

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
February 13, 2020**

COMMISSIONERS PRESENT:

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

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 Cummings; Engineering Manager, Joe Eskew

COMMISSIONERS ABSENT: 0

VISITORS: Bob Steringer (Legal Counsel), Chris Hawes, Mona Kalani

Call Regular Meeting to Order

Commissioner French called the meeting to order at 5:05 pm

Roll Call was taken- all present (Commissioner Angier arrived as the Board entered Executive Session)

Recess the Regular Meeting

The Executive Session is to:

1. To 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 carry on labor negotiations ORS 192.660 (2) (d)
3. To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. ORS 192.66 (2) (h)

Reconvene Regular Meeting at 6:05pm

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

MOTION CARRIED 5-0

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

Public Comment- none

Agenda Item 1.0 Conduct Second Reading, by Title Only, Res. 03-2020, Amendment to Local Contract Review Board Rules 110-012 Contract Exceptions and Exemptions and Consider Approval of Resolution

Mr. Heidgerken told the Board that this is the second reading of the Resolution and that they heard the first reading by title only at the January Board Meeting. There is one section to the Local Contract Review Board Rules that has been modified and the Commissioners are being asked to approve the addition to assist staff in contracting where there could be cost savings for the District and the added provision would assist this.

MOTION: Commissioner Angier Move that the CRW Board Approve Todd Heidgerken, General Manager to Conduct the Second Reading by title only of Resolution 03-2020 and Approve the Resolution. Commissioner Garrison seconded the motion

MOTION CARRIED 5-0

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

Title of the Resolution 03-2020 was read by Todd Heidgerken

Consent Agenda

CA-1: Gross Payroll and Account Paid for January 2020

CA-2: Cash Position and Transfers January 2020

CA-3: Project Acceptance: Accept Assets Constructed Under the Alder Creek Middle School Meter project, CIP 17-5209

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 2.0 Quarterly Update, 2nd Quarter FY 2020

Ms. Bryck explained that this 2nd quarter of the FY is for July 1, 2019 through December 31, 2019 or 25% through the Biennium.

- Retail water sales are 27.8% of biennial budget. Consumption is down by 7.7% and revenue is lower by 2.8% compared with FY 2019
- Total General Fund Revenue is 28% of Budget
- Personnel Services is 25.4% of the budget. Without the PERS payment made in August we are at 19.9% of the budget for Personnel Services
- Materials & Services is 23.6% of the budget. All categories are in good shape relate to the budget
- Capital Outlay is at 14.5% of the budget
 - Areas to watch
 - Commercial & Industrial meters/vaults. One vault is using significant portion of budget. Important to District as this ties directly to revenue generation
- SDC Revenues
 - Biennial Budget \$1,644,800
 - Actual to Date- \$327,154- 19.8%
 - Biennial budget includes large commercial meters that haven't been purchased yet
 - 25% of budget is \$413,950, so we are \$87,000 behind as of December 31
- Capital Improvements project Fund- BN 19-21 is \$3,631,000. FY 2020 is \$100,009 or 2.75% of the budget
- Backbone Projects- BN 19-21 is \$3,139,000. Actual FY 2020 budget is \$2,975,576 or 93.79% of the budget. Anticipate all projects to be complete by end of the FY 2020. At this time the amount that Sunrise Water will be contributing to the 152nd Ave. Reservoir project has not been finalized and billed but will be by the end of the project.

Agenda Item 3.0 Management Report

- The Board received the monthly report for a summary of January activities.
- Both the CRWP and the RWPC are in the budget process, there is an average of about a 5% increase for RWPC and for CRWP about a 7% increase which will affect the dues of the members of both Consortiums.
- Staff is making progress on getting started on the AWIA 2018 compliance

- The final focus group for the Strategic Planning efforts was conducted on February 10th, there is still one remaining 1 on 1 interview that the consultant will be conducting
- The Customer Attitude survey has been compiled by staff and has been sent to the consultant to include in the research gathering phase of the planning process.
- There will be an update on the progress of the strategic planning process presented by the consultant at the March Board Meeting during a Work Session at the front end of the regular meeting
- There will be a Board work session on February 24.
- There will not need to be an Exec. Session at the end of the meeting.
- A video was shared on the SDAO Outstanding Staff Person award that Dr. DeLorenzo received at the Annual SDAO conference for 2020. Todd shared that Suzanne will be moving back to the East Coast to be with family and will be leaving CRW in March.

Public Comment: none

Agenda Item 5.0 Commissioner Reports and Reimbursements

Commissioner Angier reported that she attended the RWPC Consortium Board Meeting. The Budget was approved by the members as well as a staffing IGA that was renewed by the members.

Commissioner French, Danel & Angier attended the recent annual SDAO Conference. There were several sessions that the commissioners enjoyed and learned a lot from. Commissioner Danel found the session on the legislative update very interesting. Commissioner Danel suggested that the entire CRW Board attend the conference in 2021.

Commissioner French reminded the Board that they need to be ready to review Todd's contract in the next few months.

Open meeting is adjourned at **7:05pm**



Clackamas River Water

Clackamas River Water

Board Meeting – February 13, 2020



2nd Quarterly Update – FY 2020 Agenda Item #2

Carol Bryck, CPFO, CTP

2nd Quarter Update – FY 2020 Revenue

- Through the second quarter (July 1, 2019 through December 31, 2019) of the biennium BN 2019-2021 is expected to be at 25% of the budget.



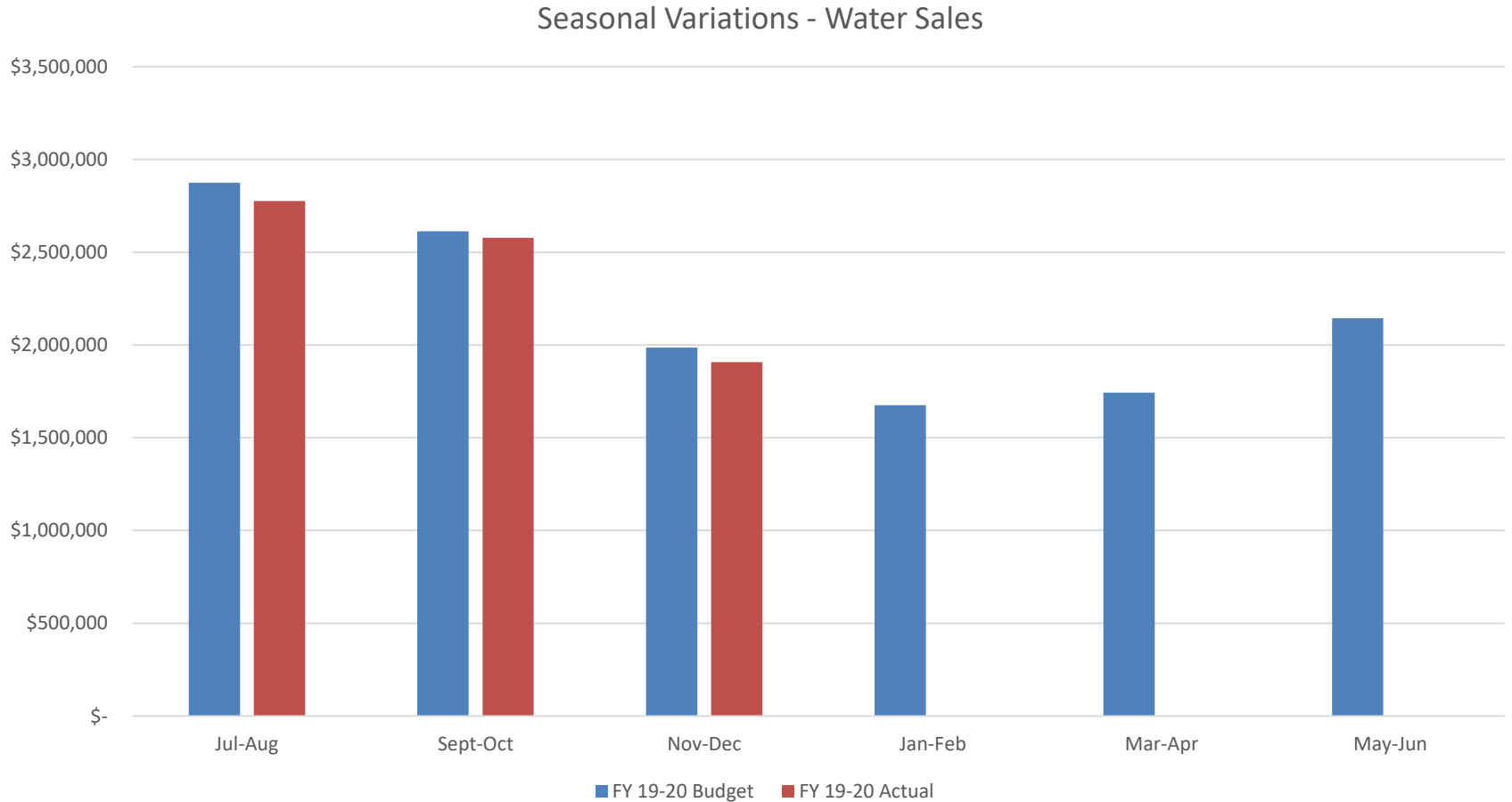
2nd Quarter Update – FY 2020 Revenue



- Retail water sales are 27.8% of biennial budget. Consumption is down by 7.7% and revenue is lower by 2.8% compared with FY 2019.

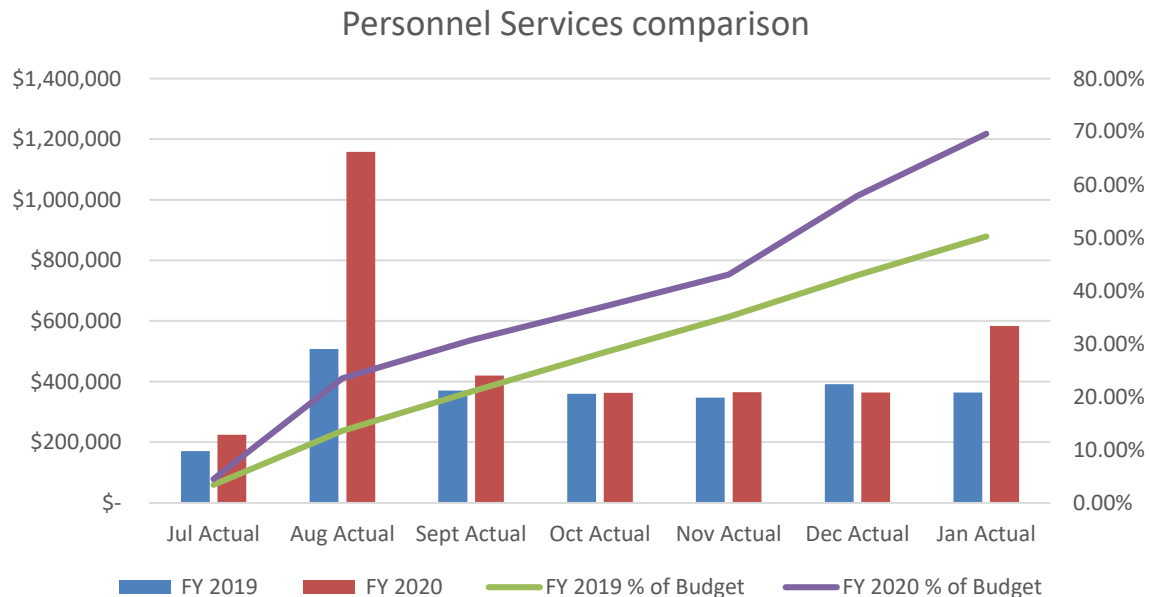
- Total General Fund Revenue is 28% of Budget.

2nd Quarter Update – Seasonal Variability



2nd Quarterly Update – FY 2020

- General Fund
- Personnel Services – 25.4%
- Without PERS payment we are around 19.9%.



2nd Quarterly Update – FY 2020

General Fund Expenses

- Materials & Services – 23.6%
 - All categories are in good shape relative to budget.
- Capital Outlay – 14.5%
 - Areas to watch – Commercial & Industrial meters/vaults. One vault is using significant portion of budget.
Important to District as this ties directly to revenue generation.



Other Funds

SDC Revenue, CIP and CIP Bond
Construction expenditures

2nd Quarterly Update – FY 2020

new demand

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 growth
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 revenues
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 improvements
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SDC Revenues

- Biennial Budget - \$1,655,800
- Actual to Date - \$327,154 – 19.8%
- Biennial budget includes large commercial meters that haven't been purchased yet.
- 25% of budget is \$413,950, so we are \$87,000 behind as of December 31.



New Construction

2nd Quarterly Update – FY 2020

- Capital Improvements Project Fund

Project #	Description	BN 19-21 Budget	FY 2020 Actual	% of Budget
5249	ODOT/City/County DTD Adj	\$ 286,000	\$ 53,213	21.06%
5243	CRC Mobility (see 5249 budget)*	-	4,762	N/A
5241	Sunnybrook & 93rd Loop Waterline (see 5249 budget)	-	2,258	N/A
5239	Edgewood Neighborhood Waterline *	1,045,000	8,371	0.80%
5251	Forsythe Rd Waterline - Phase 1	572,000	13,410	2.34%
TBD	Leland Rd Master Meter & Waterline	480,000	-	0.00%
5253	82nd Dr Waterline - Phase 1	814,000	247	0.03%
5260	Orchid Waterline & Meter	74,000	780	1.05%
5250	Mather Reservoir Control Valve	210,000	13,534	6.44%
5248	90th Ave Pump Station Valve Replacement	150,000	3,433	2.29%
		<u>\$ 3,631,000</u>	<u>\$ 100,009</u>	<u>2.75%</u>

*5243 Prior Period (FY 2019) expense - \$6,309

*5239 Prior Period (FY 2019) expense - \$91,467

2nd Quarterly Update – FY 2020

- **Backbone Projects**

Project #	Description	BN 19-21 Budget	FY 2020 Actual	% of Budget	Prior Years Exp	Total Project Cost to Date
5188	152nd Ave Reservoir *	\$1,410,000	\$1,485,574	105.36%	\$ 7,913,044	\$ 9,398,618
5189	Hwy 224 Intertie	\$ -	\$ 235			
5190	Hattan Rd Pump Station	1,322,000	888,165	67.18%	3,422,528	\$ 4,310,693
5191	Hattan Rd Transmission Main	382,000	281,921	73.80%	3,760,282	\$ 4,042,203
5195	Redland Reservoir	-	316,147			
5187	General Project Administration	25,000	3,535	14.14%	188,079	\$ 191,614
		<u>\$3,139,000</u>	<u>\$2,975,576</u>	<u>94.79%</u>	<u>\$15,283,933</u>	<u>\$17,943,128</u>

* Note: This is total spent to date and has not had reduction of final Sunrise Water Authority contribution. Final contribution estimate is greater than \$1.5 million and will be calculated upon completion of the project.

The Backbone projects are expected to be completed in first year of the Biennium.



Questions or comments ?