



American Water Works Association
Pacific Northwest Section

**WINTER TRUSTEE MEETING MINUTES
FRIDAY, FEBRUARY 28, 2020**

Call to Order

The meeting was called to order at 9:30 a.m. in the Cedar Room of the Vancouver Hilton Hotel in Vancouver, Washington by Chair James Dean. Present: Chair Elect Ronda Farmer, Past Chair Mel Damewood, Trustees Michelle Cheek, Suzanne DeLorenzo, Dave England, Crystal Jensen; Alex Mofidi, and Dan Sleeth, AWWA Director Randy Black, AWWA Delegate at Large Marshall Thompson, AWWA Executive Board Member/MAC Chair Kristin Kihs and Executive Director Kyle Kihs.

Chair's Report – James Dean

Highlights of the current year include

- Passage of 2020 Budget.
- Decision to continue Leadership Symposium (scheduled this Fall in Salem).
- Corianne Bennett elected to position of Service Provider Director at Large for AWWA.

AWWA Director Report – Randy Black

Winter meeting of Board of Directors took place in Puerto Rico.

- Directors reviewed and discussed strategic objectives.
- Membership is largest in several years at over 52,000; operating budget has one-million-dollar surplus.
- Targeting a 5-6 million dollar reserve so that needed programs can be funded during times of economic downturn.
- New membership category for 55 and over retirees.
- Business goals include web access for all members.
- Continue to focus on business model, with collaboration guidelines and section leadership focus as well as helping utilities to build public trust in water.
- PNWS has put in for four awards; Section has over 2,000 members so qualifies for two Operator's Meritorious Service awards.
- Section has retained Water Buffalo patch for \$1,000 donation.
- Visiting AWWA representative at PNWS April conference is Greg Lukasik from Montana section.
- ACE Conference in Orlando June 14-17.
- Regional meeting August 20-22 in Midway, Utah.

Executive Director Report – Kyle Kihs

- Conference registration is going well, currently 90 for pre-cons and 210 for full conference. Numbers will grow after Early Bird deadline.
- Sponsors to date: 1 Platinum, 5 Gold and 5 Silver.

- Change in format has not affected the number of vendors and all vendor booths are sold.

Treasurer's Report – Bob Ward

- Total assets at end of December are slightly over \$2 million with 60% contained in the E&T Fund (so far up 25% from 2019).
- 2020 Budget: half of income is from Section allocation of \$150,000 and half from anticipated conference revenue of \$150,000. A break-even budget has been adopted for 2020.
- Review shows all financial guidelines are being followed.
- Transition to new Treasurer and defining that role will need to be on the table soon.

Consent Item – Fall Meeting Minutes

Motion: Damewood moved to approve Fall meeting minutes as presented, seconded by Black. Motion carried unanimously.

Action Items

Approval of Section Election Results

Results of the annual Section election were:

Chair Elect: John Roth

OR/ID Trustee: Karen Kelley

WA Trustee: Cheryl Capron

Trustee at Large: Doug Schlepp

Motion: Sleeth moved to approve Section election results, seconded by England. Motion carried unanimously.

Newly elected officials present at the meeting were introduced.

Appointment to the E&T Fund Board (4 year term)

Chair Dean gave a brief history of the E&T Fund Board and recent changes. Board members now serve 4-year terms on a rotating basis. Three strong candidates were considered for this year's vacancy.

Action: The Board appointed Tom Keown to a four-year term on the E&T Board.

Amend the Treasurer candidate pool as stated in current Bylaws to include past budget committee chairs (This item was removed from the agenda and will be addressed at a later date after the Board considers options.)

Approval of Finance Committee recommendation (and PAC)

Farmer gave an overview of the Budget Committee discussion and recommendations. She noted that in the fourth quarter of 2019, the Executive Committee voted to move \$40,000 from mutual funds into a Morgan Stanley cash account and have the Finance Committee review options for disbursing the money.

The recommendations are:

Keep \$18,500 in a cash account to balance out the 2019 budget deficit; donate \$11,500 to the Education and Training Fund; earmark \$10,000 as a potential distribution to be determined by the Philanthropic Advisory Council (recommendation will be made at Fall meeting); with \$28,500 remaining in the Morgan Stanley Fund as a "rainy day" fund.

England moved to approve the Finance Committees recommendation as presented, seconded by Sleeth. Motion carried unanimously.

2020 Spokane Conference – Dan Kegley

- Brenda Lennox has been extremely effective as conference planner and has taken much of the burden off the committee.
- Update on planned events, including light show at Riverfront Park.
- Important to get survey to all attendees and get their opinions on how the new schedule is working; this will give the Board feedback as well as inform the committee preparing for Boise.
- Trustee meeting will be Friday afternoon, with incoming chair reception immediately following.
- Board expressed thanks to the organizers for an excellent job, particularly given this year's format change. Kegley noted he will work with the Executive Director and Event Planner to review the size of the LAC for future conferences.

Program Committee – Cheryl Capron

- 2.0 CEUs to date and minimum .6 for wastewater, pending review by Washington Department of Ecology.
- Coronavirus fears could be a factor in attendance.
- DeEtta Fosbury is assuming the Program Chair position for Boise conference; she will serve at least one year and two if a successor cannot be found. Board members should forward names of potential members for this position to Capron.
- The Board thanked Capron for her excellent service as Program Chair.

AWWA WUC Report – Suzanne DeLorenzo

- Farm Bill 2018 update – for the first time, water source protection is prioritized across the board with USDA. Now assessing the impact and need information from Washington and Idaho.
- Fly-in is April 29-30 in Washington DC; a joint issue paper is being prepared.
- Members working on an Innovation Guide which will be available to AWWA members.
- PFAS contamination regulations. Emphasis on holding polluters responsible, not drinking water providers.
- EPA released proposed revisions to lead and copper regulations in October; WUC is supportive and AWWA provided expert testimony.
- Opposition to treating all services lines which are unidentified as lead; concerns about proscriptive nature of the regulations. Asking EPA to allow WUCs to work with state regulators to develop standards relevant to local entities.
- WUC provided written comments to local WUCs and EPA regarding service lines.

Region 10 EPA Branch Chief Introduction – Mat Martinson

- Martinson introduced himself, noted he has been with the US Public Health Service for 25 years and is relatively new to the EPA. He is a registered PE focused on water and wastewater and an AWWA member.
- Interested in potential partnerships between EPA and AWWA.
- Noted that delivering clean drinking water is an essential component of public health.
- EPA staff intends to come to more meetings and get into the field more often.

2021 Boise Conference – Katie Birkenstein

- Birkenstein will shadow Kegley and Lennox through the Spokane conference.

E&T Fund – Bob Willis and Jeff Lundt

- Fund is doing reasonably well, investing is “conservatively aggressive” and has survived well in spite of recent events.
- Goals are scholarship growth and fund sustainability.
- Currently \$338,00 dedicated principal \$354,00 undedicated principal, \$489,000 retained earnings.
- Received \$44,789 in new contributions in 2019. Four Subsections donating above \$10,000 mark and others are working toward that.
- 2020 Undedicated Principal will show additional \$11,500 approved today.
- Minimum guaranteed transfer for scholarships is \$29,322; at last Board meeting approval of \$38,200 in scholarships for 2020. It is hoped that there will be about \$40,000 in scholarship donations each year.
- Received bequest of about \$250,000 that is still in process. This will come in as part of dedicated fund.
- Ratio of retained earnings to principal is now at 65%; with increase in dedicated fund, next year would be 43% with 40% the cutoff for Fund’s ability to make a donation from retained earnings. This creates a need to increase undedicated principal and retained earnings.
- PNWS has had an endowment fund for a long time and is a recognized leader and innovator in this area. Other Sections are asking us to work with them to set up their own funds.

Section Annual Philanthropy Donation – James Dean

(This item discussed earlier in agenda under Budget Committee recommendations.)

Items or Comments from the Membership – James Dean

- Suggestion that the Board look into mechanisms for membership engagement via web access to meetings
- Suzanne DeLorenzo will be relocating to New Jersey in two weeks but will continue in the industry and in AWWA. She thanked the section for the opportunities provided to her for the last 8 years. Mel Damewood will work with Water Utility Councils to determine how to maintain a Pacific Northwest presence.

Adjourn

There being no further business, the meeting was adjourned at 11:08 a.m.