

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
April 11, 2019**

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; IT Manager, Kham Keobounnam; Emergency Manager, Donn Bunyard; Water Resources Manager, Rob Cummings

COMMISSIONERS ABSENT: 0

VISITORS: Bob Steringer (Legal Counsel), Mona Kalani, Chris Hawes, Bill Schulenburg, Gary Kerr

Call Work Session to Order

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

1. Commissioner Communications-

- Commissioner McNeel asked about the door hangers that go on the door and about the 24 hour shut-off language.
- Commissioner French brought up the topic of the General Manager's review. It was discussed that the review would occur during the Executive Session this evening but there was a desire to wait to complete the GM review following the Moss Adams examination of the Backbone program.
- Commissioner Garrison feels that a process and commitment to conduct the review was put in place and feels the Board should stick to what they decided but is open to discussion.
- Commissioner Kalani said he feels having the examination completed by Moss Adams and having the report for the Board to review until the GM review is completed.
- The Board discussed having an Executive Session following the May 20th Work Session allowing for time to review the report submitted by Moss Adams regarding the program examination.

Work Session Adjourned at 6:06 pm

Call Regular Meeting to Order

Commissioner Kalani called the meeting to order at 6:07pm

MOTION: Commissioner McNeel move to approve the agenda as presented. Commissioner Angier seconded the motion

MOTION CARRIED 5-0

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

Agenda Item 1.0 Ordinance 01-2019- First Reading to adopt proposed charges to Rates, Fees and Charges (by Title Only)

MOTION: Commissioner Angier move that the CRW Board Approve Carol Bryck, CFO to conduct a first Reading by Title only of Ordinance 01-2019. Commissioner Garrison seconded the motion.

Ms. Bryck presented the information relating to rate increases as part of the 8 year rate plan along with additional changes and updates to other fees and charges. Once approved these charges will go into effect July 1 (rates in effect in June) and will be posted on the CRW website. These charges are used to determine rates for work done by CRW. See attached presentation.

MOTION CARRIED 5-0

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

Agenda Item 2.0 Consider Approval of Oregon Underground Settlement

MOTION: Commissioner Angier move to approve the proposed settlement agreement with Oregon Underground, Inc. regarding paving work on South Leland Road, and to authorize the General Manager to execute it on behalf of Clackamas River Water. Commissioner Garrison seconded the motion

Mr. Steringer provided background on this issue that occurred (on Leland Rd. as part of a waterline project that had defects on the paving) and had previously provided the Board with a memo to outline the details of the settlement and what lead to the point of needing a settlement.

Commissioner Garrison asked if Mr. Heidgerken had reviewed the settlement agreement with the Engineering staff and was comfortable with it and he is.

MOTION CARRIED 5-0

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

Agenda Item 3.0 Consider Approval of Inter-Governmental Agreement with Clackamas County: Relocation of Water Systems during the Clackamas Regional Center (CRC) Mobility Project

MOTION: Commissioner Angier move to approve the IGA with Clackamas County for Water System relocations during the Clackamas Regional Center (CRC) Mobility Project. Commissioner Garrison seconded the motion

Mr. Eskew shared with the Board that the IGA related to a Clackamas County that will affect CRW waterlines and that it would be best to have the County's contractor take care of the work impacting CRW and then CRW would reimburse for this work through the IGA. Once the final numbers are available after the projects are bid the Board will be asked to approve an amended IGA with final dollars for the work. CRW will have an inspector on site to observe the work that relates to CRW infrastructure

Commissioner McNeel, asked questions about this being another "Carver Bridge" situation. This situation is more similar to the Monterey project that CRW partnered with the County on. Commissioner McNeel asked about cost control of a contractor who is not directly CRW's. This agreement is for the design work only at this time and then when the actual project is bid that is when the amended IGA will go to the Board for those fees.

Commissioner McNeel asked about the risk that CRW provided the design to the County for the work and if there are issues with the project and how CRW' interests are protected. Mr. Steringer said there could be language added to the amended IGA to help with additional protections for CRW.

Commissioner Garrison asked if CRW has any say or control over the bid process by the County for the work.

MOTION CARRIED 5-0-1

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

Agenda Item 4.0 Consider Approval of a utility easement to be granted by Clackamas River Water to Portland General Electric (PGE) for power service to Hattan Rd. Pump Station site.

MOTION: Commissioner Angier move that the Board approve the utility easement on Tax Lot 22E24 AA00202 (the Hattan Road Pump Station site) as described in Attachment 1 and authorize the General Manager to sign the easement document. Commissioner French seconded the motion.

Mr. Bjornstedt shared that this easement is similar to the one that was granted to PGE at the 152nd Reservoir site in order to get power to the reservoir. This easement

would allow PGE to come in and install power to the Pump Station at the Hattan Rd. Pump Station.

MOTION CARRIED 5-0

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

Agenda Item 5.0 Consider Approval of Portland General Electric (PGE) Dispatchable Standby Generation (DSG) Agreement for Hattan Rd. Pump Station Emergency Generator

MOTION: Commissioner Angier move to approve the Dispatchable Standby Generation Agreement with PGE for the Hattan Road Pump Station, and authorize the General Manager to sign and execute the completed agreement. Commissioner Garrison seconded the motion.

Mr. Bjornstedt said this is a similar agreement to the one that CRW has with PGE for the large generator at the Water Treatment Plant. Originally CRW was not going to be eligible since PGE wasn't taking on new sites but someone else fell off the list and CRW was brought into the program.

Public Comment: Gary Kerr asked about the size of the generator

MOTION CARRIED 5-0

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

Agenda Item 5.5 Consider approval of indemnification agreement with One Monarch Center, LLC

MOTION: Commissioner Angier Move to approve the Indemnification Agreement with One Monarch Center, LLC, and authorize the General Manager to sign and execute the completed agreement. Commissioner Garrison seconded the motion

This will allow CRW to conduct some exploratory work on lines that there is little as-built information on. The work will be done by a vactron truck. Since CRW needs more room to conduct the work in an abandoned County right of way so the property owner asked that CRW sign a hold harmless agreement. The area that the work will be conducted in will be an area that will become part of the county right of way through the CRW Mobility project.

Commissioner Garrison asked about the age of the waterlines and why there might not be the necessary as-builts.

MOTION CARRIED 5-0

Ayes: Angier, French, Garrison, Kalani, McNeel

Nays:

Abstentions: None

Agenda Item 6.0 Consider Approval of Personal Services Contract for IT Support and Maintenance with Rapid-Tek

MOTION: Commissioner Angier move to approve the Personal Services Contract for Information Technology (IT) support and IT System Maintenance Subscriptions/Agreements with Rapid-Tek. Commissioner Garrison seconded the motion

This is before the Board since the dollar amount exceeds the GM's signature authority. CRW has already contracted with Rapid Tek for support and maintenance agreements under separate contracts into one contract.

MOTION CARRIED 5-0

Ayes: Angier, French, Garrison, Kalani, McNeel

Nays:

Abstentions: None

Consent Agenda

CA-1: Gross Payroll and Account Paid for March 2019

CA-2: Cash Position and Transfers March 2019

MOTION: Commissioner McNeel 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 7.0 General Manager Report

- In the Boards folders are a copy of the bill insert for April, the Consumer Confidence Report (CCR) and the monthly report
- The Board received their budget binders and the committee will be receiving their tomorrow.

- Water System survey for the South service area has been completed by Oregon Health Authority Drinking Water staff. This is done every 3-5 years, CRW received a good review but there were two things that needed to be corrected. The survey for the North side will be conducted soon
- The CRWP recently met to talk about collective summer conservation messaging. The Board will review the proposed messaging at the May work session. Mr. Heiderken has been approached to chair the CRWP but has not given an answer yet.
- CRW has procured additional equipment for the lab that will assist in the cyanotoxin testing and monitoring.
- The VHF radio project is proceeding on budget
- There will be a tour of the district for the new budget committee members
- April 18th is the first meeting of the budget committee at 6pm
- No April work session
- There is a vacancy on the budget committee and the search for a new member will begin in June and hope to have a new member appointed in August
- Moss Adams will be contacting each of the Board members to set up meetings to discuss the examination in the next week.
- CRW filled the Water Quality position with Alan Schacht and he will be starting on April 15th.
- CRW and the VCA (tenant in the building) hosted a blood drive on April 3rd.

Agenda Item 9.0 Commissioner Reports and Reimbursement Requests

Public Comment: none

The CRW Board of Commissioners is convening an Executive Session to:

1. Discuss information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2) (f) and 192.355 (9)
2. Conduct deliberations with persons designated by the governing body to negotiate real property transactions pursuant to ORS 192.660 (2) (e)
3. Review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing pursuant to ORS 192.660 (2) (i)

Open meeting is adjourned at **7:06pm**



Clackamas River Water

Clackamas River Water

Board Meeting – April 11, 2019



Ordinance 01-2019
Rates, Fees and Charges
Agenda Item #1

Carol Bryck, CPFO, CTP

Ordinance 01-2019

- Draft Motion: Move that the CRW Board approve Carol Bryck to conduct a first reading by title only of Ordinance 01-2019.

Ordinance 01-2019

- Ordinance 01-2019:

An ordinance of the Clackamas River Water Board of Commissioners establishing rates, fees, and charges for services.

Ordinance 01-2019

- Water Rates – all future years (see below) have been included in prior Ordinances:
 - Year six will be implemented May 2019
 - Year seven will be implemented May 2020
 - Year eight will be implemented May 2021
- System Development Charges will be increased per our standard methodology with new rates effective July 1, 2019.
- No other changes to fees and charges included in this ordinance.

Ordinance 01-2019

- Water Rates – as approved by Board of Commissioners March 2014.
- Base Rates:

Meter Size (Inches)	5/1/2019	5/1/2020	5/1/2021	5/1/2019	5/1/2020	5/1/2021
	Domestic Service Charges	Domestic Service Charges	Domestic Service Charges	Fire Service	Fire Service	Fire Service
Full 3/4	\$ 52.62	\$ 55.51	\$ 57.18	\$ 55.07	\$ 58.10	\$ 59.85
1	\$ 72.39	\$ 76.70	\$ 78.67	\$ 55.07	\$ 58.10	\$ 59.85
1 1/2	\$ 103.45	\$ 109.13	\$ 112.41	\$ 65.88	\$ 69.51	\$ 71.59
2	\$ 138.97	\$ 146.61	\$ 151.01	\$ 78.49	\$ 82.80	\$ 85.29
3	\$ 223.05	\$ 235.52	\$ 242.38	\$ 111.58	\$ 117.72	\$ 121.25
4	\$ 343.13	\$ 362.00	\$ 372.86	\$ 177.82	\$ 187.60	\$ 193.23
6	\$ 643.09	\$ 678.46	\$ 698.82	\$ 310.31	\$ 327.37	\$ 337.20
8	\$ 1,453.50	\$ 1,533.44	\$ 1,579.44	\$ 443.12	\$ 467.50	\$ 481.52
10	\$ 2,286.60	\$ 2,412.37	\$ 2,484.74	\$ 708.42	\$ 747.39	\$ 769.81
12	\$ 2,762.65	\$ 2,914.60	\$ 3,002.04	\$ 874.03	\$ 922.14	\$ 949.76

Ordinance 01-2019

- Water Rates – as approved by Board of Commissioners March 2014.
- Consumption Rates:

Residential Commodity Charge (Volume) per 100 Cubit Feet						
	Volume	Rate 5/1/19	Rate 5/1/20	Rate 5/1/21		
Block 1	1 - 4	\$ 2.25	\$ 2.37	\$ 2.44		
Block 2	5 - 8	\$ 2.50	\$ 2.63	\$ 2.71		
Block 3	9 - 24	\$ 2.97	\$ 3.13	\$ 3.23		
Block 4	25 & up	\$ 3.78	\$ 3.99	\$ 4.11		

Multi-Family, Commercial & Industrial						
	Volume	Rate 5/1/19	Rate 5/1/20	Rate 5/1/21		
Block 1	c	\$ 2.76	\$ 2.91	\$ 2.99		
Block 2	d	\$ 3.44	\$ 3.63	\$ 3.74		

c Volume up to 1.5 times average winter consumption

d Volume above 1.5 times average winter consumption

Ordinance 01-2019

- System Development Charges (SDC's)
 - Based on originating resolution establishing methodology – December 1977
 - SDC's calculated on most recent Engineering News Record Construction cost Index for Seattle
 - ENR Factor (from December 1997 to December 2018) – 1.737639
 - This year is an increase of .83%
 - FY 2018 \$5,209 to
 - FY 2018 \$5,252

Ordinance 01-2019

- Equipment and Vehicle Rates - NEW
 - 2018 Ford F-150 4X4 18-100 \$25/hour
 - Asphalt/concrete saw – 2018 \$50/hour

- Equipment and Vehicles removed form list
 - 2001 Ford F-350 Club Cab #4201 surplus
 - Power Mole Pushing Machine & Trailer #975 surplus

Ordinance 01-2019

- No other changes presented for this year Rates, Fees and Charges.
- Rates, Fees and Charges document will be posted on the CRW website after the second reading and approval by the Board.
- Second Reading to occur May 9, 2019.
- Effective date is July 1, 2019 for all updates with the exception of the water rates – May 1, 2019, May 1, 2020 and May 1, 2021.

Questions or comments?