

## 2026 CWS Board of Directors Work Session

### Minutes

Friday, February 6, 2026, 9:00 am

Central

15195 NW Greenbrier Parkway, Beaverton, OR 97006

**Board members present:** Chair Kathryn Harrington  
Director Nafisa Fai, District 1  
Director Pam Treece, District 2  
Director Jason Snider, District 3

**CWS staff present:** Elizabeth Edwards, Chief of Staff  
Kathy Leader, Chief Financial Officer  
Joe Gall, Chief Utility Relations Officer  
Caroline Lobdell, General Counsel and Chief Compliance Officer

### NOTE:

Director Willey was excused from the meeting.  
Director Fai arrived at 9:06 am.

**I. CONVENE MEETING – 9:02 am**

**A. Welcome**

*Elizabeth Edwards, Chief of Staff*

Edwards discussed housekeeping issues and provided overview of the meeting agenda.

**B. FY 2025-26 Quarterly Financial Report ([00:05:05](#) on recording)**

*Kathy Leader, Chief Financial Officer*

Leader presented the FY 2025-26 Quarterly Financial Report PowerPoint (p8 in agenda packet).

**Issues Discussed**

Leader provided background and overview of the quarterly financial report.

Leader discussed percentages of the budgeted revenue collected and budget spent over 5 years.

Treece asked if debt is represented in this discussion and Leader replied it is not.

Leader discussed FY 2025-26 Q1 budgeted revenue collected from service fees and system development charges compared against the same quarter of the prior year.

Leader discussed FY 2025-26 Q1 expenditure on labor costs, materials and services, and capital costs compared against the same quarter of the prior year.

Treece inquired why there is a drop in system development charges collected in current year Q1 compared to the prior year. Snider and Leader both discussed possible reasons for the reduction in collection.

Discussion about expenditure outcomes after the rate reduction last fiscal year from 4% to 3%. Leader said that going forward, CWS cannot apply 3% rate across all categories and do the capital program that must be done. Leader added that the cost in not funding the capital levels as projected would mean spending \$40 million in reserves. Discussion about issuing a bond as an alternative to spending reserves.

**C. CWS Annual Financial Audit Report ([00:35:08](#) on recording)**

*Kathy Leader, Chief Financial Officer*

*Julie Desimone, Audit Engagement Principal, Baker Tilly*

Desimone presented the 2025 Audit Results PowerPoint (p19 in agenda packet).

### **Issues Discussed**

Desimone reviewed the scope of service provided to CWS. Desimone identified significant audit areas: Management Override of Controls, and Testing over Industrial Revenue.

Desimone discussed the results of the audit of the CWS Annual Comprehensive Financial Report.

Desimone reviewed two new audit standards implemented this year: GASB 101-Compensated Absences, and GASB 102-Certain Risk Disclosures. General discussion about GASB standards.

Desimone discussed two audit adjustments: 1) reclassification between short term and long term compensated absences, and 2) record accrual for a legal settlement. These will be recorded in FY 2026 although they occurred in FY 2025.

Desimone complimented CWS Finance Department's responsiveness and professionalism.

### **10:05-10:20 am BREAK**

#### **D. Compliance Overview** ([01:01:56](#) on recording)

*Caroline Lobdell, General Counsel and Chief Compliance Officer*  
*Bruce Cordon, Regulatory, Compliance and Audit Manager*

Lobdell and Cordon presented the Compliance Overview PowerPoint (p28 in agenda packet).

### **Issues Discussed**

Lobdell discussed scope of the Compliance program. Lobdell stated that compliance historically revolved around regulatory permits, but now encompasses broader scope across CWS.

Lobdell provided overview of the General Counsel and Chief Compliance Officer job description and duties.

Cordon explained process for policy development and approval within the Compliance program. Cordon presented the policies and procedures completed since June 2025, as well as policies and procedures under development.

Cordon discussed the Audit program. Cordon stated that the first audit will be of the Procurement program. Cordon presented next steps for the Compliance program.

Discussion about Ordinances 37 and 38.

**E. CWS Employee Update** ([01:45:52](#) on recording)

*Holly Dober, Human Resources & Risk Management Director*  
*Jamie Waltz, Culture and Development Leader*

Dober and Waltz presented the Employee Update PowerPoint (p39 in agenda packet).

**Issues Discussed**

Dober presented the CWS organizational chart. Dober discussed the breakdown of the CWS workforce, hiring and recruiting statistics, and workforce demographics.

Dober discussed succession planning and career pathway options for CWS employees.

Discussion about hiring and demographics. Staff clarified CWS does not currently have a policy goal to have workforce demographics match Washington County demographics.

Discussion about workforce turnover numbers.

Waltz discussed the Culture & Development program, formerly named the Culture, Equity & Learning program.

Waltz spoke about the benefits of investing in employee engagement.

**II. LUNCH BREAK – 11:51 am**  
**RECONVENED – 12:53 pm**

**F. Performance Excellence and Roadmap 2.0** ([02:36:00](#) on recording)

*Elizabeth Edwards, Chief of Staff*  
*Jamie Waltz, Culture and Development Leader*

Edwards and Waltz presented the Performance Excellence and Roadmaps 2.0 PowerPoint (p56 in agenda packet)

**Issues Discussed**

Edwards provided presentation overview.

Edwards discussed CWS' history with the Baldrige Performance Excellence program. Edwards stated that CWS' involvement with this program ended in 2026, but will carry forward beneficial aspects of the program. CWS will continue to implement and update strategic and department roadmaps. Edwards added that CWS will not pursue the Malcolm Baldrige National Quality Award.

Waltz discussed opportunities and benefits of roadmaps, as well as next steps in the implementation of an update to roadmaps.

**G. Climate Action Strategic Roadmap Update** ([02:57:30](#) on recording)

*Elizabeth Edwards, Chief of Staff*

*Jamie Waltz, Culture and Development Leader*

Edwards and Waltz presented the CWS Climate Action Strategic Roadmap Update PowerPoint (p68 in agenda packet).

**Issues Discussed**

Edwards provided presentation overview.

Waltz discussed previous work completed on the roadmap, and provided updates on the current status of the roadmap.

Edwards discussed the mitigation and adaptation goals of the roadmap, initial strategies and work in progress.

Waltz discussed transitioning the goals of the roadmap from plan to action.

Discussion about the shifting climate.

Edwards discussed next steps for the roadmap.

**2:05-2:15 pm BREAK**

**H. Board Planning and Discussion** ([03:49:42](#) on recording)

*Kathryn Harrington, Chair*

*Rick Shanley, Interim Chief Executive Officer/GM*

*Elizabeth Edwards, Chief of Staff*

Edwards presented the draft planning document (p90 in agenda packet).

**Issues Discussed**

Edwards reviewed the planning document.

Edwards discussed items to present to the Board in the forthcoming months.

Discussion about 2026 industry-related, educational travel opportunities for the Board.

Edwards reviewed the rolling agendas for CWS standalone meetings.

**I. Wrap Up**

*Elizabeth Edwards, Chief of Staff*

**III. MEETING ADJOURNED – 3:02 pm**