

NOTICE OF MEETING
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

AGENDA

1. Call to Order
2. Minutes of December 13, 2021, Organizational Assessment Committee Meeting – Information
3. Comments by Committee Co-Chairs
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
5. Bifurcation of Identified Issues – 28E/28F and Operating Contract - Discussion and Potential Recommendation
6. Next Meeting Date - Discussion and Potential Recommendation
7. Other Business
8. Adjourn

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Monday, December 13, 2021 @ 1:00 PM

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

The Metropolitan Planning Organization requires all individuals to wear a mask in the office regardless of immunization status. Please use the side door for entry to the MPO Office for the WRA Board meeting to minimize contact with MPO Office Staff

MINUTES

Committee Members in Attendance

Paul Moritz, Ankeny
Frank Cownie, Des Moines
Linda Westergaard, Des Moines*
Michael McCoy, Clive*
Sara Kurovski, Pleasant Hill
EJ Giovannetti, Polk County
Joe Sassatelli, Urbandale Sanitary Sewer District
Tim Moerman, Waukee
Jody Smith, West Des Moines
Tom Hadden, West Des Moines

Others in Attendance

Scott Hutchens, Operating Contractor
James Beck, Operating Contractor
Jeffrey Lester, Operating Contractor*
Lawrence McDowell, Operating Contractor
Scott Sanders, Operating Contractor
Jonathan Gano, Operating Contractor
Nickolas Schaul, Operating Contractor*

* 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

EJ Giovannetti, Committee Co-Chair, called the December 13, 2021 meeting to order at 1:07
2. Minutes of October 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

EJ Giovannetti thanked the group for participating and for being there. He asked Jody Smith if he had any comments before beginning and Jody echoed EJ's comments. Jody noted that he and EJ have had several conversations with attendees including Mayor Cownie, Linda Westergaard, Scott Sanders and Jonathan Gano.

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

Jody Smith began the discussion by discussing a document that was formulated with input from committee members and when Jody, EJ, Linda, and Mayor Cownie met December 10, 2021. The document was handed out to the group and provided in email prior to the meeting. EJ noted the purpose of the document was to develop elements to help counsel advise the committee through the process to make sure it is done right and to have an independent counsel to negotiate on behalf of the WRA. Sara Kurovski asked if there was an analysis already completed to review the pros and cons of being an independent organization similar to the MWA, DART, etc. EJ clarified that it was hoped that the counsel who is retained would help guide through that process. Paul Moritz asked if anyone knew of any other regional entities similar to DART and MWA who the group may be able to draw from. EJ noted that the committee was open to any and all suggestions from the members or others regarding which other organizations should be reviewed or conversed with. Tim Moerman said from his viewpoint it is about gathering information to make a good decision and when he thinks of DART and MWA he thinks of organizations that function well being stand-alone. He noted when he looks at the big picture he thinks the model works well today but we need to examine whether another model would work better. EJ noted that WRA is similar to DART and similar to MWA but WRA is not the same as them as WRA contracts out operation to the City of Des Moines. Jody Smith told the group to reach out by the first week of January 2022 to allow the smaller group the ability to take the groups comments and utilize them for their task. Jeff Lester noted that the City of Des Moines will need to hire outside council to represent the City of Des Moines for representation through the process as well.

5. Review of Operating Contract by Operating Contractor - Discussion and Potential Recommendation

Scott Hutchens reviewed the bullet points included in the packet of information that was distributed to the committee. Tom Hadden asked for a clarification on the current structure of WRA employee assignments and how the WRA staffing levels were determined. Scott Hutchens noted that the WRA Board approves the staffing levels annually and the positions and hierarchy are not scrutinized because the positions are paid for and approved by the WRA Board. Tom Hadden asked if there were many individuals who moved internally within the City to the WRA positions and Scott Hutchens noted there have been a few.

ITEM 2

Tom Hadden asked about future development and future needs for the WRA. Scott Hutchens informed the group that the WRA currently has a Facility Plan update being completed for the WRA Conveyance System and the WRA Treatment Facilities which will review the WRA's needs for the future.

6. Next Meeting Date - Discussion and Potential Recommendation

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

7. Other Business

8. Adjourn

The meeting adjourned at 2:12 PM

INTEROFFICE MEMORANDUM

TO: WRA Meeting, Thursday, March 31
FROM: E.J. Giovannetti
DATE: March 29, 2022
SUBJECT: Recommendation for Independent Counsel

After interviewing two very qualified lawyers the Subcommittee (Linda Westergaard, Jody Smith, and EJ Giovannetti) recommends Rick Malm of the Dickinson Law Firm to serve as counsel to the Organizational Assessment Committee.

In the future, if the 28E/28F and/or the Operating Contract reflect independent counsel for the WRA Board, Rick, personally, is not interested in serving in that capacity.

28E/28F

IDENTIFIED “ISSUES”

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, 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)

OPERATING CONTRACT IDENTIFIED “ISSUES”

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
- Who determines compensation of WRA Director