**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS**

**REGULAR BOARD MEETING**

 **BOARD INDEX OF AUDIOTAPE**

 **August 13, 2015**

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| **COMMISSIONERS PRESENT:** | **STAFF PRESENT:** |
| Ken Humberston, President | Lee Moore, General Manager |
| Hugh Kalani, Secretary | Carol Bryck, Chief Financial Officer |
| David Mc Neel | Cindy Richards, Administrative Assistant SWA |
| Larry Sowa |  |
|  |  |
|  | CRW Employees: Bob George, Chief Engineer; Donn Bunyard, Emergency Manager; Kham Keobounnam, IT Manager |

**VISITORS:** Ernie Platt, Warren Mitchell

**Call to Order**

The meeting was called to order at **6:00 pm** by President Humberston. The pledge of allegiance was recited.

**MOTION:** Hugh Kalani moved to approve the agenda as amended Dave McNeel seconded the motion.

 **MOTION CARRIED 4-0**

 **Ayes:** Humberston, Kalani, Mc Neel, Sowa

 **Nays:**

 **Abstentions:** None

**Closed Session Report-** July 9, 2015 Topics Discussed:

During the Executive Session the Board met to review compensation for the GM for FY 15/16 as well as FY 15/16 goals. Review of the progress of the agreement with SWA (ORS 190), the GM evaluation, proposals by CRW to deal with the drought and review plans for a search for a GM replacement and fast tracking the Carver Bridge backbone project

**Presentation: Drought Update by Suzanne DeLorenzo, PhD, Water Quality Manager**

Suzanne presented on the drought conditions that in July the area was in moderate drought conditions and currently we are in severe drought conditions but there has no declaration by the Governor to declare a drought in Clackamas County (the request to declare a drought would need to come directly from the county). Dr. DeLorenzo had heard of a meeting of a drought update meeting scheduled for August 20th but needs to confirm this with Water Resources Department.

 The river levels are getting lower with the average daily mean 670 cfs which is low, stage three of the curtailment plan is triggered by levels below 750 cfs after September 15. A couple of things happen in September to make changes and those are 1) kids go back to school which decreases demands and 2) PGE could release water (about 90 cfs). The stage 2 mailers were sent to the printers and should be arriving to customers next week. Next Monday the information will be going to the media.

 Commissioner Sowa asked if the reason that a drought declaration has been delayed by the Governor is because of the water providers in the basin. Dr. DeLorenzo doesn’t believe this to be true, she feels that it isn’t just the water providers but the entire County by anyone who has an interest in using water. Commissioner McNeel asked if she had heard more from the Water Master about the county. Commissioner Humberston asked if there had been any word from Lake Oswego if they would join CRW in going to stage 2 and she said that they are reluctant to do so and are not currently ready to move that way.

**Agenda Item 1.0 Acknowledge the insurance change to SDAO/SDIS –** *Lee E. Moore, Sr. General Manager*

**MOTION:** Hugh Kalani moves to acknowledge the insurance coverage change for Liability and Directors and officers insurance to SDAO/SDIS. Dave McNeel seconded the motion.

Mr. Moore explained that CRW moved from coverage by a private provider to coverage by SDAO/SDIS and this coverage is known as bridge protection, since we had another carrier previously any claims made during the time of coverage up to three years in the future would be covered by this bridge insurance.

**MOTION CARRIED 4-0**

 **Ayes:** Humberston, Kalani, McNeel, Sowa

 **Nays:**

 **Abstentions:**

**Agenda Item 2.0 Approval of the extension of the contracts with Wilson-Heirgood as Insurance Agent of Record, Phillips Law as General Counsel and Moss Adamsfor Auditing Services -** *Lee E. Moore, Sr. General Manager*

The Board has expressed a desire to move forward quickly with the process for bonding and per the LCRB rules adopted by the Board contract under $100,000 do not need to go through a competitive bid process. The Board has met with the Bonding agent that will be contracted with for services

**MOTION:** Hugh Kalani moved to Approves the extension of the contracts with Wilson-Heirgood as Insurance Agent of Record for 3 additional years and Phillips Law as General Counsel and Moss Adams for Auditing Services for an additional year and authorizes the General Manager to sign the contract extensions for Wilson-Heirgood and Moss Adams and Dave McNeel seconded the motion

Mr. Moore shared that CRW has utilized the services of Phillips Law ended June 30th, 2015 and Moss Adams and Wilson-Heirgood contracts will end December 31, 2015. The Phillips Law and Moss Adams will be extended for 1 additional year with the Wilson-Heirgood contract being extended for an additional three years. When this Board first came to office Wilson-Heirgood was hired and they provide administration of our plan as well as worker’s compensation and safety which is not provided by others. Usually it is best practice to not keep an auditor for more than 5 years but in light of the timing of past issues for the agency it is recommended that we continue to utilize their services. Commissioner Sowa asked that how long it has been since we went out to bid for these services. It has been 3 years since we went out to solicit services for agent of record and found there were no other vendors that provided the same services. For Legal services we have had for 8 years and have not gone out to the market at the request of the Board based on the litigation we have been involved in. We have utilized Moss Adams for 5 audits

**MOTION CARRIED 3-1**

 **Ayes:** Humberston, Kalani, McNeel

 **Nays:** Sowa

 **Abstentions:**

**Agenda Item 4.0 Waterline Easement:** Consider acceptance of a waterline easement granted by CH Realty III/ Clackamas, LLC, Inc. on Tax Lot 2700, Map 2S2E04B**-** *Robert George, Chief Engineer*

Mr. George shared that this is a simple waterline easement; Chevy’s restaurant is being remodeled and needs relocation of their fire service, fire hydrant and domestic service. The drawings have been review and staff is recommending the GM sign the easement

**MOTION:** Commissioner Kalani moved to approve the waterline easement on property at 12520 SE 93rd Ave as described in Exhibit A and authorize the General Manager to sign the “Easement”. Commissioner McNeel seconded the motion.

**MOTION CARRIED 4-0**

 **Ayes:** Humberston, Kalani, McNeel, Sowa

 **Nays:**

 **Abstentions:**

***Convene Local Contract Review Board***

**Agenda Item 5.0 Second Reading of Resolution 01-2016, by title only- Amending Local Contract Review Board Rules-** *Lee E. Moore, Sr., GM*

**MOTION:** Commissioner Kalani moved adopt Resolution 01-2016 amending Local Contract Review Board Rules. Commissioner McNeel seconded the motion.

 Mr. Moore shared that this is a house keeping provision to the Local Contract Review Board Rules where there were 3 wordsmithing additions/changes.

**MOTION CARRIED 4-0**

 **Ayes:** Humberston, Kalani, McNeel, Sowa

 **Nays:**

 **Abstentions:**

**Agenda Item 3.0 Approval of surplus property for FY 14/15-** *Lee E. Moore, Sr., GM*

Mr. Moore shared with the Board that the since surplus property is approved and disposed of per LCRB rules and statute that this agenda item should be addressed while the Local Contract Review Board was convened. The policy issue is that the GM is to bring property once a year before the Board to be declared that the agency wishes to dispose of. Mr. Moore alerted the Board that SWA was interested in the F550 vehicle and per statutes another public agency could have first right of refusal for surplus. The remaining property on the list would be listed on Craig’s list

**MOTION:** Commissioner Kalani moved to approve the listing of surplus property for FY 15/16 to be disposed of in accordance with Oregon Statues and Local Contract Review Board Rules Commissioner McNeel seconded the motion.

**MOTION CARRIED 4-0**

 **Ayes:** Humberston, Kalani, McNeel, Sowa

 **Nays:**

 **Abstentions:**

***Contract Review Board closed and The Board moved unanimously to re-convene the Regular Board Meeting***

**Consent Agenda**

 CA-1: Gross Payroll and Account Paid for July 2015

 CA-2: Cash Position and Transfers July 2015

 CA-3: GM Salary adjustment

**MOTION:** Commissioner McNeel moved the Board approve the Consent Agenda as presented. Commissioner Kalani seconded the motion.

Commissioner McNeel asked about the amount of money that CRW pays to South Fork Water Board was monthly or quarterly? Ms. Bryck shared that we are billed monthly by SFWB based on the amount of usage and then there is a true up occurs at the end of the year. There will be a work session coming up about the Southside Service area “Backbone” project and Commissioner McNeel want the public to understand the dollars spent to buy water from SFWB and how building out the backbone would mean that CRW could sell their own water to their customers rather than purchasing water from SFWB.

**MOTION CARRIED 4-0**

 **Ayes:** Humberston, Kalani, McNeel, Sowa

 **Nays:**

 **Abstentions:**

**Agenda Item 6.0: General Managers Report -** *Lee E. Moore, Sr., GM*

* **Board Work session on July 19, 2015** The Board was presented with the Continuity of Operations Plan with an example being shown of an Administrative event.
* **Engineering provided an** **update on the Bell Avenue** waterline relocation project where there was an over run on the estimated cost due to unforeseen utilities in the way that required the trench to be dug deeper.
* **Water Resources Department** provided an update on the drought conditions in the area. Also discussed was the customer survey that was sent out to our ratepayers and the favorable responses received on the quality of job CRW does.
* **Clackamas County Board of Commissioners** received a draft letter from CRWP seeking input on the current state of the Clackamas River. CRW staff felt the answers provided by the CRWP were incomplete and drafted their own response.
* **Report from the ORS 190 meeting** a task group of two Board members from CRW and SWA and the GM’s met to review the progress and receive additional direction to staff. Since the meeting both GM’s have met with each group and then both staff management teams will be meeting to go over the progress of the integration
* **Carver Bridge project** staff have been advised that the county is working to get all the involved engineers in the room together to talk about potential remedies
* **Supreme Court ruling on the Rogue Valley case** where the Home Rule Doctrine allows cities to tax other units of local government. There is still another case before the courts involving Gresham which has not yet been ruled upon and may have an impact on right of way fees.
* **City of Portland Emergency water supply agreement** CRW staff has received an emergency water supply draft agreement from the City of Portland. The agreement that CRW had with Portland for emergency water has expired and this new agreement would take effect. Mr. Moore asked that Board to approve that he sign the Emergency water supply agreement with Portland in the event it is needed.

**Public Comment:** Mr. Mitchell asked about the Toyota pickups that are sitting in front of CRW and asked why didn’t CRW buy American made cars? Mr. Mitchell was told that Toyotas are made in California. Mr. Mitchell also asked about the Ford F550 that was on the surplus list approved by the Board. Mr. Moore had shared with the Board that SWA was interested in re-configuring this vehicle for their purposes and that CRW would get a value of the vehicle and see if SWA was interested in purchasing this surplused vehicle. Third Mr. Mitchell asked about the contract extensions approved for Mr. Phillips and said that the court case he has filed will not be over within the year that CRW has the contract for legal services with Phillips Law.

**Meeting adjourned at 7:06pm**