CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
November 8, 2018

COMMISSIONERS PRESENT:
Hugh Kalani, President
Sherry French Secretary
Naomi Angier, Treasurer
Rusty Garrison
David McNeel

STAFF PRESENT:
Todd Heidgerken, General Manager
Karin Holzgang, Executive Assistant to the Board

CRW Employees: Chief Financial Officer, Carol Bryck; Chief Engineer, Adam Bjornstedt; Engineering Manager, Joe Eskew, Emergency Manager, Donn Bunyard, Emergency Manager, Donn Bunyard; IT Manager, Kham Keobunnam

COMMISSIONERS ABSENT: 0

VISITORS: Chris Howes, Mona Kalani, Gary Kerr, Lynn Fisher, Lee Moore Sr.

Call Work Session to Order

Commissioner Kalani called the meeting to order at 6:00 pm. The pledge of allegiance was recited.

1. **Backbone & CIP Update-**
    - In the first phase of the backbone projects two projects have been completed; four projects and in construction and 1 project is in design.
    - 49% of the phase 1 bonded dollars have been spent to date.
    - Still anticipate that all of the projects will be completed by end of 2019
    - 152nd Ave Reservoir project
        - Rotschy Inc is the contractor on this project
        - Sunrise Water authority is sharing in the project and will contribute $4.5 million
        - Ongoing community outreach continues
    - Redland Reservoir Project
        - 2KG Contractors was awarded the project
        - July to September the site piping, storm water detention, tank ringwall foundation and retaining walls
        - Steel tank contractor was onsite in September; tank walls are up and tank fabrication is anticipated to be complete by Thanksgiving
    - Hattan Rd. Pump Station Project
        - Project was awarded to Rotschy Inc.
        - Property partition and purchase was completed in October
        - Currently in pre-construction work including submittal/RFI review
        - Project site is staked and ground-breaking underway
    - Hattan Rd. Transmission Main Project
        - Project awarded to Tapani, Inc.
        - Pre-construction work including submittal review, site visits and planning of staging areas

  - Traffic control plan and permit for erosion control have been submitted
- Highway 224 Intertie
  - Design at 70%
  - Alignment adjustments completed
  - Permitting with ODOT
    - Potholing 12" NWN gas line complete
    - Overall project permit- in preparation
  - Easements at Hwy 224/212 interchange being negotiated
  - Projected design complete by end of December
- Backbone Spending
  - Current project schedules are looking like the 85% spend rate by March 2019 will not be met but may be close. This would require additional reporting to the IRS by CRW. Not meeting this goal will not negatively impact our ability to acquire bonding for phase 2 projects. Planning to begin phase 2 bonding the beginning of summer 2019
  - Contributing factors to the spend rate
    - Schedule changes
    - Shared cost of 152nd reservoir with Sunrise Water Authority
    - Some projects under-budget (Butterfield Ln)
    - Carver-Springwater project coordination with County
    - Land use and permitting
    - Site Design and construction challenges that equal schedule impact
    - Property acquisition timelines
    - Balancing goals of good financial stewardship with need to expend funds
- Recap of phase 1
  - Completed both Butterfield Ln transmission main and Carver-Springwater transmission main
  - Currently in design on Hwy 224 intertie
  - Projects in construction
    - Hattan Rd. Pump Station
    - Hattan Rd. Transmission Main project
    - Redland Reservoir Project
    - 152nd Ave. Reservoir Project
  - Project acquisitions, easements, and land use approvals are substantially complete for all projects
  - By late 2018 all phase 1 projects will be in construction and by end of March 2019 all projects will be completely or partially constructed
- **CIP Project Update**
  - ODOT/City/Clackamas County adjustments- work occurs as needed; there are three projects CRW is tracking
  - Carver Bridge Transmission Main- complete (funding was transferred from bond money)
  - Redland Rd. waterline upgrade- planning and design in progress
  - Leland Rd. Master Meter and waterline- planning and design in progress
  - Curtis Court Waterline replacement- complete
  - S. Edgewood Drive Waterline replacement- estimated design start is December
  - 82nd Ave. Waterline abandonment –project complete

- Pump station electrical upgrade- upgrades/repairs on deficiencies identified by a study conducted by and Electrical Engineering firm that CRW contracted with through an RFP process.
- Several private development projects that will impact CRW are on the horizon

2. **Commissioner Communications-**
   - Commissioner French welcomed Lynn Fisher from Oak Lodge

Work Session Adjourned at 6:46 pm

Call Regular Meeting to Order

Commissioner Kalani called the meeting to order at 6:46 pm

MOTION: Commissioner McNeel move to approve the agenda as amended removing Agenda item 4 from the agenda. Commissioner French seconded the motion

MOTION CARRIED 5-0

Ayes: Angier, French, Kalani, Garrison, McNeel
Nays: None
Abstentions: None

The Commissioners would like to have a work session to conduct a discussion on the General Managers contract amendment. The Commissioners would like to have Mr. Steringer there. The Work Session will be held on November 14, 2018 at 9am.

Public Comment: none

Agenda Item 1.0 Consider Annexation endorsement into the CRW service boundary for the property located at 17367 S. Holcomb Rd., Oregon City, Oregon (TLID 22E25B 00600)

MOTION: Commissioner Angier move the Board approve Resolution No. 04-2019 endorsing annexation of territory into the Jurisdiction Boundaries of Clackamas River Water for property located at 17367 S. Holcomb Road, Oregon City Oregon and related county right-of-way. Commissioner French seconded the motion.

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MOTION CARRIED 5-0

Ayes: Angier, French, Kalani, Garrison, McNeel
Nays: None
Abstentions: None

Agenda Item 2.0 Insurance Agent of Record Contract

MOTION: Commissioner Angier move the Board approve the selection of WHA Insurance for insurance agent of record services and authorize the General Manager to negotiate and sign the contract. Commissioner Garrison seconded the motion.

Mr. Heidgerken explained the process that staff conducted in order to get an agent to present to the Board for approval. There was an RFP process that had two firms respond. The review committee looked at and scored the proposals and now have a recommendation for the Board.

MOTION CARRIED 5-0

Ayes: Angier, French, Garrison, Kalani, McNeel
Nays: None
Abstentions: None

Agenda Item 3.0 Second Reading of Resolution 03-2019, by title only, Amending Board Policy Section 3.5 Purchases, Acquisition by Donation and Disposition of Real Property

MOTION: Commissioner Angier move the Board conduct a second Reading, by Title only, and approve Resolution 03-2019. Commissioner French seconded the motion.

Mr. Heidgerken explained this was the second reading of the resolution to amend Board policy. Commissioner McNeel asked if the vacating of a Public Utility Easement was a common practice and counsel did not have firsthand experience with this type of easement previously.

MOTION CARRIED 5-0

Ayes: Angier, French, Garrison, Kalani, McNeel
Nays: None
Abstentions: None

~~**Agenda Item 4.0 General Manager Contract Amendment**~~ **Item removed from the agenda**

Consent Agenda

CA-1: Gross Payroll and Account Paid for October 2018

CA-2: Cash Position and Transfers October 2018

CA-3 Project Acceptance: Abernethy Landing Subdivision Water System

MOTION: Commissioner McNeel I moved to approve the Consent Agenda as presented. Commissioner French seconded the motion.

MOTION CARRIED 5-0

Ayes: Angier, French, Garrison, Kalani, McNeel
Nays:
Abstentions:

Agenda Item 5.0 Quarterly Report through September 30, 2018

Ms. Bryck shared that the first quarter of FY 19 has been completed in the second year of the biennium.

- First quarter of the second year of the biennium is 62.5% of total budget current revenue is 68.9% or $1.5 million over forecast
- General Fund Expenses
  - Personnel Services 59.6%
  - Materials & Services 54.6%
  - Capital Outlay 29.2%
  - Areas to watch- personnel services are fine but in the process of hiring in System Operations and Engineering
  - Materials & Services- all categories are tracking within budget
  - Capital Outlay- under budget but there are vehicles in the process of being purchased
- SDC Revenues
  - Biennial budget - $569,800
  - Actual to date is $482,394
  - SDC Reserves – approximately $2million- can be used for future CIP projects
- Capital Improvement projects fund- actual to date $1,062,666
- CIP Bond Construction fund (Backbone)- actual to date $11,238,194

Agenda Item 6.0 General Manager Report

- SFWB Project update- the final coordination meeting was held earlier this week. Discussed at the meeting was the notification process and contingency/backup plans. The work is anticipated to begin November 14th for the shutdown phase of the work. The full project is on schedule
- The Water Distribution Supervisor position and the seasonal/temporary water utility worker position have been filled
- Commissioners Garrison & McNeel, Mr. Heidgerken and Mr. Bjornstedt met with members of Clackamas Fire earlier to week as an interagency effort. The plan is to meet again in six months

Agenda Item 8.0 Commissioner Reports and Reimbursement Requests

Regular Meeting adjourned at 7:20pm

The Meeting reconvened at 7:22pm

-There are calendar changes that are listed on hard calendar copies

The Board will move into Executive Session – the Basis of the Executive Session is ORS 192.660 (2) (f) and 192.355 (9) and ORS 192.660 (2) (e)

Regular Meeting re-adjourned at 7:24pm