

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

**COMMISSIONERS PRESENT VIA ZOOM MEETING:**

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

**STAFF PRESENT:**

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

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

**COMMISSIONERS ABSENT: 0**

**VISITORS:** Bob Steringer, Chris Hawes, Kevin Williams

**Call Regular Meeting to Order**

Commissioner French called the meeting to order at 6:09 pm and roll call taken

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

**MOTION CARRIED 5-0**

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

**Public Comment- none**

**Agenda Item 1.0 Consider Approval of Contract for Hydro Excavation Services**

Mr. Bjornstedt explained to the Board why the District needs to utilize hydro excavation services. This is a services the agency has used for many years, this is a familiar vendor CRW has worked with before, there is budget for this service. This contract exceeds the GM's signature authority so the contract is coming before the Board for approval

**MOTION:** Commissioner Angier move to approve the contract for hydro excavation services with River City Environmental, Inc. for the not-to-exceed amount of \$65,000; and authorize the General Manager to sign the contract. Commissioner Danel seconded the motion

**MOTION CARRIED 5-0**

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

**Agenda Item 2.0 Project Acceptance: Accept assets constructed under the 152<sup>nd</sup> Ave. Reservoir project, CIP 15-5188**

Mr. Bjornstedt provided the Board with background about the project acceptance. This project is finally complete, and all the punch list items have been completed by the contractor. The reservoir has been online since earlier in the summer. The project is in partnership with Sunrise Water Authority. The contractor Rotschy, Inc. is one that CRW has worked with on other CIP projects. There was some additional cost to the project above the original bid due to additional paving restoration, additional site finishes, storm system, control system, and site excavation work. There were some decreases for traffic control and public outreach.

Commissioner Danel asked about the difference between the engineers estimate and the final cost of the project, the engineers estimate is after final design and what it is assumed the project will cost. Commissioner Angier shared she feels a strong attachment to the reservoir and has seen the project from before breaking ground to the finish and is proud of the project. Comm. French thanked SWA for their partnering on this project.

**MOTION:** Commissioner Angier move to approve the “Notice of Acceptance” for the 152<sup>nd</sup> Ave. Reservoir project, to establish the project completion date and authorize the General Manager’s signature on said Notice of Acceptance. Commissioner Danel seconded the motion.

**MOTION CARRIED 5-0**

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

**Agenda Item 3.0 Contract Award: Consider approval of construction contract for Forsythe rd. Waterline-Phase 1 project, CIP 19-5251**

Mr. Eskew shared this is the next in the line of CIP projects. This is a first phase of the project, there will still be additional parts of the waterline replaced in future phases. There was a good turn out from contractors to bid on this project, the bid was conducted by Zoom.

Commissioner Garrison asked about the number of service lines along this waterline replacement project. Forsythe is about a mile long and to spread out cost the section that has had the most problems is in the first phase. There are 14 services

in this project. Commissioner French asked about the need for paving after this project is complete and does the project specs include updated county paving standards and it does.

**MOTION:** Commissioner Angier move to award the Forsythe Rd. Waterline -Phase 1 construction contract to CG Contractors, LLC for the bid amount of \$418,250 and authorize the General Manager to sign the completed contract. Commissioner Danel 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 July 2020

CA-2: Cash Position and Transfers July 2020

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

**MOTION CARRIED 5-0**

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

### **Agenda Item 4.0 Quarterly Report**

Ms. Bryck shared the final quarter of the fiscal year financials with the Board.

- Fiscal year 19/20 ended June 30, 2020
- Still processing invoice for FY 19/20 through this week
- Currently half-way through the BN 19-21 we are at 100.5% of the year one forecast for revenue
- Personnel services is at 46.9% of the BN budget
- 91.8% of the FY 20 share of the biennium
- Paid the transitional liability to PERS early in the first year of the BN, this lowers PERS employer rate going forward
- General fund expenses- materials & service 43.4% and capital outlay is 22.5%
- SDC fund is behind forecasted estimates by \$292,964.
- For capital improvements projects 31.74% of the budget has been spent

Commissioner Garrison asked about the SDC revenues being behind the projected amount in the budget and asked if this is a timing issue on projects being completed or if there are some projects that will not be moving forward. The projected estimates are based on inquires on projects but there could be slow down due to current economic conditions

**Agenda Item 6.0 Management Report**

- The commissioners received a copy of the monthly report and a copy of the August billing insert
- Fish on the Run irrigation done campaign in partnership with CRWP will kick-off in late August. This is a time when people are encouraged to reduce irrigation to help maintain river flows and assist the migration of fish.
- Regional Water Providers have been running conservation ads and will shift to emergency preparedness at the end of the summer
- CRW staff have been provided a document regarding workplace expectations during the pandemic and each staff has been asked to sign off on the policies.
- Due to pandemic conditions staff has not been assessing late fees or conducting shutoffs for non-payment.
  - ✓ Since initiating this process staff has been actively encouraging anyone not paying bill to contact CRW to get a payment plan established. There are currently 11 accounts that have not paid and have not contacted staff.
  - ✓ The outstanding balances over 90 day are growing (there are currently 84) and is about \$54,000.
  - ✓ Staff would like to take a stronger stance on reaching out to people who are not paying and are not contacting the District to get payments made

Commissioner Danel asked how the growing balances can be paid. Currently staff works to get the accounts to make some type of payment and staff provides some additional resources to contact that give other options for assistance in paying utilities. Staff can also refer them to St. Vincent DePaul to assist. Commissioner Garrison asked if there were other utilities that could be contacted to see if some of the accounts are move outs. Commissioner French thought a personal phone call to the 11 accounts rather than automated calls could help but feels people need to respond and make arrangements for paying their bills.

- ✓ Staff wants to let the Board know that once all the avenues to reach non-pay customers they would like the option to conduct shutoffs for non-payment.
- Staff is on tract with the AWIA project to complete the project on schedule
- Strategic planning retreat will be help on Friday August 28 via Zoom. There have been two emails sent out to the participants. The Board is being encouraged to check their CRW emails regularly. There is a homework assignment sent out the is due on Monday August 17 to the consultant.
- The annual SDAO conference in 2021 will be held virtually
- The down the river clean up event held on September 12 will still be held but look different than in years past.
- There is no August work session
- Todd will be out on vacation the week of August 17 and Carol Bryck will be AIC in his absence
- August 27 at 12:30 the agenda setting committee will meet to approve the September Board meeting agenda

No Public Comment

- CRW offices will be closed on September 7 to observe Labor Day

**Agenda Item 8.0**

**Commissioner Reports and Reimbursement Requests**

- Commissioner French attended the SWA meeting. They are working on a replacement of unreliable meters. Also working on a plan to demolish a building on one of their reservoir sites.
- Commissioner French attended the Oak Lodge meeting. They are working on a two-year communication plan, their water system master plan, their emergency plan to assist customers in need.

Open meeting is adjourned at **7:12pm**



*Clackamas River Water*

# Clackamas River Water

Board Meeting – August 13, 2020



# 4th Quarterly Update – FY 2020 Agenda Item #4

Carol Bryck, CPFO, CTP

# 4th Quarter Update – FY 2020

- Fiscal Year End – June 30, 2020
- Receiving and processing invoices for FY 2020 through this week to ensure all costs are properly recorded.
- These are preliminary numbers that could be adjusted as part of year end account reconciliations and audit.
- These are unaudited numbers. Final numbers will be available in the Comprehensive Annual Financial Report (CAFR) presented to the Board upon completion of the audit.
- Further review, analysis and trends will be reported to the Board in September with the Debt Covenant compliance letter.



# 4th Quarter Update – FY 2020 Revenue

Through the fourth quarter (July 1, 2019 through June 30, 2020) of the biennium BN 2019-2021 is expected to be at 50% of the budget.

Year one of the budgeted revenue is slightly less than 50% of the total budget.

We are 48.8% of the biennial budget and 100.5% of the year one forecast.

Water sales budget is \$24,880,000 for the biennium and \$12,122,000 for the first year. Actual unadjusted water sales are \$12,220,769 for fiscal year 2020.

# 4th Quarterly Update – FY 2020

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## General Fund Expenses

- Personnel Services
  - 46.9% of biennial budget
  - 91.8% of the fiscal year 2020 share of the biennium
  - Some adjustments will be made for compensated absences – we will still be within budgetary appropriations.
- Pension Expense
  - In fiscal year 2020 we paid off our Transitional Liability to the PERS system. This was a payment of \$626,832.
  - Removing the budgeted amount and the payment amount we are at 47.3% of the biennial budget.
  - The benefits (lower PERS employer rate) are spread over both years.



# 4th Quarterly Update

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## – FY 2020

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### General Fund Expenses

- Materials & Services – 43.4%
  - All categories are below 50% of the biennial budget except for Water Purchases & Treatment.
    - Water Purchases is not evenly divided across the two years – FY 2020 is 52% of biennial budget due to serving Redland pressure zone customers with water from CRW plant.
- Capital Outlay – 22.5%
  - Areas to watch – Commercial & Industrial meters/vaults – 66.5% of biennial budget.
  - Vehicle purchases have been delayed to fiscal year 2021.



# Other Funds

SDC Revenue, CIP and CIP Bond  
Construction expenditures

# 4th Quarterly Update – FY 2020

new demand

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## SDC Revenues

- Biennial Budget - \$1,655,800
- Actual to Date - \$534,936 – 32.3%
- 50% of budget is \$827,900, so we are \$292,964 behind as of June 30.



New Construction



# 4th 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	\$ 65,238	42.42%
5243	CRC Mobility (see 5249 budget)*	-	50,772	N/A
5241	Sunnybrook & 93rd Loop Waterline (see 5249 budget)	-	5,320	N/A
5239	Edgewood Neighborhood Waterline *	1,045,000	894,055	85.56%
5251	Forsythe Rd Waterline - Phase 1	572,000	40,223	7.03%
TBD	Leland Rd Master Meter & Waterline	480,000	-	0.00%
5253	82nd Dr Waterline - Phase 1	814,000	840	0.10%
5260	Orchid Waterline & Meter	74,000	32,554	43.99%
5250	Mather Reservoir Control Valve	210,000	50,054	23.84%
5248	90th Ave Pump Station Valve Replacement	150,000	13,474	8.98%
		<u>\$ 3,631,000</u>	<u>\$ 1,152,530</u>	<u>31.74%</u>

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

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

# 4th 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	\$ 1,313,999	93.19%	\$ 7,913,044	\$ 9,227,043
5189	Hwy 224 Intertie	\$ -	\$ 235			
5190	Hattan Rd Pump Station	1,322,000	1,081,779	81.83%	3,422,528	\$ 4,504,307
5191	Hattan Rd Transmission Main	382,000	290,878	76.15%	3,760,282	\$ 4,051,160
5195	Redland Reservoir	-	331,746			
5187	General Project Administration	25,000	7,486	29.94%	188,079	\$ 195,565
		<u>\$ 3,139,000</u>	<u>\$ 3,026,123</u>	<u>96.40%</u>	<u>\$ 15,283,933</u>	<u>\$ 17,978,075</u>

\* Note: This is total spent to date and reflects the third and final Sunrise Water Authority contribution. Final contribution of \$1,905,000 was received June 30, 2020 and will be trued-up after project acceptance.

The background is a solid blue color with numerous water droplets of various sizes scattered across it. The droplets are rendered with realistic shading and highlights, giving them a three-dimensional appearance. They are more densely packed in some areas, particularly towards the right side of the frame.

Questions or comments ?