

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
November 14, 2019**

COMMISSIONERS PRESENT:

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

STAFF PRESENT:

Todd Heidgerken, General Manager
Karin Holzgang; Exec. Assistant to the Board

CRW Employees: Chief Financial Officer, Carol Bryck; Chief Engineer, Adam Bjornstedt; IT Manager, Kham Keobounnam; Emergency Manager, Donn Bunyard; Water Resources Manager, Rob Cumming; Engineering Manager, Joe Eskew

COMMISSIONERS ABSENT: 0

VISITORS: Jeff Griffin (WHA Insurance) Mona Kalani, John Torrey; Bob Steringer (Legal Counsel), Ernie Platt

Call Work Session to Order

Roll Call was taken- all present

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

1. Clackamas River Water Insurance Renewal Overview- *Jeff Griffin, WHA*

Mr. Griffin presented insurance premium overview on the changes to the insurance rates (up and down) for the next calendar year. At this time the numbers are not finalized but there is a general sense of what the new rates will be for 2020. Staff and WHA worked together to assess the value of the property that CRW insures to determine if coverages are accurate. Once again CRW will be receiving a longevity credit (actual amount will be know next week). There will be some increase in the valuation of assets, addition of property and increases to deductibles. The final rates look like they will come in near to what was budgeted.

Commissioner Kalani asked if the insurance rates were reasonable, Mr. Griffin said yes. Commissioner Kalani asked how the impacts of the fires in California could impact the rates in Oregon. Mr. Heidgerken applauded Ms. Campbell for her work as well as staff and the Board in assisting the district in obtaining a best practices credit.

2. Commissioner Communications- None at this time

Work Session Adjourned at 6:26pm

Call Regular Meeting to Order

Commissioner French called the meeting to order at 6:27pm

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

MOTION CARRIED 5-0

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

Public Comment- none

Agenda Item 1.0 Project Acceptance: Accept Assets Constructed Under the Hattan Road Transmission Main, CIP 15-5191

Mr. Eskew presented another project from the Backbone project from phase 1. The waterline is complete and awaiting the startup of the Hattan Road pump station. Photos from the project were included in the packet to highlight some of the terrain that was more challenging to work in. Mr. Heidgerken reminded the Board that this project included the partnership with the County on the paving.

MOTION: Commissioner Angier move to approve the "Notice of Acceptance" for Hattan Road Transmission Main project, to establish the project completion date and authorize the General Manager to sign the Notice of Acceptance. Commissioner Garrison seconded the motion

MOTION CARRIED 5-0

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

Agenda Item 2.0 Appeal of Staff Decision on Leak Relief- Account #032259-01

Ms. Bryck provided a brief overview of the information in the Board packet. Staff has denied the leak relief request and the customer has asked that the decision go to the Board for their review. Mr. Heidgerken provided some context that the staff recommendation is to deny the request but the Board has the opportunity to make another decision. Commissioner Garrison asked how many other leak relief requests have been denied by staff in the past 5 years, Ms. Bryck shared that there have been less than a dozen. Commissioner Angier and Danel asked if there is a PR aspect to providing some type of relief adjustment. Commissioner Garrison asked if other denials have been appealed to the Board and there has been one other in the past several years and that was denied as well. Ms. Bryck suggested if the Board was interested in providing some relief that the Board consider adjusting the tier in which the water use was charged. Commissioner Kalani questioned

making an exception this time and providing a form of relief and not granting previous requests while operating under the same leak relief policy.

MOTION: Commissioner Garrison move to revise decision of General Manager and Chief Financial Officer as follows to re-bill Mr. Hollingsworth's August and October bills for the consumption originally billed under block 4 to be billed under the block 2. Commissioner Angier seconded the motion.

MOTION CARRIED 3-2

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

Agenda Item 3.0 Consider Approval of Contract with Harrang Long Gary Rudnick for General Counsel Services

Mr. Heidgerken shared with the Board that Harrang Long has provided legal services for CRW for the past three years and the Board is being asked if they would like to continue to engage the services of Harrang Long for legal services for the next three years. Mr. Heidgerken highlighted some of the changes from the current contract to the new contract, one item is an increase in the blended rate in the contract and a provision for a match to Mr. Steringer's annual rate increase if those occur.

MOTION: Commissioner Angier move that the Board approve the amended and restated professional services agreement with Harrang Long Gary Rudnick, PC for legal services for Clackamas River Water and authorize the General Manager to sign on behalf of the Clackamas River Water Board of Commissioners. Commissioner Garrison seconded the motion.

MOTION CARRIED 5-0

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

Consent Agenda

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

CA-2: Cash Position and Transfers October 2019

MOTION: Commissioner Angier moved to approve the Consent Agenda as presented. Commissioner Garrison seconded the motion.

MOTION CARRIED 5-0

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

Agenda Item 4.0 Quarterly Report- 1st Quarter FY 2020

Ms. Bryck shared the financial data for the 1st quarter of FY2020 with the Board.

Revenue overview of General Fund

- It is expected that at this revenue is at 12.5% of the BN budget
- Retail water sales are 15.05% of BN which is expected due to seasonal variations in revenue collection. Consumption is down 9.5% compared with FY 2019
- Total General Fund Revenue is 14.91% of budget

Expense overview of General Fund

- Personnel Service 15.8% -higher due to PERS transitional liability payment of 10%
- Materials & Services is 11.6% -certain annualized payments have been made and that moves the percentage higher
- Capital Outlay .6% early in the year so not much activity

SDC Revenue

- Biennial budget \$1,655,800 – actual to date \$177,325 or 10.7%
- Biennial budget includes a couple of large commercial meters that haven't occurred yet

Capital Improvements Project Fund and Backbone project work (see attached presentation slides)

Agenda Item 5.0 Management Report

- The Monthly report was provided to the Board in their folders- some items to note are the revenue and expenditure graphs and the customer consumption reports that support the information provided in the quarterly report. There is also a spreadsheet in the report that provides an update and project overview for the CIP and backbone projects. Another item of note is the River flow graph that is showing a lower than average flow of the river at this time of the year than usual
- The CRWP rebate program has run out of money.
- In January there will be presentation on projects and work that is going on under the Emergency Management umbrella
- November Agenda preparation with Comms. French and Angier is next week and the CRW offices are closed on Thanksgiving and the Friday after.
- April 27th is set for the Strategic Planning retreat
- April 2020 Board meeting, there will be a shift in the date tentatively to April 15, 2020
- Suzanne DeLorenzo will be honored at the SDAO Annual Conference with the outstanding special district award.

Public Comment: none

Agenda Item 8.0 Commissioner Reports and Reimbursements

- Commissioner French attended the Sunrise meeting in October. Sunrise had someone come in to work with the Board to conduct a risk assessment. There is still one open board position. They are reviewing their public records policy

Open meeting is adjourned at **7:31pm**