

**The Utility Management Committee of the AWWA-PNWS
Presents a Workshop on Financial and Workforce Sustainability
January 27, 2022 at The Vancouver Water Resources Center**

FINANCIAL SUSTAINABILITY

9:00-10:00 a.m.

Leveraging Your Rate Study as an Effective Management Tool (60 minute presentation). Effectively managing water supply – with its many complex layers – requires an understanding of the costs incurred to supply water and how we price water to recover those costs from the communities served. All too often, a rate study is viewed simply as a financial exercise to determine rates – it is much more. It is an opportunity to bring all departments together around their goals and in alignment with overall strategic goals and initiatives of the utility. To navigate the array of rate-related issues, an understanding of the fundamentals of water ratemaking and how decisions influence rates is integral for success. This presentation will serve as a primer of sorts to help water utility professionals better understand the anatomy of a rate study, the factors that influence water rates, and how these studies can serve as effective management tools to support financial sustainability.

Karyn Johnson has 31 years professional financial related experience, including over 25 years as a municipal rate consultant. She is a finance and rates expert for water, sewer, stormwater, and solid waste utilities. Her expertise covers a broad range of services including financial policy development, revenue sufficiency studies, long-term financial planning, retail and wholesale cost of service analyses, and rate and fee designs. Karyn has served clients throughout Washington, Oregon, Alaska, Nevada, California, Canada, and elsewhere. She has an MBA in Finance and a BS in Business Management.

10:00 - 11:00 a.m.

5 Levers to Control Rates – Outreach and Education The City recently went through a rate study for each utility (water/wastewater/surface water). As part of the rate study several issues were identified and recommended to be addressed. These issues included inside/outside user rates, SDCs, reliance on utility tax, capital needs, rate needs (we are calling them levers). These levers are disparate and complex so we hired a consultant to help us package them into a common theme and help with outreach and education. The presentation would focus on how we consolidated these levers into a common theme and help explain the impacts associated with changing each lever.

Chris Malone, PE, Finance and Asset Manager, City of Vancouver. 23 years with City of Vancouver Public Works. Emphasis on engineering, finance, and infrastructure asset management for water, wastewater, storm, and transportation. Professional Engineer State of Washington. Project Management Professional from Project Management Institute. BS from Oregon State University, MBA from City University Seattle.

11:00-12:00

Financing a Large Water Infrastructure Project with WIFIA and Revenue Bonds

Rockwood Water Peoples Utility District serves 66,000 customers in Gresham, Fairview and East Portland. Rockwood, in Partnership with the City Gresham, is starting a major infrastructure program to expand its groundwater supply system to fully supply all water for Rockwood and Gresham, who are currently wholesale purchasers from the Portland Water Bureau. The project, called the Cascade Groundwater Supply Alliance, totals \$120 million, split between the partners and Rockwood is financing its half of the project using Revenue Bonds and a Federal Water Infrastructure Financing Act (WIFIA) loan. This presentation will cover in detail the process that Rockwood went through to issue Revenue Bonds and go through the Letter of Interest and Application process for the WIFIA loan.

Kari Duncan & Daniel Zimmerman with Rockwood PUD

Kari is the General Manager of the Rockwood PUD. She has Oregon WT4 and WD3 certifications and a BA in Environmental Science from Willamette University and an MPA from the University of Oregon.

Dan is the Senior Accountant with the Rockwood PUD with knowledge of water supply planning, financing, rate modeling and asset inventory. He has an MBA from Eastern Oregon University and a BS in Business Administration from Oregon State University.

WORKFORCE SUSTAINABILITY

1:00-2:00 p.m.

The Leadership Mindset Training (60-minute workshop). Covington Water District has worked with NASH Consulting to provide leadership training for our staff since 2017. This training has focused on promoting a positive workplace culture through common commitments and understanding relational dynamics within our team. Nash Consulting has provided training to the entire Covington Water organization as well as providing management and small group coaching in individual and small group settings. As a result of the training Covington Water District has built common commitments that each employee agrees to follow. This has led to open and honest feedback among our team and fostered a positive culture that has led to increased employee retention and employee satisfaction.

Chris Guest, Business Analyst with Covington Water District where he supports financial and business decisions regarding strategic planning, asset management, and process improvement. Chris has 14 years of experience in water utilities. He has a bachelor's degree in business management and In Washington, he holds

certifications: water distribution manager 4, water treatment operator 2, and cross connection specialist.

2:00-3:00 p.m.

Finding SUCCESS in SUCCESSION Planning for Small & Medium Utilities (60

minute presentation). As a growing population in our workforce moves into retirement, how do utilities find competent employees to fill those vacancies? Is it as simple as just posting an advertisement and a job description and hiring someone? That sure would be nice, but reality demands answers to questions like:

- How does my utility compete in this current job market?
- How can I train and cultivate current staff to rise to higher positions within the organization without their being hired away by larger organizations?
- How can I make my utility “attractive” enough to retain my core employees?

If small and medium sized utilities are NOT thinking about answers to these and other questions, then those utilities are starting from a disadvantaged position. This presentation will help attendees gain perspective and gather tools to create solutions from a position of advantage not disadvantage.

Mike Grimm, PE, General Manager of the West Slope Water District. Mike has a 36 year career in the water industry as a consulting engineer with the City of Gresham, Sunrise Water Authority, the Cadmus Group and Aquamize.

3:00-4:00 p.m.

Development of a Drinking Water Internship Program (DRIP). There is a critical and unprecedented shortage of experienced staff in the water workforce. According to the EPA, this shortage will only worsen in the next ten years, as approximately 1/3 of water and wastewater operators will be eligible for retirement. This issue is compounded by fewer young people entering the field. The recent closure of a Water/WW Training Program will intensify the issue in the Pacific Northwest (PNW), and the fact that several new treatment plants will be coming online will only increase the need for water sector staff. This prompted several local utilities, consultants, and a community college to create a group to focus on solutions to this shortage with the goal of creating a more robust water workforce in the PNW. Strategies being developed include increasing awareness of water industry careers, boosting recruitment, and providing paid internships. We will discuss our actions to date, partnerships formed, grants applied for, and our plan moving forward.

Chris Wilson / JWC-WWSS / Senior Program Manager Chris oversees the Joint Water Commission’s WTP, the largest conventional water treatment plant in Oregon. He has an Oregon WT4 certification.