

**ROCKWOOD WATER P.U.D.**  
**MINUTES, REGULAR MEETING OF THE BOARD**  
**APRIL 27, 2005**  
**Rockwood Water Boardroom**

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**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); Chris Shaw, Conservation & PR Coordinator (CPRC).

**Guests present:** Pat Brown, Robert Paine, Fran Hyson, Doug Ramaker, Andy Crocker, Jeremy Charpentier, Joe Schlosser.

President **Sandra Ramaker** called the meeting to order at 7:03 p.m.

**APPROVAL OF THE AGENDA**

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

**APPROVAL OF THE CONSENT AGENDA**

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

**APPROVAL OF THE MINUTES**

**Herb Brown** moved to approve the March 23 and April 13 minutes. **Larry Dixon** seconded the motion. The motion was approved; none opposed.

**APPROVAL OF THE BILLS**

**Fran Hyson** referred to the attorney charge and asked if it was included in the CRW reimbursement. **DM Barnes** replied yes. **Stephen McElroy** asked about the Qwest damage repair charge. **DS Baker** explained that a phone line had been broken.

**Larry Dixon** asked about the customer assistance expense. **DM Barnes** explained that Human Solutions is the agency that determines customer eligibility. **Dixon** asked if there are repeat customers. **DM Barnes** explained that the program offers a one-time crisis assistance or bi-monthly discount. Customers have to be off the program a year before receiving additional assistance. **Dixon** asked about control of funds and the possibility of exceeding what's budgeted. **DM Barnes** explained that the District does control the amount of money given for assistance and would notify Human Solutions when funding had reached the limit for the fiscal year. He added that at this point, funds are still available.

**Herb Brown** asked how many cell phones the District has. **DM Barnes** replied three – for on call use, the meter reader and one extra.

**DM Barnes** referred to the printout showing reimbursements to the District. He reported that we have been reimbursed for all charges we billed CRW for. He explained that the second page shows individual reimbursements for PNWS conference charges.

**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** commented that the board has been discussing property in executive session and asked if the District is planning on purchasing or selling. **DM Barnes** replied that the discussion was on property we intended on acquiring but decided not to. **Ms. Hyson** asked if the issue had been settled. **DM Barnes** replied yes, the CRW deal is done. **Ms. Hyson** expressed appreciation for listing out reimbursements as requested.

### **RESOLUTION 04/05-009**

**DM Barnes** stated that per discussion at the last meeting the resolution changes policy regarding special or emergency meeting packet distribution requirements. **Fran Hyson** asked if the change is only for the five days and not the 24 hours. **DM Barnes** clarified that the change is regarding packet delivery not notification.

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

### **AUDITOR CONTRACT**

**DM Barnes** explained that he would like to extend the contract with Talbot, Korvola & Warwick, the auditors who have conducted our audit the past three years. Discussion followed regarding the auditors' past work, the proposed cost and the need to change auditors periodically.

**Herb Brown moved to extend the auditor contract with Talbot, Korvola & Warwick, LLP. Don McCarthy seconded the motion. The motion was approved; none opposed.**

### **DEFERRED COMPENSATION PLAN**

**DM Barnes** explained that one of the deferred compensation plan administrators for the District has notified us that effective June 30, 2005, they will no longer administer the plan; employees will have to move their funds prior to that date. He explained that he has a few available options he would like the board to approve and outlined the offerings for PACE and AIG.

Following discussion, **Herb Brown moved to adopt the deferred compensation plan with PACE. Stephen McElroy seconded the motion. The motion was approved; none opposed.**

**Don McCarthy moved to adopt the deferred compensation plan with AIG. Herb Brown seconded the motion. The motion was approved; none opposed.**

### **MASTER PLAN UPDATE**

**DM Barnes** stated that based on the information provided and the discussions that have taken place on the master plan they can probably make a decision. Considering the amount of water developed in groundwater and available from the Bull Run, he recommended that the Board work with scenario A in the finance plan. This would fund the CIP as shown in the MSA master plan; the CRW transmission and purchase of CRW capacity is excluded. The uninflated CIP would be about \$22,000,000 over the next twenty years.

He explained that we have more water at the District office than we had hoped to obtain from CRW, it's a substantial cost to go ahead and purchase the CRW capacity and build a transmission line.

Between the two sources he mentioned, he believes we have enough supply for the next 20-25 years so there is no need to develop another source at this time. He recommended selling the CRW capacity.

**Herb Brown** agreed that scenario A is the best option. **Sandra Ramaker** added that it requires the least amount of rate increases. **DM Barnes** replied yes; it is the most conservative option with a 2.7% rate adjustment. He stressed that approving the CIP tonight is not approving the rate adjustment.

**Fran Hyson** asked about the 2.7% rate increase, the percentage of water loss last year, and calculating estimated water loss. **DM Barnes** provided a detailed explanation for each.

**Herb Brown moved to approve scenario A of the master plan update. Stephen McElroy seconded the motion. The motion was approved; none opposed.**

**DM Barnes** commented that he believes only the finance section was approved; the master plan itself still needs to be adopted.

**Larry Dixon moved to adopt the master plan. Don McCarthy seconded the motion. The motion was approved; none opposed.**

### **PROJECT UPDATE**

**DM Barnes** reported that the chlorinator building is finished. They are moving through the closeout of it, putting in the final labeling, and getting the final inspections. It works pretty well. We have been on groundwater since March 30, blending 30% groundwater with 70% Bull Run water. We are pumping in about 700,000 gallons of groundwater per day. He noted there have been no complaints from our customers. All the components are being operated under warranty to test for problems.

**DM Barnes** reported that we are also working on the transmission line between here and Bella Vista. Gresham is working on that project which should be out to bid in the near future.

**DS Baker** referred to the leak survey report in the packet that outlines the leaks and estimated GPM each is producing, for a total of nearly one million gallons per day. He noted that a good portion were cast iron breaks. The majority of leaks have been repaired. There is one section in SE that we do main replacement to get rid of approximately a dozen leaks as it is more cost effective.

**Larry Dixon** asked if we replace the existing pipe with larger pipe. **DS Baker** replied yes. He added that at least 6 new fire hydrants will also be added. **Herb Brown** asked about cast iron pipe replacement. **DS Baker** replied after 32-33 miles of OD steel pipe replacement is completed. He noted that the leaks detected were generally located in the area of rocks and boulders remaining from the Missoula flood.

**Larry Dixon** asked about upping the amount of groundwater blended in. **DM Barnes** replied that the goal is a 50/50 split after all the equipment is fully tested. He added that another project coming up is the new shop building. The project had been delayed due to CRW annexation proceedings. We are close to signing an agreement with HDR to provide architectural work and manage the build.

**Fran Hyson** asked about blending in CRW water. **DM Barnes** replied that he is proposing to sell the CRW capacity and not develop that source. She asked if the District will still be paying on the filter plant. **DM Barnes** replied no. Discussion followed regarding the agreement and selling the

capacity. **Ms. Hyson** commented on nothing being mentioned about the Grant Butte site. What is the District's intention? **DM Barnes** replied that we will reserve that property until we need a reservoir.

**FOR THE GOOD OF THE ORDER**

**DM Barnes** stated that airline reservations for the AWWA conference will be made soon. Any changes should be noted to CRPC Shaw. He reported that the District's Spring Water Festival will be held on May 12<sup>th</sup> beginning at 9:30 a.m.

**Sandra Ramaker** reminded everyone that the PNWS-AWWA Conference will be held here next week in Portland. She noted that the Powell Valley Road Water District tapping team will be competing. **DM Barnes** reported on the team's results at the last competition.

**ADJOURNMENT**

**Herb Brown** moved that the meeting be adjourned. **Larry Dixon** seconded the motion. **The motion was approved; none opposed.**

The meeting was adjourned at 7:53 p.m.

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Secretary