

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
SPECIAL BOARD MEETING AND WORK SESSION
August 26, 2019**

COMMISSIONERS PRESENT:

Sherry French, President
Naomi Angier, Secretary
Rusty Garrison, Treasurer
Tessah Danel
Hugh Kalani

STAFF PRESENT:

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

CRW Employees: Chief Engineer, Adam Bjornstedt; Chief Finance Office, Carol Bryck; Water Distribution Supervisor, Jason Labrie; Engineering Manager, Joe Eskew; IT Manager, Kham Keobounnam; Emergency Manager, Donn Bunyard; Water Quality Manager, Suzanne DeLorenzo

COMMISSIONERS ABSENT: 0

VISITORS: Bob Steringer (Legal Counsel), Chris Hawes

Call Special Meeting to Order

Commissioner French called the meeting to order at 6:00 pm. The pledge of allegiance was recited and roll call taken.

MOTION: Commissioner Angier moved to approve the agenda as presented. Commissioner French seconded the motion

MOTION CARRIED 5-0

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

Agenda Item 1.0 Consider Approval of Labor Sharing Agreement between CRW and North Clackamas County Water Commission (NCCWC)

Mr. Heidgerken provided a summary a background for the request from the NCCWC to provide labor support for the water plant operations. At this time it will most likely be consultation but could also be on site support. There will be a monetary component to the agreement to cover the time of the staff member. There is also insurance liability coverage. This agreement has been reviewed by legal for both CRW and NCCWC.

Commissioner Garrison asked about the insurance coverage and Mr. Heidgerken said the agreement was also reviewed by CRW's insurance agent of record. Commissioner Danel asked about the time frame for the need and this is meant to be

a short term, also she asked NCCWC would be replacing the position and it is unknown at this time.

MOTION: Commissioner Angier Move the Board approve the Labor Sharing agreement between CRW and North Clackamas County Water Commission and approve the General Manager sign the letter of agreement. Commissioner Garrison seconded the motion.

MOTION CARRIED 5-0

Ayes: Angier, Danel, French, Garrison, Kalani

Nays:

Abstentions: None

Special Meeting Adjourned at 6:10pm

Call Work Session to Order

Commissioner French called the meeting to order at 6:10pm

1. **Capital Project Status Update and Reporting** – Ms. Bryck and Mr. Bjornstedt updated the Board on the ways staff are working to improve reporting on capital improvement projects. Staff will be providing an over view of estimating, spending and budgeted amount for projects when asking the Board to approve contracts related to capital projects.
 - Project Budgeting and Estimating
 - Budget level project estimates
 - Final design estimates
 - Contingencies- historically the amount of contingency has been static for general waterline projects due to experience. The contingency amount for more specialty (pump stations or reservoirs) require a different type of contingency methodology.
 - Change orders
 - Phases of Project Execution
 - Planning
 - Design
 - Bidding and construction
 - Close-out
 - Presenting project information to the Board
 - Project update tables (monthly reports)- the Board is provided an monthly snapshot of the backbone projects and the other CIP construction projects where they are in progress and dollars spent to date as well as the comparison to the budget for the project
 - Project funding sources schematic- explains the revenue sources that come into play to fund the capital projects of the District (some of the funds are SDC; Capital reserve fund, General fund, bond fund and water rates)

- Alternative format for project update
 - CIP Checklist
 - Updated presentation for reporting on Capital projects will be prepared for the Board to provide additional clarity of where the project spend is and how this compared to the dollars allocated in the budget
- 2. Clackamas Regional Water Supply Commission (CRWSC) Update**
- One of the Board approved goals for the GM has been to look at what the future of the CRWSC. The Commissioner Board will be meeting on August 29th and will have additional discussions on how the CRWSC will or will not continue.
 - Sunrise Water Authority has boundary protections as an Authority whereas CRW as a Special District doesn't have the same boundary protection since per state law surrounding cities can annex territory
 - Sunrise had a need for water and this is included in the agreement as a guaranteed amount of 2.5 MGD
 - There does continue to be sharing of resources as it relates to staffing
 - What has changed- Sunrise has a reduced staffing support from CRW; NCCWC which Sunrise is a member of has re-done their agreement and this could affect who CRW would enter into a wholesale water supply agreement (Sunrise or NCCWC)
 - A separate agreement outside of the CRWSC agreement was entered into for the sharing of the 152nd Ave. Reservoir
 - Commissioner Garrison asked that at a future date a presentation of the concrete pros and cons of the CRWSC
- 3. Progress Update to 2019 Board Approved Goals for the General Manager**
- Todd provided the Board with progress updates to the approved 2019 Board goals. The Board was encouraged to review the list outside of the meeting.
 - Commissioner Danel asked if there could be a board discussion of the phase 2 of the Backbone and how the Board would like to proceed with the projects designated by phase 2. There will be a be a discussion in February 2020 regarding the bonding capacity of the district which will start the discussion of what projects will need to be done.
- 4. Commissioner Communications-** none at this time
- 5. General Manager Update**
- Todd asked the Board to provide consensus about CRW contributing to the unfunded PERS fund in order to reduce the Districts unfunded liability and the state will match 25% of the payment.
 - At the August Board meeting the Board approved the payment of a transitional liability in order to reduce the rate, because the amount required (that the Board approved) would be the amount used to make a payment for the unfunded liability.
 - The 152nd Ave. Reservoir is undergoing the initial fill of water; the backfill around the reservoir is going on now
 - Staff is working with the consultant who is conducting Water Treatment Plant Facility Master plan on service level goals
 - CRWSC Board meeting on August 29th at 4pm at CRW
 - CRW Regular Board meeting for September is September 4th (Wednesday)
 - There will not be a September work session but the agenda setting is going to be held on September 26th at 4pm

Public Comment:

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 ORS 192.660 (2) (e)

Open meeting is adjourned at **7:20pm**