

NOTICE OF MEETING
DES MOINES WASTEWATER RECLAMATION AUTHORITY
ORGANIZATIONAL ASSESSMENT COMMITTEE
&
EXECUTIVE COMMITTEE

Friday, July 8, 2022 @ 1:00 PM

MEETING LOCATION:
BOARD CONFERENCE ROOM
METRO WASTE AUTHORITY (MWA)
300 EAST LOCUST STREET, SUITE 100
DES MOINES, IOWA

AGENDA

1. Call to Order
2. Minutes of March 31, 2022, Organizational Assessment Committee Meeting – Information
3. Comments by Committee Co-Chairs
4. Negotiating Strategies with Retained Counsel – Role of Co-Chairs and/or Others - Discussion and Potential Recommendation
5. Communication Strategies – With Full Organizational Assessment Committee and/or with a Subset of Organizational Assessment Committee - Discussion and Potential Recommendation
6. Next Meeting Date – Meeting Date and Time Subject to Doodle Poll
7. Other Business
8. Adjourn

DES MOINES WASTEWATER RECLAMATION AUTHORITY
ORGANIZATIONAL ASSESSMENT COMMITTEE
&
EXECUTIVE COMMITTEE

Thursday, March 31, 2022 @ 1:00 PM

**MEETING LOCATION:
BURNHAM CONFERENCE ROOM
DES MOINES METROPOLITAN PLANNING ORGANIZATION
420 WATSON POWELL JR. WAY, SUITE #200
DES MOINES, IOWA**

MINUTES

Committee Members in Attendance

Frank Cownie, Des Moines
Linda Westergaard, Des Moines
Sara Kurovski, Pleasant Hill
EJ Giovannetti, Polk County
Joe Sassatelli, Urbandale Sanitary Sewer District
Jody Smith, West Des Moines
Tom Hadden, West Des Moines

Others in Attendance

Chelsea Huisman, Polk City
Scott Hutchens, Operating Contractor
James Beck, Operating Contractor
Jeffrey Lester, Operating Contractor
Scott Sanders, Operating Contractor
Lisa Etnyre, Operating Contractor
Richard Clark, Operating Contractor Consultant*

* Participated in the meeting via telephone due to the fact that it was impractical or impossible to participate in the meeting in person.

1. Call to Order

Jody Smith, Committee Co-Chair, called the March 31, 2022, meeting to order at 1:00. Jody and Scott Sanders welcomed Rick Clark (on the phone), the Consultant for the Operating Contractor to the meeting.

2. Minutes of December 13, 2021, Organizational Assessment Committee Meeting – Information

Sara Kurovski made a motion to accept, and Joe Sassatelli seconded the motion. All in favor.

3. Comments by Committee Co-Chairs

Jody Smith welcomed the group to the meeting. He asked E.J. Giovannetti if he had any comments for the committee. EJ stated he and Jody had been in discussions with Linda Westergaard, all members of a Subcommittee tasked with bringing a recommendation as to Counsel, formulating agenda topics for discussion by the full committee. They tried to identify issues and topics in the current 28E/28F and Operating Contract that have been brought to their attention. It should not be construed there is any forgone conclusion(s) on where these items will lead but have been compiled for discussion and to identify everyone's concerns. EJ stated a document had been sent out to the committee with those items and topics related to the 28E/28F and Operating Contract and all Organizational Assessment Committee members should bring additional items they had up for consideration to be on the list. It is understood once discussion gets started other areas of concern could or will arise. If those questions or issues come to mind please reach out to the Co-Chairs so all items that need to be discussed get on the list for consideration.

4. Retention of Counsel for Organizational Assessment Committee as Process Progresses in Reviewing Existing, and Possible Extension, of WRA Operating Contract – Recommendation by Subcommittee - Discussion and Potential Recommendation

EJ stated that he Linda and Jody spent time interviewing two attorneys to represent the WRA in the review of the Operating Contract and 28E/28F. The two attorneys interviewed were Scott Brennan and Rick Malm. After much discussion and consideration, it was determined by the Sub-committee that they would recommend Rick Malm as the attorney to represent the WRA. It was felt that both attorneys were capable, but Mr. Malm had a little more experience in the areas of this short-term engagement.

Jody commented the questions that formulated for the attorneys at the December meeting had been shared with both attorneys when they were interviewed and that those tasks would be included in the engagement letter of the Attorney ultimately selected. Jody also stated the fees for both attorneys were comparable and not a deciding factor in the ultimate recommendation by the Subcommittee.

Sara Kurovski asked about process for the engagement of Rick Malm as the attorney representing this Committee. Sara stated it's her understanding this recommendation would go to the WRA Board, at the April Board meeting, for approval of this engagement and fees and asked would there be a dollar cap on this engagement. EJ responded that, if recommended by the full Committee, this recommendation would go to the April Board meeting and stated he wouldn't recommend a cap because he's not sure on the number of hours required for this work.

A suggestion was made a monthly summary of fees, for review by the Committee, could suffice as a way for those costs to be monitored.

The motion to recommend to the WRA Board the engagement of Rick Malm to represent the Organizational Assessment Committee on discussions related to the review of the Operating Contract and possible revisions or re-write of the 28E/28F

agreement and other matters pertaining to this task was moved by Kurovski and seconded by Hadden. The motion passed unanimously.

5. Bifurcation of Identified Issues – 28E/28F and Operating Contract - Discussion and Potential Recommendation

Jody discussed the draft document sent to the Committee regarding the list of items up for discussion during the review process - bifurcating the 28E/28F agreement items and the Operating Contract items. He reiterated items listed aren't endorsed by anyone but just a list of items up for discussion that have been gathered over time from discussions and comments from Board members, Operating Contractor staff, Committee members, member communities and others. The Co-Chairs would like to complete the list of topics at this meeting, or sent to them immediately after the meeting, so this document can be sent along to the Board as part of the meeting minutes.

Joe Sassatelli asked the question regarding how the chief operating officer/director's compensation is determined and if the Board has or can have input in the compensation package. He would like to have this part of the discussion included on the list of topics for further review.

Sara Kurovski asked about membership to the WRA for underlying communities within sanitary sewer districts - such as the City of Urbandale and Windsor Heights which are not members of the WRA – as sanitary sewer districts serve their citizens are and how this needs to be addressed in the 28E/28F. Jody indicated this has been included on the list however there needs to be more discussion on this topic moving forward.

Sara understands the WRA Board is currently focused on operational tasks but wondered if discussion should be had regarding looking at this from a visionary standpoint 15-20 years in the future how the WRA will look. Will we be ready to tackle new regulations, be a leader in the industry, be able to address sprawl and how we plan for this. In essence, how do we be a leader in the region so we can plan, serve and be pro-active on current AND future issues and not just be driven by operational and project needs. She believes this process gives us the opportunity to look at the future and the bigger picture as far as the WRA's role in the region. Her suggestion was added to the draft list.

Jody indicated an issue was raised by the Operating Contractor regarding notice of termination of the Operating Contract, which is currently 18 months, and if this could be extended to possibly 24 months. Also, if notice is going to be given on the current contract perhaps that notice should be given in advance of the 18-month timeframe.

Jody discussed timeline on moving this process forward and indicated that, after the attorney's engagement is approved by the WRA Board, we would need to allow some time to the attorney for review of the documents and then schedule another meeting with the committee.

6. Next Meeting Date - Discussion and Potential Recommendation

Jody Smith noted a Doodle poll will be sent out to determine the next meeting date.

7. Other Business

Scott Hutchens mentioned that Chelsea Huisman, as the newly designated Secretary of the Board, is now a member of the Executive Committee but isn't specifically listed as a member of the Organizational Assessment Committee (OAC). It was decided Scott will place an agenda item on the next Board meeting to update the Committee membership and that the Committee membership could move forward with nine given that Tim Moerman had retired from the City of Waukee.

8. Adjourn

The meeting adjourned at 1:53 PM

28E/28F

IDENTIFIED “ISSUES”

Reviewed at March 31, 2022 Committee Meeting
In no particular order

- Specific designation of City of Des Moines as Operating Contractor
- “Independence” of Director
- Desire language pertaining to resolution of disputes between among member communities/districts AND, in the case of a sewer district, language/method by which a “dispute” with an involved, but non-WRA governmental entity (e.g.; city, county) could be resolved.
- Weighted Voting
 - Other than appointment or termination of WRA Director currently a weighted vote could be called on any other issue
 - Designation of issue(s) where a weighted vote could be called
 - Currently based on last “regular or special” census
 - Other options:
 - Most recent Census Bureau estimates
 - Based on Flow
- Board members: currently every 25,000 population equals a Board member unless an entity opts to have less than the number allowed (e.g., Des Moines, West Des Moines and Ankeny have opted to self-limit their voting representatives)
 - Current Board is 20 persons, moving to 21 in July; If Des Moines, West Des Moines, and Ankeny opted to have maximum allowable Board members the WRA Board would be comprised of 29 persons and likely more as other entities designate Board members to allowable number
 - Modify language concerning additional board member allocations (every member would continue to have at least one Board member)
- Consider adding, to Article II, Section 1 - Purpose, language challenging the WRA to be a leader in the treatment of wastewater and to be visionary in treatment and conservation processes

OPERATING CONTRACT IDENTIFIED “ISSUES”

Reviewed at March 31, 2022 Committee Meeting
In no particular order

- Overall observation moving forward:
 - Keeping the existing Operating Contract, essentially, as is
 - Modifying the existing Operating Contract with the City of Des Moines
 - Entirely changing the model
- Should the WRA be a separate legal entity (as are MWA, DART) with their own staff
- “Independence” of Director
- Longer notification period as to termination of Operating Contract
- Agreement for less than 20 years
- Legal Services provided by individual/firm other than City of Des Moines
 - Would need to delineate/specify all or which legal service
- Better understanding of how PILOT charges are determined by Operating Contractor and passed on to WRA
- Similarly, better understanding of how indirect costs are determined by Operating Contractor and passed on to WRA
- Allowing WRA to “investigate/shop around” for certain services to be provided by an entity other than the Operating Contractor
- Does the WRA need to continue mimicking the Procurement, Purchasing, Bidding and Other Similar Policies of the Operating Contractor
- How to resolve potential conflict(s) of interest between the Operating Contractor and the WRA
- Review mechanism by which the compensation of the WRA Director is determined/established