

**ROCKWOOD WATER P.U.D.**  
**MINUTES, REGULAR MEETING OF THE BOARD**  
**24, JUNE 2003**  
**Rockwood Water Boardroom**

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**Board members present:** Sandra Ramaker, Larry Dixon, Herb Brown, Stephen McElroy, Richard Scariano.

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

**Guests present:** Jeanne Orcutt, Fran Hyson, Pat Brown, Robert Paine, Ray Beach, Tom Pokorny, Chris Pokorny.

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

**APPROVAL OF THE AGENDA**

**DM Barnes** added 1(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, to agenda item 12, Execution Session.

**Stephen McElroy** moved to approve the agenda as amended. **Larry Dixon** seconded the motion. The motion was approved; none opposed.

**CONSENT AGENDA**

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

**APPROVAL OF MINUTES**

**Sandra Ramaker** asked for public comment. No comments were made.

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

**APPROVAL OF BILLS**

**Sandra Ramaker** asked for public comment.

**Jeanne Orcutt** commented and asked questions on the following expenses: bank fees; conference airfare; Gresham Employer Council; temporary receptionist; telephone; technical and consulting; conservation bill insert; postage meter rental; OMFOA memberships; Form Ideas; and vehicle seat cushions. **DM Barnes** explained each expense in detail.

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

**PUBLIC COMMENT ON NON AGENDA ITEMS**

**Fran Hyson** commented on Board members not questioning bills. **Sandra Ramaker, Herb Brown and Larry Dixon** replied that they usually call in prior to the meeting with any questions they have. **Ms. Hyson** also commented on an article in the Oregonian regarding bingo

fundraising issues in Lake Oswego, and Board members being elected to represent the people. She added that the Board should consider public input on rate increases.

**Pat Brown** commended the Board for doing a good job, adding that the money she spends per month on water is well worth it. She commented on the amount of her rate increase and stated that she is willing to pay a little more to further the goals of the District.

### **TAPPING TEAM**

**DM Barnes** introduced Tom Pokorny and Chris Pokorny, Powell Valley Road Water District (PVRWD), and to report on the tapping team; it placed first out of 23 teams at the AWWA national conference in Anaheim. **Tom Pokorny** thanked the Board for its support of the tapping team and explained the preparation process for the competition. He commented on DM Barnes' role as assistant coach and thanked him for his contributions. **Pokorny** asked the Board to consider the tapping team's invitation to the international competition to be held in England. He explained how international tapping competition differs and distributed sample pictures.

Discussion followed regarding funding, the opportunity to demonstrate tapping team skills to the public, a current Oregonian article on the tapping team, a future article in the Outlook, and the opportunity to participate in next year's national competition in Orlando.

### **BUDGET COMMITTEE MEETING**

**DM Barnes** explained that a short meeting is needed to approve last meeting's minutes. Budget Committee Chair **Robert Paine** called the budget committee meeting to order at 7:35 p.m.

**Sandra Ramaker** moved to approve the minutes. **Herb Brown** seconded the motion. **The motion was approved; none opposed.**

There being no further business, **Herb Brown** moved to adjourn the budget committee meeting. **Sandra Ramaker** seconded the motion. **The motion was approved; none opposed.**

The budget committee meeting was adjourned at 7:37 p.m.

### **PUBLIC HEARING – 2003-04 BUDGET**

**Sandra Ramaker** asked for public comment. **Jeanne Orcutt** commented that the revised budget should be available to the public.

**DM Barnes** explained that he cannot present a budget that differs from the one that was approved by the budget committee. He made the following budget recommendations: rate increase not exceed 5%; no purchase of Clackamas River Water (CRW) capacity this year and carry forward the money to be held in a separate line and earn interest; decrease Water Sales by \$50,000; decrease Water Purchases by \$100,000, increase CRW capacity in next year's budget to \$1,912,500; reduce Meter Upgrades by \$20,000; and reduce Buildings by \$50,000. These changes will result in an unappropriated ending fund balance of \$1,130,437, improving the District's net income debt ratio. Discussion followed regarding his recommendations.

**Jeanne Orcutt** commented on the budget hearing and not having everything in writing for the public to comment on. She reminded the Board of public testimony opposing the rate increase, commented on a past increase to cover a bond that was voted down, and noted that money could

have been saved by not paying for CRW capacity last year as payment is not due until 2005. **Sandra Ramaker** replied that an initial payment was required.

**Ms. Orcutt** commented that the District Manager's salary is too high and recommended that it be reduced. She suggested a 3% rate increase and cutting expenses such as Director travel and PERS. Discussion followed regarding the PERS appeal. **Sandra Ramaker** replied that they had all hoped for a 3% increase, however, it would have resulted in a negative cash flow.

**Fran Hyson** commented that there were more guests and comments than were included in the minutes. She also commented on water bill amounts and limited family incomes adding that a 3% increase would be more reasonable. She noted that if the District runs into problems, the Contingency Fund can be used.

**Pat Brown** commented that the people that attended the last board meeting were interested and asked questions regarding purchases. She noted that all those citizens were invited back to attend the budget committee meeting, but not one attended. **Ms. Brown** commented on her bill, family size, and the minimal increase involved. She asked the Board to keep the District's mission statement in mind.

**Richard Scariano** read the District's mission statement. He commented on the manager's salary adding that a comparative salary study was done. He stated that DM Barnes is worth his salary. **Scariano** commented on the 3% rate increase and running at a deficit, economic rebound and potential future needs. He indicated support for a 5% rate increase.

**Jeanne Orcutt** commented that if a 5% increase is approved, there will be an outcry from customers. She stated that it doesn't seem right that Budget Committee members that do not attend meetings throughout the year decide on the budget.

**Fran Hyson** stated that the reason citizens didn't show up is because they felt the Board had already made up its mind. She commented on home foreclosures, unemployment, and having to tighten budgets. She stated that a 5% increase is too much and commented on a previous 40% rate increase that was not rescinded when the bond failed.

**Sandra Ramaker** responded that there isn't anyone here that doesn't care about other people. She commented on the District's mission statement and stated that there are budget committee members that do attend board meetings and are aware of what's going on.

**Pat Brown** stated that she is sorry to see a personal attack being made. She stated that she has attended many workshops and has been able to stay abreast of what is happening in the industry. She noted that some of the rate increase will go to help people pay their bills.

There being no further public comment, **Sandra Ramaker** closed the public hearing.

The meeting recessed for a short break at 8:18 p.m. The meeting reconvened at 8:27 p.m.

#### **RESOLUTION 02/03-005 – ADOPT AND APPROPRIATE 2003-04 BUDGET**

**DM Barnes** explained that the resolution adopts and appropriates the budget approved by the budget committee unless amended by the Board. He recommended not approving it and stated

that the Board needs to either adopt the budget as presented or amend and approve it. Discussion followed.

**Herb Brown** commented that per his discussions with DM Barnes, he supports a 5% rate increase. **Richard Scariano** and **Larry Dixon** also expressed support for 5%.

**Stephen McElroy** stated that he is opposed to raising rates. He noted that he had to work and was unable to attend the last budget committee meeting; he would have voted against the rate increase. He stated that he doesn't support the budget as is.

**Sandra Ramaker** expressed that it is difficult to implement an increase, but she believes that as a business, the District cannot have a negative cash flow. She expressed support for a 5% rate increase and the budget amendments recommended by DM Barnes.

**Richard Scariano** moved to amend and approve the 2003-04 budget as recommended by DM Barnes. **Herb Brown** seconded the motion. The motion was approved with **Stephen McElroy** voting no.

#### **RESOLUTION 02/03-006 – APPROVE RATE ADJUSTMENT**

**Herb Brown** moved to amend and approve the resolution with a 5% rate increase.

**Stephen McElroy** requested a roll call vote. **Richard Scariano** seconded the motion.

Roll call vote: Herb Brown – yes; Richard Scariano – yes. Sandra Ramaker – yes. Stephen McElroy – no. Larry Dixon – yes.

**The motion was approved.**

#### **WELL PROJECT UPDATE**

**DM Barnes** reported that the first well has been completed, the casing removed and the wellhead sealed properly. He noted that it has been a difficult well to drill, but Geo-Tech has done a good job. He stated that we are in the final design stages for the chlorinator and pumps. The well can be pumped up to about 3300 gallons per minute, but we'll most likely be in the 2500 gallon per minute range. The second well will be started around July 21<sup>st</sup> and the contractor will have 120 days to complete it. Both wells should be online by next spring or summer.

**Larry Dixon** asked who is doing the pump design. **DM Barnes** replied David Jacob, the District's former engineer, and outlined the pump designs. He reported that there may be partnerships available with the City of Gresham and other agencies for projects in the future. He indicated that additional information will be brought back to the Board as it becomes available.

**Sandra Ramaker** asked for public comment. **Jeanne Orcutt** asked for the total cost of well #1. **DM Barnes** replied approximately \$800,000 including the chlorinator. The District has about \$235,000 in the well itself right now. The cost for both wells will be approximately \$1,000,000. The same chlorinator building will be used for both wells. **DM Barnes** noted that the projection does not include reservoir retrofitting and piping projects to move water across the District. **Ms. Orcutt** commented on the money received from Boeing for pollution of a previous well.

## **CLACKAMAS RIVER WATER TOUR**

**DM Barnes** presented the dates available for the Clackamas River Water tour; the tour will be during evening hours. Following discussion, it was agreed by consensus to schedule the tour for July 28. Those attending will meet at the District office to carpool; AS Shaw will send out a reminder to Board members.

## **EXECUTIVE SESSION ORS 192.660**

- (f) To consider records that are exempt by law from public inspection.
- (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.

The meeting recessed at 8:47 p.m. for executive session. The meeting reconvened at 9:42 p.m.

## **ACTION ON EXECUTIVE SESSION ITEMS**

**Sandra Ramaker** noted that she excused herself from part of the executive session and passed the gavel to Vice President Richard Scariano. He reported that no action would be taken.

## **FOR THE GOOD OF THE ORDER**

**DM Barnes** reported that employee Kimberly Fengler will not be returning from maternity leave so we will be hiring a Customer Account Specialist. One vacant Utility Worker I position has been accepted by the District's Meter Reader, Dawn Engman. The Meter Reader position is in the process of being filled.

**Herb Brown** stated that things are going well; the Board and DM Barnes are doing a good job.

**Richard Scariano** thanked everyone for a good meeting.

**AS Shaw** reported that the 2002 Water Quality Report has been completed; copies were distributed.

**Sandra Ramaker** noted that the District will be honoring two employees tomorrow: DS Baker for 25 years of service and Maurice Thompson for 5 years of service. She commented on her rewarding attendance at the AWWA conference and public official's caucus in Anaheim and expressed appreciation for the opportunity to attend. She commented on personal attacks and stated that she believes that Board members and the patrons who attend have nothing but the best in mind for the District. She expressed that she hopes people will be more constructive with their comments.

## **ADJOURNMENT**

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

The meeting was adjourned at 9:45 p.m.

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Secretary