

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
May 13, 2021**

COMMISSIONERS PRESENT VIA ZOOM MEETING:

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

STAFF PRESENT:

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

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

COMMISSIONERS ABSENT:0

VISITORS: Bob Steringer, Bob Rubitschun

Call Regular Meeting to Order

Commissioner French called the meeting to order at 6:01 pm and roll call taken.

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

MOTION CARRIED 4-0

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

Public Comment- none

Adjourn the regular meeting and convene the SDC Hearing- motioned by Commissioner Angier and seconded by Commissioner Danel seconded the motion- passed unanimously.

Ms. Bryck provided a background for the SDC charges and why CRW is obligated to hold a hearing in order to update SDC charges. There are two Ordinances to update the SDC's one for the approval/adoption of the methodology and one for the rates themselves.

Adjourn the SDC Hearing and re-convene the regular meeting- motioned by Commissioner Angier and seconded by Commissioner Danel seconded the motion- motion passed unanimously.

Garrison asked how the public was notified about the proposed changes, there were notices sent to interested parties and Clackamas County and shared with neighboring agencies.

Agenda Item 1.0 Consider First Reading by Title Only of Ordinance 02-2021 System Development Charges Methodology

Angier asked about why it has been so long since the rates have been updated? The reason for waiting was to have a completed Water System Master plan in place before making the changes.

MOTION: Commissioner Angier move the CRW Board approve Carol Bryck, CFO to conduct the First Reading by title only of Ordinance 02-2021. Commissioner Danel seconded the motion.

MOTION CARRIED 4-0

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

Ms. Bryck read the ordinance by title only

Agenda Item 2.0 Consider First Reading by Title Only of Ordinance 03-2021 System Development Charges Fee Schedule

Ms. Bryck shared the reason for breaking out the SDC charges from the regular fees and charges approved/updated manually and that those will be folded back into the rates and charges once the rates are adopted following the second reading.

MOTION: Commissioner Angier move the CRW Board approve Carol Bryck, CFO to conduct the First Reading by title only of Ordinance 03-2021, System Development Charges rates. Commissioner Danel seconded the motion.

MOTION CARRIED 4-0

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

Ms. Bryck read the ordinance by title only

Consent Agenda

CA-1: Gross Payroll and Account Paid for April 2021

CA-2: Cash Position and Transfers April 2021

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

MOTION CARRIED 4-0

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

Agenda Item 3.0 Quarterly Report-3rd Quarter FY 2021 (see Attached PowerPoint)

- 87.5% through the BN budget and revenue is at the same. Water sales are at 88.3% for the budget due to the delayed rate increase
- Revenue impacts- COVID (delayed late fees and shut offs) but are starting to see responses to letters and notices.
- Personnel Services are just below 80% of the budget
- General fund expenses are at 71.1%
- Capital outlay is 68.3%
- SDC Revenues are at 84%

Garrison & Angier praised Ms. Bryck for her work on the presentation. Garrison also asked about the timelines given to customers regarding late fees and shut-offs.

Agenda Item 4.0 Management Report

- The monthly report was sent via email- some item of notes are the consumption graph is steady in comparison with previous year. Take note of the winter conditions that has shown a significant change to the snowpack in the past month.
- There will be a special meeting ahead of the 5/24 work session to ask the Board to approve the increase in scope to the 82nd Dr. WL phase 1 project.
- Natural Hazard Mitigation Plan update will be provided at the May 24 work session
- Recently notified that FEMA will be providing an opportunity for reimbursement of expenses related to the winter storm damage response.
- Commissioner Angier is unavailable for the RWPC Board meeting and asked for Comm. Danel to participate in the meeting on her behalf
- June Board meeting and Budget hearing will be held on June 10
- We have a seasonal utility worker and Sr. Finance and Accounting Specialist that have recently been hired
- The CRW State of Emergency Declaration will be extended until August 16.

Public comment- none

Agenda Item 6.0 Commissioner Reimbursements and Reports

- Comm. French attended the Sunrise Water Authority Meeting and Oak Lodge Meeting.

Open meeting is adjourned at 6:50pm



Clackamas River Water

Clackamas River Water

Board Meeting – May 13, 2021



3rd Quarterly Update – FY 2021 Agenda Item #3

Carol Bryck, CPFO, CTP

3rd Quarter Update – FY 2021

- 3rd Quarter – Second year of Biennium – July 1, 2020 through March 31, 2021
- Showing costs through 21 of 24 periods for the Biennium – 87.5%

3rd Quarter Update – FY 2021 Revenue

Through the second quarter (July 1, 2020 through March 31, 2021) of Fiscal Year 2021- year two of the biennium BN 2019-2021 we are 87.5% through the budget.

Total Revenue is 87.5% of the biennial budget.

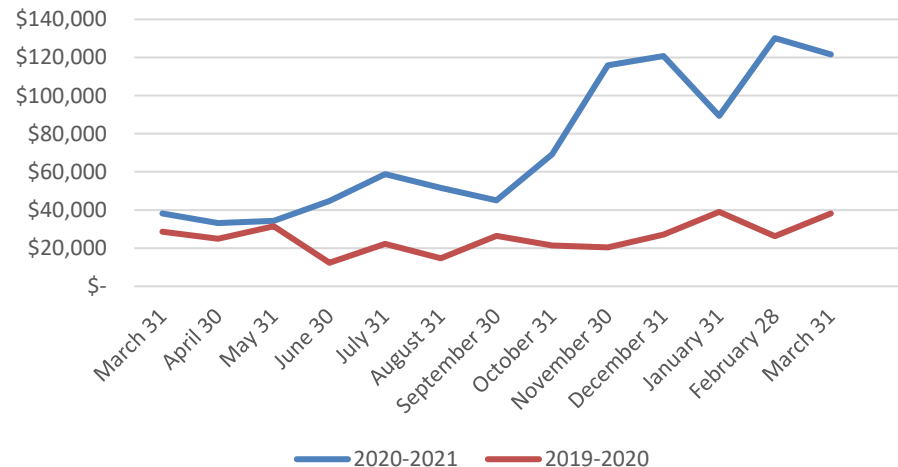
Water sales budget is \$24,880,000 for the biennium and we have recorded \$22,221,263 through March. Water sales are 88.3% of the biennial budget.

3rd Quarter Update – FY 2021 Revenue

- The rate increase scheduled for May 2020 was implemented November 2020. The eight year of the rate plan was implemented May 1, 2021 and will be reflected in the fourth quarter numbers.
- There are increases in some revenues:
 - Miscellaneous Operating Revenue
 - Earnings from Investments
 - Grant Revenue (CRW share of CARES funding reimbursement for COVID related costs). We have received nearly \$140,000 in reimbursement.
 - We also received reimbursement from FEMA for 75% of the wildfire costs that will be reflected in the fourth quarter numbers as well.

3rd Quarter Update – FY 2021 Revenue

- Impacts (of COVID) on outstanding balances. Revenue is recorded when we bill but cash isn't received until customers pay.
- To reduce these numbers, we have sent letters on accounts, reinitiated sending unpaid closed accounts to collections, and in May will reinstate late fees on past due balances (as included in the April bill insert).
- Graph is comparison of current aging balances with prior year.



3rd Quarterly Update – FY 2021

General Fund Expenses

- Personnel Services
 - 79.8% of biennial budget
 - Total costs Fiscal Year 2020 and 3rd Quarter Fiscal Year 2021 - \$9.2 million
 - 87.5% of budgeted amount - \$10.1 million
 - Reasons we are below 87.5%
 - Vacancies that have not yet been filled
 - Modification to health plan that lowered premiums in first year of biennial budget





3rd Quarterly Update

– FY 2021

General Fund Expenses

- Materials & Services – 71.1%
 - Customer Services is over budget due to credit card processing fees
 - All other categories are below budget, so we are in no danger of exceeding appropriation.
- Capital Outlay – 68.3%
 - Added \$136,793 of capital outlay expenditures in the 3rd quarter

Other Funds

SDC Revenue, CIP and CIP Bond
Construction expenditures

2nd Quarterly Update – FY 2021

new demand

e	o	r
v	n	e
e	extension	i
l		m
growth	t	b
p	equity	u
m	m	r
revenues	new customers	s
n		e
capacity	f	m
	improvements	e
	e	n
	expansion	t
		s

SDC Revenues

- Biennial Budget - \$1,655,800
- Actual to date - \$1,390,986 through the 3rd quarter compared with \$713,572 through the 2nd quarter. 3rd quarter revenue exceeded entire FY 2020



New Construction

2nd Quarterly Update – FY 2021

Capital Improvements Project Fund

Project #	Description	BN 19-21 Budget	FY 2020 Actual	FY 2021 Actual	Total	% of Budget
5249	ODOT/City/County DTD Adj	\$ 286,000	\$ 67,024	\$ 59,744	\$ 126,768	76.86%
5243	CRC Mobility (see 5249 budget)*	-	50,772	30,191	80,963	N/A
5241	Sunnybrook & 93rd Loop Waterline (see 5249 budget)	-	5,320	-	5,320	N/A
5270	Linnwood Ave Improvements	-	-	6,766	6,766	N/A
5239	Edgewood Neighborhood Waterline	1,045,000	907,777	55,387	963,164	92.17%
5251	Forsythe Rd Waterline - Phase 1	572,000	40,223	367,409	407,632	71.26%
TBD	Leland Rd Master Meter & Waterline	480,000	-	-	-	0.00%
5253	82nd Dr Waterline - Phase 1	814,000	840	83,081	83,921	10.31%
5260	Orchid Waterline & Meter	74,000	35,297	317	35,614	48.13%
5250	Mather Reservoir Control Valve	210,000	50,897	39,851	90,748	43.21%
5248	90th Ave Pump Station Valve Replacement	150,000	13,474	119,072	132,546	88.36%
5273	Redland Road Waterline - Phase 1	-	-	213	213	N/A
		\$ 3,631,000	\$ 1,171,623	\$ 762,031	\$ 1,933,654	53.25%

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

2nd Quarterly Update – FY 2021

- **Backbone Projects**

- All project have been closed except for 152nd Ave Reservoir as of June 30, 2020 (end of Fiscal Year 2020)
- BN 2019-2021 Budget for Fund 08 – CIP Backbone was \$3,139,000
- Spend through March 31, 2021 (3rd Quarter of Fiscal Year 2021) is \$3,123,630
- 99.5% of budget has been expended
- Minor additional charges – primarily CRW Staff time may be charged against this budget.
- Backbone Phase 1 completed!



Questions or comments ?