significant; should utilities be given more warning about increase with increases projected over a longer period; annual loss is projected and soon reserve will go down more; 1.7% increase reflects inflation rate.

Motion: Damewood moved to increase the conference registration rate 1.7% to \$366. Farmer seconded. Motion carried, 4-3.

MSC Committee – Kristin Young

- Noted that over past five years, the cost of a member booth has increased by \$200
- 2018 Tacoma site has a lot of space; exhibit hall will be on 5th floor, hosting Water for People auction in foyer. All meals will be in the vendor hall to draw people in.
- Traditional scavenger hunt is back and sponsorships available, still have opportunity to sell banner ads on the phone app. Keeping the cost at the \$250 - \$500 level, the ads are selling out.
- Tech session sponsorships have been reduced from \$500 to \$250
- Fun night/contest night has been rebranded as conference kickoff with more sponsorship opportunities.
- Those who complete survey will be entered in a prize drawing.
- 50/50 Raffle is planned with winner getting half of proceeds and Water for People getting half.

Water for People – Chantel Shepherd

- Conference activities raised \$8,000, making annual total at \$110,000 which qualifies PNWS to be a global sponsor.
- Final event this year November 9 in Boise.
- Attended summer training in Denver, now have a much better grasp of how Water for People does and how it works, a valuable experience.

Small Systems – Lance Peterson, Bob Cunningham

- Co-chairs could not be present but Dan Kegley met with them recently and reported.
- Succession planning is ongoing with Michelle Johnson stepping us as vice chair.
- Outreach to small systems is a developing resource.
- Ideas they would like to promote are templates for consumer confidence reports, emergency response plans; hope to get these posted so others can use them.
- Inland Empire is developing a list of operators within that subsection and working with committee to meet needs.
- Will create new talking points that are more specific.

Break: Meeting was adjourned from 2:00 to 2:15 for the purpose of a break.

Ad-Hoc Update: Funding – Kristin Young, John Roth and Dave England

- Committee established to examine strategies to address current and upcoming philanthropy initiatives, address donor burnout, effective fundraising.

- Request that Board authorize a Philanthropy Council of 3-5 members with specific expertise to provide education and oversight of various fundraising efforts. Goals and next steps addressed in written report.
- Goal to educate membership and event sponsors on how to be more effective and efficient; provide good experience for volunteers and attendees. Maintain schedule of events, promote individual member donations, provide recognition for donors. Report to Board for direction and provide quarterly reports.
- Discussion items
 - Council would provide guidance rather than direction, committees would still report directly to Board; potentially one member would be representing Water for People. No change anticipated in relationship of committees to Board liaisons.
 - Council would take direction on desired funding for each group and work with them to accomplish goals.
 - No consultation has taken place with committees yet; planned in next steps.
 - In best interests to utilize fundraising talents; may be similar to TCC as one-stop resource shop.
 - Potential clearinghouse which would support PNWS efforts to be an outstanding player within AWWA.
 - Goal is not so much change as improvement.
 - Is council redundant if philanthropic groups are already coming together under one Trustee, don't want to take talent away from other projects.
 - General positive response but Board would like to better understand reporting structure, organization chart, whether sunseting plan should be in place.
 - Board members to provide comments to Executive Director, provide direction to Ad Hoc Funding group and discuss at Winter meeting.

Ad-Hoc Update: Leadership – Chris Wanner, Jill Hoyenga

- Committee would support training that bridges development gaps, provide resources for transitions and support success of those who have moved into new positions, ie lower to mid-level management as well as general leadership.
- Need may increase as many senior management people are moving; transitions to senior management are coming more quickly.
- How to best accommodate smaller utilities, possibly a small utility track for one day of two-day conference.
- Is expectation that conference would be revenue neutral and how would revenue credit be shared with participating committees
- Women in Leadership set for 2018 but willing to participate in leadership symposium, positive response.
- Request approval of mission statement and direction from the Board.
- Discussion
 - More thought needs to go to financing, potential consolidation with other committee budget requests.
 - “Revenue neutral” may be a low bar. After first one or two, hope to generate income.
 - Potential for sponsors, smaller venues.
 - Support and confirmation expressed for Committee to move forward with the stated plan and include Chair on communications. Target 2019 for first event.

WQTC Local Arrangements Update – Michelle Cheek

- Reviewed many tasks of local host committee, website has information.
- Official welcome from Brenda Lennox; David Sedlock of UC Berkeley will address opening general session.
- Four technical tours.
- Opportunities for volunteer positions – free registration in exchange for 8 volunteer hours.

Sustainable Water Management Conference – Kenny Janssen

- March 25-28 in Seattle includes workshops, tech sessions, poster presentations with two-minute podium talks.
- Requested \$500 budget for branding and marketing needs.
- Contract terms state local hosts receive no income per contract.

Cross Connection Control – Scott Ruyle

- Still in early stages of re-establishing committee.
- Every city is required to have a cross connection control specialist; main goal is training, education and technical support – they need a community for ideas and networking.
- Currently four meetings a year with training following meetings. Working on a workshop in Tacoma area; has been Oregon-centric and trying to move into Washington.
- Sessions in Kennewick well attended, working on getting members and chairs from different jurisdictions.
- Should work with subsection committee and TCC.

20/20 & Young Professionals Committee – Kysa Cronrath, Kevin Wycoff

- Requesting increase in budget from \$2,000 to \$2,700, hoping to send a third person to YP Summit to help with succession planning.
- Helping with events at WQTC, need 5-7 volunteers locally.
- YP Summit with AWWA, co-chair Josh will attend. A great opportunity to understand how to get involved nationally.
- Will train on Constant Contact at Winter Trustee meeting.
- Meet and greet for first timers at conference..
- Back to traditional format for scavenger hunt.
- Mentorship program ready to go, application period closes November 10 and will match mentors and proteges at conference.
- Planning to put out a newsletter once a month, would like budget to produce a commercial for membership and involvement with industry.
- Kegley noted that given the projected budget deficit, funding will not be available to send third person to YP Summit or to produce video so those items are on hold for now.

Break: Meeting was adjourned from 3:48 to 3:58 for the purpose of a break.

SAC Competition Updates – Doug Schlepp, Dan Sleeth

- Currently 5 officers and 3 state coordinators; but need to add 2 officers.
- Emphasize and empower role of coordinators, assist members with activity participation, officer training and support.
- Trying to align the section more with national rules and regulations to come up with a version that fits section and put it on the SAC website – starting with Hydrant Hysteria. Currently website is linked to AWWA section for those events; want to create an in-house document.
- Eligible to send three teams to each event; would like a team from each of the three states.
- Planning a breakout session for Winter conference re putting together financing, record keeping, how to put on a class or special event, how to survive an audit.
- Additional budget items include sending both mens and womens and second place mens tapping teams to state, funding for software for Top Ops.
- Team sponsorship potential for Hydrant Hysteria.
- Suggest that sponsors could possibly send teams, could have logo on shirts.
- Also noted that it is difficult to arrange for accommodations since our competition is so close to ACE; maybe secure a block of rooms early.
- Kegley noted we do want to work towards being visible in AWWA and competition is one way to do that; however budget limitations can only support sending two teams to ACE.

E&T Strategic Initiatives – Bob Willis, Jeff Lundt, Nick Belmont, Denny Clouse

- Fund steadily increasing with rise in stock market
- Review difference between dedicated principal and undedicated principal
- Retained earnings are the funds for scholarships (\$332,480 as of Sept. 2017)
- About \$24,000 in scholarships available this year
- 8 point Strategic Plan basics includes
 - Raise annual donations from \$30,000 - \$55,000
 - \$24,000 in scholarships in 2018
 - Develop a private source for matching funds
 - Make sure E&T Fund is prepared to weather the next recession
 - Increase principle to \$750,000 by 2021
 - Offer to manage/coordinate annual or one-time scholarships
 - Develop guidance or protocol to consider disbursement of additional retained earnings when income exceeds a trigger level.
- Regular phone meetings with financial adviser – anyone can join and listen in
- Kegley noted that
 - This year Operator scholarship will come from General Fund (\$1,000)
 - Board would like to see E&T Board focus on fund and have the Scholarship Committee manage/coordinate scholarships
 - In 2018 \$100 per vendor booth will go to E&T Fund but need more information before we commit to long term goal of vendor booth funding for E&T
 - Will review impact on E&T Fund if vendor booth contributions cease; discussion at Winter meeting.
- Noted that sponsors can choose to donate to E&T or Water for People but that can be made more clear.

TCC – Loren Searle, Jeff Lundt

- Emergency Preparedness “training in a box.”
- Sold Basic Waterworks class to state of Michigan for \$1,000.
- Looking for all subsections to provide up to two people to be trainers.
- Want to expand committee membership.
- Budget show income \$3700 and expenses of \$2300.
- Request “royalty” from subsection use of training in a box.
- Kegley suggested including small systems in discussion, Searle has contacted them.
- Committee has Board support, will look for presentation at Winter meeting.

Budget Recap and Approval of the 2018 Section Budget – Jamie Porter and Dan Kegley

- Changes to 2018 proposed budget include
 - \$3000 increase in conference registration fees (suggestion: could be put into fund for small utilities to defray costs)
 - Research committee add \$2,000 for training
 - 20/20 Vision deleted \$4500 for video
 - YP deleted \$1500 for travel
 - Membership deleted \$1500 for travel
 - Scholarship add \$1500 for operator scholarship
 - Utility management deleted \$900 for venue rental
- Final numbers:
 - Income \$689,330
 - Expense \$730,456
 - Net deficit \$41,126
 - Reserve ratio 38.9%
- Discussion regarding adoption of a budget with deficit rather than a balanced budget projection, general agreement that further review should be undertaken

Motion: Damewood moved to defer final budget approval to December 31, 2017. Stephens seconded. Motion carried unanimously.

TRUSTEE WORK TEAM REPORTS

(Additions to written reports only)

Mel Damewood

Committee Chair

Ad-Hoc Committees

Women in Leadership: submitted written document; they believe they have additional sponsorship for symposium which will result in additional income.– written document. They think they got additional sponsorship for symposium for additional income.

Public Officials: submitted two abstracts for the conference.

Kari Duncan

National Association Awards & Review

Idaho, OR, WA Water Utility Councils: IDWUC is active, trying to get members from both sides of state.

ORWARN, IDWARN, WAWARN: ORWARN requested funding of \$20,000 for website income and expected to keep that. Requested funding for website (\$20K) site beyond what their fund could handle (web was hosted by entity previously.)

Lacey Goeres-Priest

Nominating

Past Chairs

Scholarship: LaDonne Harris to step into leadership

E&T Fund

20/20 Vision and Veteran's Initiative

Chris Young

Utility Management : did not hold training this year, want to do it next year.

History: have four people now, want to help get new members, work with YP and 20/20.

Customer Service holding training in Yakima Oct 18-20 James Dean will be trainer.

Publications need someone to succeed chair.

James Dean

Cross Connection

Subsection Advisory Council

Distribution reported

Safety reported

Lynn Stephens

Engineering

Research

Small Systems

Public Information

Ronda Farmer

Water I/T and Website: GIS subcommittee worked with YP summit team to get Constant Contact off and running, and helping Scholarship to improve intake and rating of applications ; Offering Tacoma tracks, GIS topics to develop into webinars; giving WUC some website ideas.

Membership : will review roles and responsibilities and post on website.

Conference Program : work on creating a speaker portal.

Conference Local Arrangements

Mike Whiteley

Water Quality

Treatment: doing training for operators, good attendance but dwindling participation is a concern

Training Coordination

Manufacturers and Suppliers

Julie Smitherman

Conservation: Summer networking meeting in Aug. 21 had highest ever attendance. Full day of presentations and tours; sessions with water resources. Planned again in 2018. Lane Community College asked for support for their on-line conservation degree, hope to get grant from National Science Foundation. Committee will help find internships for students participating in that program.

Water for People

Young Professionals

Water Resources: Two tech sessions at Kennewick, partnered with conservation and quality, sponsored summer meeting and field trip in Portland as well as two socials in February and September. Only \$50 expenses this year. High turnover rate this year

Adjourn

There being no further business, the meeting was adjourned at 5:35 p.m.