

ROCKWOOD WATER P.U.D.
MINUTES, REGULAR MEETING OF THE BOARD
15, JULY 2003
Rockwood Water Boardroom

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

Staff present: Harvey Barnes, District Manager (DM); Chris Shaw, Administrative Secretary (AS).

Guests present: Fran Hyson, Jeanne Orcutt, Pat Brown, Ray Beach.

President **Sandra Ramaker** called the meeting to order at 7:05 p.m.

APPROVAL OF THE AGENDA

DM Barnes referred to the handout and reported that Specht Properties has offered to donate property to the District. The parcel adjoins District property along 185th Street. It was suggested that this item be added to the agenda as 5a.

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

CONSENT AGENDA

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

APPROVAL OF MINUTES

Sandra Ramaker asked for public comment. **Jeanne Orcutt** referred to page three of the minutes and clarified her comments: the minutes should read that she stated “no more than a 3% rate increase”.

Sandra Ramaker referred to page 1 regarding Fran Hyson’s statement about Board members not asking questions on bills. **Ramaker** asked that the minutes reflect statements made by her, Herb Brown, and Larry Dixon indicating that they call in before the meeting with any questions they have. She also asked that the District’s mission statement read by Richard Scariano be added to the minutes.

Richard Scariano moved to approve the minutes as amended. Larry Dixon seconded the motion. The motion was approved; none opposed.

APPROVAL OF BILLS

Sandra Ramaker asked for public comment.

Jeanne Orcutt stated that she didn’t see where any of the Board members reimbursed the District for guests taken to the AWWA Conference. **DM Barnes** replied that the printout is an expense report and only shows checks that are written by the District. He stated that 2 of 3 individuals with guest expenses have reimbursed the District. He noted that he just received Stephen McElroy’s expense report tonight and will review it this week.

Jeanne Orcutt stated that guest charges should never be paid by the District. **DM Barnes** explained that it often requires going through the District to register a spouse or guest for a conference, adding that to his knowledge we have never had a board member or employee not reimburse the District. He referred to District policy stating that travel arrangements should be made through the Manager's office. **Ms. Orcutt** clarified that its for Board Members. **DM Barnes** replied yes, however, it has been a common practice since before he started with the District to make all travel arrangements. The District is then reimbursed accordingly.

Ms. Orcutt stressed that guest motel, airfare, etc. should never be charged to the District. **DM Barnes** explained that per District policy, reimbursement to the District is to be made immediately upon return. She commented that a revenue report should be available for each month, not just the bills. **DM Barnes** replied that he intended to present a detailed report this evening. He indicated that he will have it available at the next meeting and added that report changes will be made in the future to provide more detailed information on travel expenses and reimbursements.

Ms. Orcutt asked who MB, ED, CS are. **DM Barnes** replied: Mike Baker, Eugene Durshpek and Chris Shaw, for attendance of the AWWA PNWS conference in Boise. She asked about Anaheim hotel guest charge reimbursements. **DM Barnes** explained that most hotels did not have an additional charge for guests up to a certain number. **Ms. Orcutt** asked how many lunches were included in the \$121.14 business lunch expense. **DM Barnes** replied that he will check into it.

Ms. Orcutt asked why there are two sewer expenses with the City of Gresham. **DM Barnes** replied that the District owns more than one property in Gresham. She commented that the District is still paying for a temporary receptionist. **DM Barnes** replied that the District has gone through the process of hiring a meter reader and is now advertising for the receptionist position. She asked if both positions could have been advertised at the same time. **DM Barnes** explained that per the union agreement, the District has to first advertise vacancies internally according to a specific timeframe.

Ms. Orcutt commented on the extra expense for a temporary employee. **Sandra Ramaker** asked **DM Barnes** to confirm that up until just before the last board meeting, an employee was out on maternity leave so the District was required to have a temporary employee fill in. **DM Barnes** replied yes and added that according to the Family Medical Leave Act, the District is required to hold an employee's position for 120 days. The position cannot be filled on a permanent basis unless the employee returns to work or a resignation is received.

Ms. Orcutt asked if Barnes thermostat expense was for **DM Barnes**' house. **DM Barnes** explained that there was a problem with the thermostat in his office. **Fran Hyson** also commented on the thermostat expense. She stated that **Ms. Orcutt**'s comments on bills shows the interest of patrons and provides information to the public. She explained her comment at the last meeting regarding Board questions. **Ms. Hyson** added that she has called before, but prefers that the Board hear her questions and answers, just as she would like to hear the Board's questions and answers regarding the bills.

Sandra Ramaker asked if the \$2100 postage expense was for the water quality report. **DM Barnes** replied that he believes so, but will check.

Richard Scariano 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 that she disagreed with the Manager not having a written presentation of the budget revisions at the June 24 meeting. She pointed out the huge turnout at the May meeting adding that it was because the people were informed. She noted that not enough packets were available so people didn't have anything to refer to and comment on. **Ms. Hyson** expressed her concern regarding the use of District funds to finance guest trips. She asked if a VISA card was opened for the charges.

DM Barnes confirmed that a District VISA card is available, but it is not for everyone to use. He explained that it is appropriate to use the VISA card in accordance with District policy. **Fran Hyson** stressed that it is wrong and takes advantage of the District. She referred to comments made at the last meeting about her making a personal attack stating that she does not come to meetings to argue and has a right to express her opinions.

Jeanne Orcutt commended Board member Stephen McElroy for voting against the rate increase. She stressed that even though DM Barnes stated he could get by with 3%, the Board voted for a 5% rate increase.

Land Donation – Specht Properties

DM Barnes referred to the correspondence included in the packet regarding the property donation and outlined the information. He noted that if the District isn't interested, other agencies could be contacted. Discussion followed regarding location, public benefit, size, appraised value, usable square footage, development potential, adjacent District property, and cost issues. **DM Barnes** stressed that he doesn't have a lot of information; if the Board is interested he can further research the property.

Sandra Ramaker asked for public comment. **Jeanne Orcutt** stated she is a little suspicious when someone wants to donate a piece of property this size adding that there could be issues we're not aware of. Discussion followed regarding the previous owner's halt in construction, accessibility issues, added value to District property, and future property uses.

Fran Hyson asked for clarification on the property owned by the District. **DM Barnes** outlined it on a map of the area. She asked if the development company approached us. **DM Barnes** replied yes. Further discussion followed regarding the property and surrounding area.

Herb Brown stated that we should examine the property further and bring more information to the next Board meeting. **DM Barnes** replied that he could provide topographical and aerial maps. **Larry Dixon** and **Richard Scariano** expressed agreement regarding the need for additional information.

Fran Hyson brought to the Board's attention the property on Foster where houses were flooded after developers bought and developed it. She added that with limited acreage available, it's odd that they would give it up.

It was agreed that **DM Barnes** obtain additional information and bring it back to the meeting.

EASTSIDE WATER PROVIDERS MEMORANDUM OF UNDERSTANDING

DM Barnes explained that some time ago the Board directed him to research partnerships that would benefit the District and its customers. He reported that four eastside water providers, including the District, have been discussing the possibility of a partnership. He referred to the draft Memorandum of Understanding (MOU) included in the packet that basically states that each of the four entities agrees that it has an interest in discussing some sort of eastside sub-regional water supply entity. **DM Barnes** added that such a supply agency could provide savings to our customers and provide us with another supply of water. Discussion followed regarding information already available, there being no cost to speak of, capacity being owned by three agencies on the Clackamas River, potential savings on transmission lines, and partnering to develop alternate water sources.

Sandra Ramaker asked for public comment. **Jeanne Orcutt** expressed concern regarding equity as some water districts have more assets. She commented on the MOU and expressed concern regarding the potential inclusion of the Columbia River in a regional supply entity. She stated that the entities need to be careful what they discuss and agree on and asked if public input would be involved. **DM Barnes** replied that the District is not interested in the Columbia; however, Sunrise Water Authority might be given its expected increase in customers and demand. **DM Barnes** stressed that he is not interested in developing the rights on the Columbia for the District. He added that he is interested in the Clackamas River water and groundwater.

Fran Hyson stated that an awful lot is being overlooked. She noted that Rockwood has so many facilities that other agencies don't have and commented on Sunrise supplying water to Damascus. She stated that Rockwood patrons will be left holding the bag for the new wells, reservoirs, property, etc. developed. **Ms. Hyson** commented on her opposition to pursuing Columbia River water, expressed concern regarding higher water rates, and stated that the District should not get involved.

Pat Brown expressed support for intergovernmental agreements. **Herb Brown** stated that a regional supply could be very good. He added that the District should keep its water rights as we don't know what's going to happen in the future and commented on water treatment. He stated that the partnership is worth pursuing.

Richard Scariano stated that he doesn't think anyone on the Board is interested in the Columbia, and agreed with Herb Brown that any water source can be treated. He expressed support for looking into the partnership further to see how we can benefit while still maintaining control of the District's assets.

Larry Dixon stated it makes sense to pursue partnerships to reduce costs without giving up any of our assets. **DM Barnes** indicated that the only thing he is asking for is permission to explore the issue in more depth.

Stephen McElroy expressed reservations after spending thousands of dollars on a proposed regional entity adding that he wants to see some benefit to the District. **DM Barnes** replied that the District will only pursue a partnership if it benefits the District; discussing the issue will not involve spending a lot of money. **Sandra Ramaker** noted that it's purely informational at this point.

Fran Hyson asked if it's legal for the District to get involved in something like this. **Sandra Ramaker** replied that from what she understands, the District can get involved in intergovernmental agreements (IGAs). **DM Barnes** clarified that it is not an IGA, rather an MOU

that allows the opportunity to discuss the possibility of an IGA with other entities. She commented on the possibility of leasing the District's water rights on the Columbia to others and potential problems. **DM Barnes** replied that it wouldn't affect our water rights; he noted that Portland owns water rights on the Bull Run and sells water to 26 different entities. Further discussion followed regarding selling water versus leasing water rights.

Richard Scariano moved that the Board allow DM Barnes to participate in discussion with other entities in the memorandum of understanding for informational purposes. Herb Brown seconded the motion. The motion was approved; none opposed.

CHILDREN'S CLEAN WATER FESTIVAL – FISCAL AGENT

DM Barnes explained the festival adding that the District has been involved for a number of years. He stated that a fiscal agent is needed to collect funds and pay expenses; the District has been asked to fill this role. Board discussion followed regarding accounting setup and responsibility for paying expenses.

Sandra Ramaker asked for public comment. **Jeanne Orcutt** asked the cost to the District. **DM Barnes** replied that it will cost staff time to serve as the fiscal agent and added that the District has budgeted \$2000 to help fund the event. **Ms. Orcutt** asked for details on the event. **DM Barnes** and **AS Shaw** explained the large number of agencies involved and the wide variety of water related activities provided to students in the Portland area.

Herb Brown expressed support for the event and acting as fiscal agent. **Richard Scariano** stated that he doesn't see any harm acting as fiscal agent. **Larry Dixon** and **Stephen McElroy** agreed.

Herb Brown moved that the District become fiscal agent for the Clean Water Festival. Larry Dixon seconded the motion. The motion was approved; none opposed.

ANNUAL POLICY MANUAL REVIEW

DM Barnes explained that per District policy, the policy manual is reviewed annually. **Sandra Ramaker** asked about the status of the safety policy. **DM Barnes** replied that it is still tied up with OSHA; District staff are working on it.

Herb Brown stated that the policy manual has been developed and is quite adequate to meet the needs of the District, although some policies need to be followed more closely. No changes were suggested.

BUDGET POLICY

DM Barnes referred to the current policy included in the packet and indicated that if the Board wants to follow budget law more closely he can research options with our attorney. He asked for suggestions. **Sandra Ramaker** stated that she would like to see more structure, i.e. outline what is going to be done.

Discussion followed regarding structure, timelines, the ORS, increased public input, lengthening the process, holding work sessions, having the budget committee work through the budget with citizens and then bringing it back to the Board for a budget hearing, union agreement requirements, presentation of different budgets i.e. with and without rate increase(s), and GASB 34 requirements.

Sandra Ramaker asked if a copy of the GASB 34 Rule could be provided. **DM Barnes** replied yes.

DM Barnes summarized the discussion and indicated that a draft policy will be developed for Board review.

FOR THE GOOD OF THE ORDER

DM Barnes reported that employee Dave Blevens will receive his 5 year service award. We are currently trying to finalize everything for the budget year; so far it looks good. He noted that a bill insert has been included to inform customers of the rate increase.

Richard Scariano announced that he is moving out of the District and tendered his resignation, adding that he is only resigning because he has to. He expressed that he has been proud to serve and has enjoyed working with the Board.

Herb Brown stated that he hates to see Richard leave; he has done a good job.

Richard Scariano commended DM Barnes for his work as manager adding that he hopes he stays; he has enjoyed working with him. He thanked everyone for working with him and wished everyone the best.

AS Shaw stated that she will miss Richard and has enjoyed working with him. She noted the policy manual updates distributed to the Board. **Larry Dixon** commented that he will miss working with Richard.

Stephen McElroy expressed that he hates to see Richard go. He added that he has enjoyed working with him and hopes that the District can find a replacement that shows as much interest as Richard has.

DM Barnes explained that the process is to advertise in both papers; it will also be put on the District's website. He has reviewed the policy and the term is for four years. He will look into how long to appoint someone. Discussion followed.

Sandra Ramaker commented that she will miss Richard and wished him well. She stated that at the last staff meeting a few employees expressed interest in a tour of the Bull Run and asked that it be looked into.

DM Barnes stated that it has been great working with Richard.

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 8:55 p.m.

Secretary