

ROCKWOOD WATER P.U.D.
MINUTES, REGULAR MEETING OF THE BOARD
JANUARY 18, 2005
Rockwood Water Boardroom

Board members present: Sandra Ramaker, Herb Brown, Stephen McElroy, Larry Dixon, Don McCarthy.

Staff present: Harvey Barnes, District Manager (DM); Mike Baker, District Superintendent (DS); Kathy Stine, Administrative Secretary (AS).

Guests present: Robert Paine, Fran Hyson, Jeanne Orcutt, Pat Brown, Chris Uber, Bryan Ginter, Paul Matthews, Russ Nelson, Sandra Murdock, Petra Murdock.

OATH OF OFFICE

Board members Sandra Ramaker, Herb Brown, Stephen McElroy and Don McCarthy were administered the oath of office by AS Stine.

The meeting was called to order at 7:05 p.m.

APPROVAL OF THE AGENDA

DM Barnes requested that the following be added to the agenda: Budget Schedule, Consortium Voting Members and CRW Meeting Representative. It was suggested that the three items be added following Budget Committee Application Form (item 18).

Sandra Ramaker moved to approve the agenda as amended. Don McCarthy seconded the motion. The motion was approved; none opposed.

ELECTION OF OFFICERS

Nominations for President: Herb Brown nominated himself. Don McCarthy nominated Sandra Ramaker. **Ramaker was elected President by a 3 to 1 vote; Larry Dixon abstained.**

President Sandra Ramaker opened the nominations for Vice President: Herb Brown nominated Stephen McElroy. Stephen McElroy nominated Herb Brown. **Don McCarthy moved to close the nominations for Vice-President. Brown was elected Vice-President by a 4 to 1 vote.**

Ramaker opened the nominations for Treasurer. Herb Brown nominated Stephen McElroy. Sandra Ramaker nominated Don McCarthy and passed the gavel to Vice-President Brown. **Larry Dixon moved to close the nominations. Herb Brown seconded the motion. McElroy was elected Treasurer by a 3 to 2 vote.**

Ramaker opened the nominations for Secretary. Herb Brown nominated Larry Dixon. Herb Brown moved to close the nominations. There being no other nominations, **Dixon was elected Secretary.**

PRESIDENT'S COMMENTS

Sandra Ramaker stated she was pleased and honored to be elected President of the board. She thanked everyone for their support and expressed her excitement about starting a new term. She commented on the positive things going on in the District including bringing the new wells online. **Ramaker** also commented on changes and progress within the District over the years.

She noted that the last four years have been a learning experience. Ramaker stated she will continue to have an open mind and keep the lines of communication open to the patrons and the needs of the District. She thanked fellow board members, the manager and staff for all their hard work and thanked the patrons for attending meetings and providing insight.

Herb Brown stated that he looks forward to a good new year. He commented positively on the past year's management and fiscal responsibility.

APPROVAL OF THE CONSENT AGENDA

Herb Brown moved to approve the consent agenda. Larry Dixon seconded the motion. The motion was approved; none opposed.

APPROVAL OF THE MINUTES

Don McCarthy moved to approve the minutes. Herb Brown seconded the motion. The motion was approved; none opposed.

APPROVAL OF THE BILLS

Jeanne Orcutt referred to the line item Other Miscellaneous Income noting that nothing was budgeted but income is listed. **DM Barnes** explained that it includes miscellaneous income, for example fire hydrant sales, not classified as water sales revenue. He suggested that she request a complete printed list from Senior Accountant Cheryl Colley.

Stephen McElroy referred to page 3, line 55, asking what the two comp batteries were for. **DM Barnes** replied that two computer battery backups (replacements) were purchased for the telemetry computers in the hallway.

Stephen McElroy moved to approve the bills. Herb Brown seconded the motion. The motion was approved; none opposed.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Herb Brown noted that a friend and longtime Powell Valley Road Water District board member, Bob Luce, recently passed away. He highlighted Mr. Luce's contributions and commented on the loss to the community.

Fran Hyson noted her absence at the December 21st meeting. She stated she would like to comment on the executive session decision on her complaint regarding chairperson Herb Brown refusing her right to comment. She referred to the District's policy manual and stressed that she included the policy word for word in her complaint. **Ms. Hyson** expressed that she did not feel the policy was interpreted by the attorney or upheld by the Board as it was written or intended. She stressed the importance of elected official credibility. **Ms. Hyson** then requested a copy of the letter from the attorney regarding policy interpretation.

Pat Brown asked if she missed the Superintendent and Manager reports. **DM Barnes** referred to the reports included in the packet. **Ms. Brown** asked if there was anything to add. **DM Barnes** replied no.

MASTER PLAN

DM Barnes explained that Chris Uber and Bryan Ginter, Murray Smith & Associates (MSA), and Paul Matthews, Integrated Utilities Group (IUG), would be presenting the District's draft Master Plan Update.

Chris Uber referred to the two document drafts provided: the Water System Management Plan and the Water Management and Conservation Plan and noted the volume of material to cover tonight. He thanked District staff for their contributions in developing the plans.

Uber began by explaining the purpose of the plans and outlined the key areas to be presented. He then introduced **Brian Ginter** who provided a review of population data, water demand projections and distribution system information. **Uber** reviewed the supply source analysis which included evaluation of five different alternatives. He explained the requirement to develop a water management and conservation plan to support and defend water rights. He commended the District for its conservation planning efforts. **Paul Matthews** presented the financial analysis of the Master Plan. **Chris Uber** summarized key points of the presentation and then asked for questions.

Fran Hyson asked if the key element of the Master Plan is being based on the CRW contract and annexation. **DM Barnes** replied not the annexation. She then asked Uber for elaboration on securing and protecting water rights. **Uber** explained that when you file a water right there has to be a basis of need; these plans establish that. In other words, say something happens to the groundwater wells or the Bull Run watershed where they can't be used; the District is then left with the Clackamas River or the Columbia River. A very important part of long range planning is having contingencies and being able to exercise rights should something happen to existing sources. **DM Barnes** outlined the District's current water rights and supply sources.

Board and staff discussion followed. The plans are in draft form and will be finalized once the Board determines what options to pursue.

Fran Hyson referred to the bonded debt on page 36 and asked if it's for the CRW water line. **DM Barnes** explained that the bonded debt is for various parts of the Capital Improvement Plan and the CRW deal. **Ms. Hyson** asked if the District would be solely responsible for the debt. **DM Barnes** replied that is an unknown as we don't know the size of the line or whether there will be partners on the project.

Ms. Hyson asked if sharing the water rights with Gresham in any way jeopardizes the protection of the District's water rights. **DM Barnes** replied that if you look at our 50 year application for renewal application, our plan was for general use in East Multnomah County. **Brian Ginter** added sharing with Gresham as a regional partner will actually help secure the water rights as the District has more groundwater rights than it can justify needing. **Ms. Hyson** asked why the District has to secure the rights when it already has them. **DM Barnes** explained that new water right laws require that you show cause for the state to extend your water rights into the future, adding that the state wants to see broader beneficial use.

Jeanne Orcutt commented that if any water rights should be given away it should be the Columbia River. She asked if finalizing the plan could wait until we know what Bull Run water will cost from Portland. **DM Barnes** replied that he's hoping that in the next few weeks we do have that answer. He added that the earliest the board will take action on the plan is February. She asked if they could incorporate this information before finalizing. **DM Barnes** replied yes.

Ms. Orcutt asked if an election on the CRW annexation is anticipated in March. **DM Barnes** replied no as we are still working on resolving boundary issues. She asked if it is too long to wait to finalize the master plan until after the annexation vote. **DM Barnes** replied that even if the District did annex CRW, within a couple of years we would have to revisit both plans. She asked if we would have added expense for planning. **DM Barnes** replied yes there would be some added expense, but not as much as developing the initial plans. The information we have is still good; we'd just have to look at it differently for a much larger district. **Ms. Orcutt** commented that the District needs to take into consideration CRW's financial situation if annexed and how it plays into our situation.

It was agreed that further discussion of the plans will take place at the February board meeting.

The meeting recessed for a short break at 8:33 p.m. The meeting reconvened at 8:45 p.m.

RESOLUTION 04/05-003 TO AMEND POLICY MANUAL

DM Barnes explained that this resolution amends the Office Supervisor, Senior Accountant, and Administrative Secretary job descriptions and adds the Conservation & PR job description.

Herb Brown moved to approve the resolution. Don McCarthy seconded the motion. The motion was approved; none opposed.

RESOLUTION 04/05-004 TO AMEND POLICY MANUAL

DM Barnes explained that this resolution changes a few words regarding special charges. Dishonored check will be changed to dishonored payment as the District accepts various types of payments now. Discussion followed regarding online payments.

Don McCarthy moved to approve the resolution. Herb Brown seconded the motion. The motion was approved; none opposed.

RESOLUTION 04/05-005 TO ADOPT REGIONAL WATER SUPPLY PLAN UPDATE

DM Barnes explained that the update was presented at the last meeting. He distributed copies of the official corrected version. Board discussion followed regarding development of the update, population data, and land use laws.

Herb Brown moved to approve the resolution. Don McCarthy seconded the motion. The motion was approved; none opposed.

RESOLUTION 04/05-006 TO ADOPT REGIONAL WATER PROVIDERS CONSORTIUM IGA

DM Barnes explained that this is really a piece of the Consortium's by-laws; it tells how the Consortium Board will be operated over time. He noted that the biggest change to the agreement is consolidating the number of meetings that are held.

Herb Brown moved to approve the resolution. Don McCarthy seconded the motion. The motion was approved; none opposed.

RESOLUTION 04/05-007 DESIGNATING AUTHORIZED CHECK SIGNERS (IF NECESSARY)

No action was taken as it was deemed unnecessary.

BOARD MEETING SCHEDULE - 2005

DM Barnes explained that in January the Board sets the meetings through December.

Fran Hyson asked the board to consider changing the meetings from Tuesdays to Wednesdays due to conflicts with other meetings. **Jeanne Orcutt** also expressed support for holding meetings on Wednesdays.

Following Board discussion, **Don McCarthy** moved to change meetings to the fourth Wednesday of every month. **Stephen McElroy** seconded the motion. The motion was approved; none opposed.

BOARD TRAVEL REQUEST – AWWA NATIONAL AND PNWS CONFERENCES

DM Barnes explained that Board approval is required for reimbursement of board member travel expenses. He noted that this year's PNWS Conference will be held in Portland so travel will be minimal. The AWWA National Conference will be held in San Francisco.

Herb Brown moved to approve the request for travel expense reimbursement. **Larry Dixon** seconded the motion. The motion was approved; none opposed.

FINANCIAL REVIEW

DM Barnes provided a brief financial review of the District's budget for the current fiscal year. He noted that the District is doing very well financially. Discussion followed regarding pipe replacement and leak detection and repair.

BUDGET COMMITTEE APPLICATION FORM

DM Barnes referred to the revised form included in the packet. Discussion followed regarding a statement of commitment to attending meetings, including meeting date information on the form, and advertising budget committee vacancies. It was agreed that a stronger statement and meeting dates be included on the form. The revised form will be provided at the February meeting.

BUDGET SCHEDULE

DM Barnes referred to the schedule included in the packet and explained the alternate dates offered for specific meetings. Discussion followed.

Herb Brown moved to accept the following budget committee meeting dates: April 27th (following the Board meeting), May 18th and June 1st. **Stephen McElroy** seconded the motion. The motion was approved; none opposed.

CONSORTIUM VOTING MEMBER

DM Barnes indicated that each January the Board takes a look at the District's voting members to the Consortium Board. It is his understanding that **Herb Brown** may no longer be interested. **Sandra Ramaker** expressed that she would like to continue her involvement. **Herb Brown** suggested the alternate be **Don McCarthy** who indicated he would be willing to serve.

Herb Brown moved to elect **Sandra Ramaker** as primary representative and **Don McCarthy** as alternate to the Consortium Board. **Larry Dixon** seconded the motion. The motion was approved; none opposed.

CRW REPRESENTATIVE

The Board discussed the need for a District board member to attend CRW meetings. **Herb Brown moved to appoint himself as the primary attendee and Sandra Ramaker as the alternate to attend CRW meetings. Don McCarthy seconded the motion. The motion was approved; none opposed.**

FOR THE GOOD OF THE ORDER

DM Barnes reported that the District is finishing up some projects. We've received confirmation that the pump motor we have been waiting for is now in Los Angeles. Flooding in that area has delayed the shipment process.

The second well is testing out very well. We are waiting for reports on radon levels, etc. As soon as the reports are returned, information will be provided to sensitive customers so they can see what to expect. We'll allow them some time to review and understand the information and will then begin blending water and doing some online testing.

The project with Gresham is moving along, however, it will not be online by June 1st as originally planned. **DM Barnes** outlined a few issues. Per Larry Dixon's request, DM Barnes and DS Baker reported on leak detection progress and unaccounted for water loss.

Herb Brown stated that he looks forward to the District having another very good year.

Sandra Ramaker reported she received an e-mail regarding the DC Fly-In, scheduled for April 13-14. She would like for DM Barnes to attend an upcoming water security conference. **DM Barnes** agreed this would be worthwhile to attend. **Ramaker** noted the GOSH Conference to be held in Portland February 28-March 3 as a possible safety training opportunity. The Regional Water Provider's Consortium will be conducting an emergency response tabletop exercise on February 16th. Discussion followed regarding tomorrow's meeting between CRW and the Clackamas County Commissioners. A CRW work session is scheduled for February 27th.

ADJOURNMENT

Don McCarthy moved that the meeting be adjourned. Herb Brown seconded the motion. The motion was approved; none opposed.

The meeting was adjourned at 9:51 p.m.

Secretary