

ROCKWOOD WATER P.U.D.
MINUTES, REGULAR MEETING OF THE BOARD
February 22, 2006
Rockwood Water Boardroom

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

Staff present: Harvey Barnes, District Manager (DM); Sabrina Walyer, Administrative Secretary (AS)

Guests present: Paul Dayfield, Jeanne Orcutt, Fran Hyson, Scott Forrester,

President **Stephen McElroy** called the meeting to order at 7:00 p.m.. He began by introducing the board members, the District Manager, and the Administrative Secretary.

APPROVAL OF THE AGENDA

Fran Hyson asked why the Public Comment for Non Agenda Items was not on the agenda. **AS Walyer** remarked that it was her mistake. **DM Barnes** commented that his two additions to the agenda were 1) the previously mentioned Public Comment for Non Agenda Items, and 2) a discussion regarding the approval of the budget committee schedule. **President McElroy** agreed with DM Barnes that the Public Comment section should be added after the approval of the bills, and the discussion about the budget committee schedule would be added after the project update.

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

APPROVAL OF THE CONSENT AGENDA

President McElroy asked if there were any changes to the consent agenda.

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

APPROVAL OF MINUTES

Jeanne Orcutt requested the addition of her suggestion of the idea that Rockwood apply for community development block grants from the federal government in the February 22nd meeting. **Scott Forrester** came forward and suggested that AS Walyer change her wording from “consider an annexation with Gresham”, to “consider an annexation of Gresham”.

Herb Brown moved to approve the minutes from the January 25th regular meeting as amended. Larry Dixon seconded the motion. The motion was approved; none opposed.

APPROVAL OF THE BILLS

Jeanne Orcutt referred to page 5, line 19 and requested clarification regarding the ground water permit consultation. **DM Barnes** explained that this refers to the assistance provided to Rockwood by Bob Long in renewing our water right’s permit, after some inquiries by the State of Oregon Water Resources Department. **Orcutt** then asked about page 6, and what we get for our payment of P.U.D. Association dues. **DM Barnes** replied that the Oregon P.U.D.A. watches out for legislation that affects P.U.D.’s, and notifies us of anything we need to be aware of. Another bill on page 6 that **Orcutt** questioned was for the cost of what was named “ArtView”. **DM Barnes** stated that it is

a mapping program of the district and the cost is for the maintenance of the program. **Orcutt** continued by asking about the line item referring to the telemetry for the wells on page 7. **DM Barnes** said that it concerns the control system that monitors the renovation project of the Cascade Pump Station. Lastly, **Orcutt** asked about the cost of safety gloves, written on page 10. **DM Barnes** answered that this was the cost for a year's supply of the gloves.

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

PUBLIC COMMENT ON NON AGENDA ITEMS

Fran Hyson stated that she had never received a clear answer as to why we pay money to Tualatin Valley Water District. **DM Barnes** explained that the payments we make to the Tualatin Valley Water District has been for our share of a consultant that has been helping us sort out a rate analysis. The analysis is based on a water-rate model that determines how our rates would change if we added or took away certain elements of the contract. **Hyson** also inquired about the possibility of our wells drying up, and said that is another main reason why she is concerned about Rockwood selling water. **Hyson** appealed to the board not to pump as much water as we have been, since we need to save as much as we can. **Herb Brown** responded by stating that we only operate our wells at 50-70% capacity as it is.

DISCUSS CRITERIA FOR DISTRICT MANAGER EVALUATION

DM Barnes referred to the district manager's evaluation forms in the board packets, and stated that if the board wants to make any changes, they will need to do so during this public session. **Don Mc Carthy** said the forms look good. **Sandra Ramaker** commented that she thought the forms look fine and seems to have everything we need. **Larry Dixon** stated that he didn't see a need for any changes. **President McElroy** and **Herb Brown** agreed.

Sandra Ramaker moved to approve the presented forms as the criteria for the district manager's evaluation. Herb Brown seconded the motion. The motion was approved; none opposed.

PROJECT UPDATE

DM Barnes said that the projects are moving along pretty well. The pipe installation on Powell Blvd. of the 30-inch pipe is currently being installed. This next week, **Barnes** added, the crew should be working along Halsey Street, and by June they should have it all connected over to Division Street. Concerning the pump station project, **Barnes** stated that we have begun ordering parts, pumps, and electrical equipment. We will have all the parts purchased by the end of the summer. The first part of September is when **Barnes** said they plan to begin the project.

Barnes added that there is an on-going problem with the Grant-Butte reservoir in terms of homeless activity and gang activity. He has been talking with neighborhood residents and looking into the possibility of deconstructing of the reservoir.

Larry Dixon asked how long it will be before we will be able to use the 30-inch pipeline. **DM Barnes** answered that Rockwood will be able to use the line by the summer, and the entire construction will be finished by 2008.

Don McCarthy asked how many gallons the Grant-Butte reservoir holds. **DM Barnes** answered that it holds 1 million gallons, and the ground is unstable to hold it.

SCOTT FORRESTER

Scott Forrester thanked the board for the time to allow him to speak. **Forrester** said he would like Rockwood Water PUD to reconsider electrifying the P.U.D.. He explained that his motivation stems from the idea that, by including electric service, the rate payers could save a significant amount of money. Referring to the conclusion of a previous feasibility study, noted in the minutes of the September 28th, 2004 board meeting, **Forrester** pointed out that rate payers could save 1%-13% based on over a seven-year period.

Forrester asked that the board exercise leadership in keeping this agenda item on the table, and consider paying for another feasibility study. Given the previous concerns about the cost of purchasing poles and wires, **Forrester** continued, right now Rockwood is renting those parts, and will never own those as assets. He stated that borrowing money to put electric service in place will save Rockwood patrons money over time, and that ultimately the P.U.D. will own the service. **Forrester** suggested that D. Hill be consulted as to how much a new feasibility study will cost. He asked that the board allow DM Barnes to gather three competitive bids, and more information via an engineer report.

Referring to the amount of savings in electric costs, **Forrester** mentioned details found on page 3 and 4 of the July 4th minutes. At the operation of Rockwood Water PUD, and given that the P.U.D.'s rates would be 9.5% lower than PGE's by 2008, both businesses and residents could save \$52 million within 10 years, **Forrester** read. He explained that this meant that residents would save approximately \$200 per year. Businesses will save even more than the residential rate payers.

Paul Dayfield commented that the information from 2004 now appears stale and that it makes sense to revisit the issue and maintain our options. **Dayfield** said that he believes Forrester made some good points. **Scott Forrester** offered to bring in the manager of the Columbia P.U.D. to explain their process of how they electrified. Forrester then thanked the board for their time.

Fran Hyson stated that she agrees with Forrester and suggested that we move forward with an engineer's report. She said that electric bills are getting too high. **Hyson** also asked if the letters had been mailed out to the patrons regarding the discussion about the Portland Wholesale Contract and the Rockwood / Gresham Water Sales Agreement. **DM Barnes** answered that the mailing is in the process of being finished.

Jeanne Orcutt commented that she is not in favor of electrification of Rockwood Water PUD. **Paul Dayfield** asked for the cost of the average electric bill for the district. **DM Barnes** replied that it is around \$80,000. **Dayfield** mentioned that local businesses could really benefit from electrification.

President McElroy asked for comments and any discussion from the board. **Herb Brown** said that there was never an actual figure given the real complete cost of such a project. He added that he did not feel that electrification was in the best interest of the district. **Sandra Ramaker** expressed concern in funding the project. **Ramaker** noted that historically, there were hardly any patrons that were interested, and that in previous meetings, the patrons that did show up didn't think it was a good idea. **Larry Dixon** said that he feels that it would cost too much money. **Don McCarthy** added that he was not in favor of the idea. **President McElroy** stated that it appeared that the board was in agreement to not move forward with the idea of electrifying.

Scott Forrester said that he was disappointed at the conclusion, but said that he appreciated the board's time.

APPROVAL OF THE BUDGET COMMITTEE SCHEDULE

DM Barnes said that we need to nail down the final dates for the budget committee schedule. **Sandra Ramaker** said that on May 10th there is an EC meeting with the consortium, and then the following Wed., May 17th is the NW Section AWWA meeting, thus we should consider different dates in May. **DM Barnes** suggested moving the May 3rd meeting back by a week. **Ramaker** offered that we could have one meeting on May 3rd and the next meeting on the 23rd. **DM Barnes** added another option, of moving the 24th regular board meeting to May 31st, and hold the budget meeting on the night of the 24th. **Ramaker** announced the amended dates, stating that the May budget committee meetings will be held on May 3rd, and May 24th, and the regular board meeting is to be held on May 31st. The board concluded that this would work with their schedules and would give them enough time to review the proposed budget to be presented on April 26th.

Herb Brown moved to approve the amended budget committee schedule. Sandra Ramaker seconded the motion. The motion was approved; none opposed.

FOR THE GOOD OF THE ORDER

DM Barnes said that the SDAO Conference in Seaside, OR went very well, and had reliable training meetings. **Don McCarthy** agreed, and said that he received a lot of information, particularly on office election rules.

Sandra Ramaker said that she received an e-mail from Scott Forrester on January 27th asking to meet with her and one other commissioner about the annexation of Rockwood and his neighborhood. She said she responded saying that she sees no reason to annex his neighborhood when Rockwood Water PUD could not service him.

President McElroy mentioned that he also enjoyed the SDAO Conference, and attending the section on election laws and that there has been a lot of changes.

*****Changed C.D.*****

Herb Brown added that he too, enjoyed the SDAO conference, and appreciated that the district allows them these opportunities. **AS Walyer** stated that she is unsure why some people have received their AWWA National Conference booklets. She said that even though Larry Dixon and Herb Brown have not received those registration booklets, she may go ahead and register them on the Internet or via fax.

ADJOURNMENT

Herb Brown moved to adjourn the meeting. Larry Dixon seconded the motion. The motion was approved; none opposed.

The meeting was adjourned at 8:25 p.m.

Secretary