

ROCKWOOD WATER P.U.D.
MINUTES, REGULAR MEETING OF THE BOARD
FEBRUARY 23, 2011
Rockwood Water Boardroom

Board members present: Larry Dixon, Tom Lewis, Don McCarthy, Steve Okazaki, Cathi VanDamme.

Staff present: Harvey Barnes, District Manager (DM); Andy Crocker, District Superintendent (DS); Jeremy Hudson, District Engineer (DE); Kerry Aden, Administrative Secretary (AS).

Guests present: John Lugton, Dave Mustonen.

President Tom Lewis called the meeting to order at 7 p.m.

APPROVAL OF THE AGENDA

President Lewis asked if there were any changes or additions to the agenda.

Steve Okazaki moved to approve the agenda. **Cathi VanDamme** seconded the motion. The motion was approved; none opposed.

APPROVAL OF THE CONSENT AGENDA

Don McCarthy moved to approve the consent agenda. **Larry Dixon** seconded the motion. The motion was approved; none opposed.

APPROVAL OF MINUTES

Cathi VanDamme moved to approve the minutes from the January 26, 2011 regular meeting. **Don McCarthy** seconded the motion. The motion was approved; none opposed.

APPROVAL OF THE BILLS

Don McCarthy asked about page 9, line 7, Repr Gate/Ladr Bela Vista. **DS Crocker** answered the item is for the gate and ladder at the Bella Vista Reservoir site and six vault lids in the District.

Cathi VanDamme inquired about page 8, line 7, Repair Network Connection Prob. **DM Barnes** replied Comcast changed the DNS numbers causing the AS400 to fail, and the item is for the consultant to reset them.

Cathi VanDamme asked about page 8, line 36, RW37 Repr Drivr Seat Back. **DM Barnes** replied it was to repair the seat in the Meter Reader On/Off truck.

Steve Okazaki moved to approve the bills. **Cathi VanDamme** seconded the motion. The motion was approved; none opposed.

PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no public comments.

AWWA/PNWS OREGON SUBSECTION MEETING APRIL 21, 2011

DM Barnes stated he would like to reaffirm the Board's position in sponsoring the American Water Works Association (AWWA) Pacific Northwest Section Oregon Subsection meeting held in April. Discussion ensued.

The Board agreed to continue sponsorship of the meeting.

MICRO-HYDRO ELECTRIC FEASIBILITY STUDY APPROVAL AND ADOPTION

Dave Mustonen with CH2M Hill gave a presentation to the Board on the Micro-Hydro Electric Feasibility Study. Discussion took place regarding the study, solar feasibility, and security.

Cathi VanDamme made a motion to accept the feasibility study. Don McCarthy seconded the motion. The motion was approved; none opposed.

The Board discussed solar feasibility and asked **DM Barnes** to move forward with a solar feasibility study.

AUDITOR CONTRACT EXTENSION - DISCUSSION

DM Barnes explained we have reached the end of our contract with Pauly Rogers and Co., P.C. and asked if the Board wants to extend their contract. Discussion ensued.

Steve Okazaki made a motion to approve a three-year extension of the current auditor's contract. Don McCarthy seconded the motion. The motion was approved; none opposed.

POLICY MANUAL - DISCUSSION

A. CAPITALIZATION POLICY

DM Barnes explained we do not fall under GASB 54 rules, so we don't need a capitalization policy.

B. OVERTIME, SERIES 3000, ARTICLE 4.0, SECTION 4.3.5

The Board discussed the overtime policy and asked **DM Barnes** to bring language options regarding mileage, response time, and lunch breaks for them to discuss at the next meeting.

C. DUTIES AND RESPONSIBILITIES OF THE BOARD AND ITS OFFICERS, SERIES 1000, ARTICLE 2.0, SECTION 2.1.20 (BOARD-INITIATED ACTION TO HIRE LAWYER)

The Board discussed the proposed language options provided. They agreed on Alternate A without the third sentence and asked the policy be brought to the March meeting for final approval.

D. DUTIES AND RESPONSIBILITIES OF THE BOARD AND ITS OFFICERS, SERIES 1000, ARTICLE 2.0, SECTION 2.1.21 (DONATIONS)

The Board discussed the donation policy and a program to fix leaks for low income customers. The Board agreed a program to fix leaks for low income customers is more appropriate than adding it to the donation policy. The Board continued discussing the donation policy, added AWWA to the list of examples and asked the policy be presented at the next meeting for final approval.

E. INVESTMENT POLICY APPENDIX III

The Board discussed the investment policy and accepted **Clark Balfour's** proposed language. The Board asked the policy be presented at the next meeting for final approval.

F. PETS IN THE WORKPLACE, SERIES 3000, ARTICLE 2.0, SECTION 2.7

The Board discussed the policy and agreed on the verbiage as presented. They asked the policy be brought back for final approval at the next meeting.

G. FAMILY MEDICAL LEAVE OF ABSENCE.

The Board agreed on the verbiage as presented and asked the policy be brought back for final approval at the next meeting.

H. HARASSMENT, SERIES 3000, ARTICLE 2.0, SECTION 2.13

DM Barnes explained the policy needs to be reviewed with **Clark Balfour** and language will be presented at the next meeting.

I. PREMIUM PAYMENT PLAN APPENDIX IV(F)

DM Barnes explained the policy needs to be reviewed with **Clark Balfour** and language will be presented at the next meeting. **Clark Balfour** suggested the first revisions of the harassment and premium payment plan policies be presented at the March meeting and all of the policies in total can be adopted in April. The Board agreed.

PROJECT UPDATE

DM Barnes reported on the Master Plan update, standard operating procedures for chlorine and ammonia, and the letter from Corbett Water District.

DS Crocker gave an update on the Wasnomas project and stated we will begin a flushing program in the next few weeks.

DM Barnes briefed the Board on the Bull Run turbidity event.

FOR THE GOOD OF THE ORDER

DM Barnes stated the order is in pretty good shape. Revenue is stabilized; however, we will incur a 5.3% increase in wholesale water rates, and the Portland Water Bureau's UV Plant is scheduled to be online in 2014.

Don McCarthy thanked the Board for the opportunity to attend the Special Districts Association of Oregon's annual conference.

Steve Okazaki stated he is unable to attend the March Board meeting.

EXECUTIVE SESSION

Don McCarthy made a motion to recess into executive session in accordance with ORS 192.660 (2) (d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations; (h) 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.

Cathi VanDamme seconded the motion. The motion was approved; none opposed.

The Board recessed into executive session at 8:36 p.m.

Cathi VanDamme moved to adjourn the executive session. Don McCarthy seconded the motion. The motion was approved; none opposed.

President Lewis reconvened the regular Board meeting at 9:04 p.m.

ACTION ON EXECUTIVE SESSION (IF NECESSARY)
NEXT MEETING

There was no action on executive session items.

Tom Lewis acknowledged the letter to the Board from the exempt employees.

Don McCarthy responded to the letter reiterating the exempt employees are saying they are not going to ask for a raise for the upcoming year. He stated he appreciates what we are doing to keep costs down.

Steve Okazaki appreciates the exempt employees recognize the District's situation and that we understand.

Tom Lewis thanked the exempt employees for their progressive action and respects it. He recognized they took a leadership role.

Cathi VanDamme stated it's good to see the exempt employees are proactive. She thanked them for their consideration and for jobs well done each and every day.

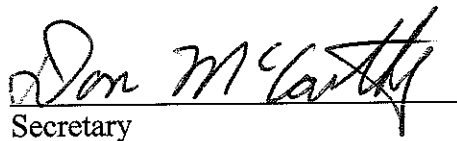
Tom Lewis expressed concerns with Lorna Water Company. **Larry Dixon** stated he was approached by two people in that area to see if we could serve them. Discussion ensued and **DM Barnes** suggested a community meeting to see if Lorna Water Company customers would be interested in the District servicing them.

President Lewis reminded everyone the next meeting will be on Wednesday, March 23, 2011 at 7:00 p.m.

ADJOURNMENT

Steve Okazaki moved to adjourn the meeting. Cathi VanDamme seconded the motion. The motion was approved; none opposed.

The meeting was adjourned at 9:23 p.m.


Secretary