

**ROCKWOOD WATER P.U.D.**  
**MINUTES, REGULAR MEETING OF THE BOARD**  
**16, DECEMBER 2003**  
**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, Administrative Secretary (AS).

**Guests present:** Fran Hyson, Jeanne Orcutt, Pat Brown, Dale Jutila, Ray Beach, Robert Paine.

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

**APPROVAL OF THE AGENDA**

**Herb Brown moved to approve the agenda. Stephen McElroy 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 MINUTES**

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

**APPROVAL OF BILLS**

**Sandra Ramaker** asked about the night sweeping expense. **DM Barnes** explained.

**Jeanne Orcutt** asked about the following expenses: returned checks; Groundwater Solutions; Hydra Engineering; final flex lease payment; City of Gresham (Bella Vista reservoir); Multnomah County; master plan; technical & consulting; and GeoTech. **DM Barnes** explained each in detail.

**Stephen McElroy 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 her water bill doubled in cost and usage. She added that there was no explanation for why, except a possible wrong read last time. **DM Barnes** asked if someone was sent out to check on the read. **Ms. Hyson** replied yes, the meter was checked and she was told the current reading was correct. **DM Barnes** noted that he's heard lots of comments about September and October water bills due to the extended dry period we had.

**Ms. Hyson** stated that at the last meeting she was under the impression that a board packet would be sent to her. She outlined her comments at the last meeting regarding the mailing of board meeting packets or agendas. She stated that she did not receive a packet, but did receive an agenda. **DM Barnes** explained that packets were only going to be mailed for the November meeting due to some lengthy Oregon Revised Statute information included in the packet. He noted that the policy

being considered tonight states that an agenda will be sent out. **Sandra Ramaker** clarified she requested just that one time that packets be mailed; it was her understanding that for this meeting only an agenda would be sent.

**Ms. Hyson** commented further on the mailing of packets. She commented on the agendas she received from Gresham and including cable access times. She suggested that the District include this information on its agenda. Discussion followed. **DM Barnes** indicated that a schedule will be requested and provided at the next meeting.

**Ms. Hyson** commented that she hopes it isn't true that the District is endorsing a partnership with Gresham for a well at the fire district and asked if it's a done deal. **Sandra Ramaker** replied that it's on tonight's agenda. **Ms. Hyson** stated she is disturbed that the District is giving so much to Gresham. She commented on an article about how Gresham treats its customers and stressed that she doesn't support a well project with them.

**Herb Brown** commented on the cable access schedule. He indicated that the law does not state that anything has to be mailed, just that notice of the meeting be reasonably provided. He added that the board agreed that only an agenda would be mailed. **Jeanne Orcutt** replied that it was her understanding at the last meeting that packets would be mailed out once.

**DM Barnes** indicated that color copies of the audit report financial graphs are now available for those interested.

#### **SCHEDULE JANUARY 2004 MEETING**

**DM Barnes** stated that per District policy, the January meeting date is set in December. **Herb Brown** moved to approve **January 20<sup>th</sup> as the meeting date.** **Don McCarthy** seconded the motion. **The motion was approved; none opposed.**

#### **DRAFT RESOLUTION 03/04-002 TO AMEND POLICY MANUAL**

**DM Barnes** explained that the proposed resolution amends several policies that have been discussed at the last few meetings. He noted that the draft resolution will not be voted on tonight. He explained the formatting used to indicate the proposed amendments to each policy and asked that the amendments be reviewed to make sure they capture the Board's intentions. If there are no changes, the resolution will be on the January agenda for Board approval. **DM Barnes** referred to previous discussion on developing a purchasing policy and indicated that a draft will be presented at the next board meeting.

**DM Barnes** reviewed the draft amendments for each of the policies: Program of Meetings and Reporting of Meeting Proceedings; Budget Committee, Director's Education and Travel Expense; Safety and Health Program; Travel Expenses and Appendix IV(e) – Disclosure of Records. Discussion followed. No changes were made to the Program of Meetings/Reporting of Meeting Procedures or the Budget Committee Policies. Regarding the Directors Education and Travel Expense policy, **Larry Dixon** expressed concern about allowing only seven (7) days to submit expense reports and reimbursement; suggested that 10 days might be better. It was agreed the policy would be changed to ten (10) days.

**Sandra Ramaker** commented on references to latex gloves in the Safety and Health Policy. It was agreed that the wording "protective gloves" be used instead of specific glove types.

It was also agreed that the expense report and reimbursement deadline in the Travel Expense Policy be changed to ten (10) days also.

**Fran Hyson** asked DM Barnes to explain about employees attending the AWWA conference. **DM Barnes** explained that the policy applies to any employee training/travel including AWWA sponsored training. She asked for clarification on attending out of town meetings. **DM Barnes** explained that it depends on the employee, but generally most employees do not attend training out of state. **Ms. Hyson** commented on the District paying for an employee to attend the AWWA national conference. **DM Barnes** replied that this item is on tonight's agenda.

**Jeanne Orcutt** commented that section 2.9.7 in the Travel Expense policy is worded differently than in the Directors Education and Expense policy. She stated that the Director's policy should include a statement regarding phone calls. Following discussion, it was agreed that the language in both policies should be the same.

It was agreed that in the Disclosure of Records - Appendix IV (e) the underlining of the word "only" should be deleted in paragraph four.

**Herb Brown moved that the resolution discussed be passed on as amended to the next meeting for appropriate Board action. Larry Dixon seconded the motion. The motion was approved; none opposed.**

#### **AWWA NATIONAL CONFERENCE – EMPLOYEE ATTENDANCE**

**DM Barnes** explained that last year a District employee was selected to attend the AWWA national conference. He reviewed the minutes from the meeting approving attendance and didn't see an indication that it was an ongoing or annual event. Discussion followed.

**Don McCarthy** commented that he thinks it's a very good idea as it's a good learning experience. He suggested that if one person is selected, he/she should not have an opportunity to be selected again until all other employees have attended. **Herb Brown** agreed. **Larry Dixon** asked about feedback from the employee that last attended. **DM Barnes** stated that she was amazed at all the sessions available and the size of the event. **Stephen McElroy** commented on his attendance and the opportunities to learn. **Herb Brown** stated we should continue to have a drawing each year for one employee to attend.

**Jeanne Orcutt** stated that the name of the employee that went last year should be withheld from drawings until the other employees have an opportunity to attend. **Fran Hyson** commented on employee attendance of training. She noted that very little information is received on employee or board member attendance. She also commented on the reluctance to spend a small amount to send out board agendas or packets. **Pat Brown** pointed out to the Board that when talking policy, you are not looking at specific people. It applies to everyone in the District.

**DM Barnes** asked that the Board clarify if employee attendance is an ongoing program. **Herb Brown moved that the District continue the program of annually allowing one employee to attend the AWWA national conference and that the names of employees selected will be removed from drawings until others have had the chance to attend. Don McCarthy seconded the motion. The motion was approved; none opposed.**

## **EASTSIDE WATER PROVIDER PARTNERSHIP IGA**

**DM Barnes** explained that the IGA was provided separately from the Board meeting packet, as it was not available for distribution on board packet day. He explained that basically the IGA says that the District owns water rights in the Sand and Gravel Aquifer (SGA) and it is willing to grant the City of Gresham the right to jointly use a portion of those water rights. He then referred to the application and permit numbers and explained that they will be amended. The District will retain exclusive use of the senior water rights.

**DM Barnes** noted that initially Gresham's use of the permits will be limited to 10 million gallons per day (MGD) out of the 41 MGD. There are a couple of well sites in mind down the street at the fire station and the plan is to set it up similar to here; there will be two wells – one serving as a backup. He stressed that the project really hinges on the successful development of a joint operation agreement with Gresham. He then referred to specific sections in the agreement, clarifying important areas and outlining recommended language changes. Discussion followed.

**Larry Dixon** asked how many gallons Gresham is talking about pumping out of the well it will be producing. **DM Barnes** replied that it will be identified in the operations agreement adding that we will probably need to flow limit that well, depending on who else is pumping, to around 3000 gallons per minute. He explained the drawdown analysis that has been done. Further discussion followed on well production.

**DM Barnes** stressed that the agreement states that even if it is approved, it will not go into effect until an operations agreement has been approved by each party.

**Sandra Ramaker** asked if the District is expected to share in the cost of drilling Gresham's new wells. **DM Barnes** replied no; Gresham will have to pay to drill and maintain its own wells. He noted that the District may have an agreement with Gresham to maintain the wells for them; the City of Gresham may be interested in purchasing a proportionate share of the production facility here. Discussion followed regarding Gresham's risks in drilling a well.

**Sandra Ramaker** asked why the District would want to do this. **DM Barnes** explained that it will save customers a lot of money. He commented on the costs of the retrofit on the reservoir, building well house #3, and a new pipeline to transport water across the District, noting that last he heard, the City of Gresham is willing to purchase part of these projects reducing the cost to the District.

**Herb Brown** commented that under the current system this constitutes about 15 cubic feet per second (CFS); we have capacity of 63 CFS. **DM Barnes** agreed.

**Stephen McElroy** suggested that as part of the agreement our customers should benefit, i.e. reducing or eliminating the privilege tax. **DM Barnes** replied that we spent a lot of time discussing and expressing opposition to the tax; the Board agreed to put it to rest. He added that he would like to see it rescinded in the future, but doesn't want to spend time now fighting with the City as it's unproductive.

**Fran Hyson** expressed that she can't believe the Board is even considering this and expressed her opposition to the agreement. She commented on Clark Balfour drafting the IGA as well as Dale Jutila's position with Gresham and his attendance of tonight's meeting. **DM Barnes** explained that

Dales Jutila is the new Water Division Manager for the City of Gresham. **Ms. Hyson** then commented on District patrons not being aware of the agreement and the potential effects of drilling another well up the street on District wells and the water table. She stressed that we shouldn't mess around with our water permits.

**Sandra Ramaker** addressed the comments made regarding Dale Jutila, Clark Balfour and the IGA.

**Jeanne Orcutt** stated that she wonders if each board member has read the agreement through. She commented that she would not approve one part without seeing the other parts. **Ms. Orcutt** urged the Board to consider it very seriously before giving away or sharing our assets, adding that she sees nothing but legal problems. She asked the amount of senior water rights. **DM Barnes** replied 6.5 million gallons. She stressed that the board should inform citizens of the agreement and consider its effects on the entire District.

**Pat Brown** indicated that she sees it as a mutually beneficial agreement between the two parties. She stated that she sees what we'll be getting from it and that she thinks that we're covered regarding the IGA as it hasn't been agreed to yet; it says that we will mutually negotiate and agree to an IGA. She added that at that time, things will be specific. **Ms. Brown** apologized for some of the public statements made and noted that they do not reflect the opinion of others in District. She commented that she is glad to see Gresham at the table.

**Fran Hyson** stated that she didn't have time to review the IGA draft and she didn't get her packet until today. She noted that she did see where it stated that Dale Jutila is the Water Division Manager.

**Jeanne Orcutt** commented on item 5 regarding the statement that the joint operations agreement shall include a provision that all jointly owned assets shall be transferred to the City of Gresham in the event of dissolution of the District. **Sandra Ramaker** asked DM Barnes if that was the language he suggested be changed. **DM Barnes** replied no and explained that we need to state ahead of time where assets end up should dissolution occur. **Ms. Orcutt** expressed her disagreement.

**Fran Hyson** asked if Gresham would get the water permits. **DM Barnes** explained that under this agreement they would get at least the portion they are using; he's not sure that we could transfer all of them. He noted that long term we cannot hold on to all of our water rights; even looking at build out over the next 25 years, our water consumption won't come close to 41 MGD. It's logical to share our water rights with Gresham and others. **DM Barnes** stressed that anymore you cannot hold water rights and not utilize them. He added that we might as well partner with Gresham and share costs.

**Sandra Ramaker** asked for clarification on what action is needed. **DM Barnes** stated he was hoping for approval, but if not, he would like to know what the Board's stance is on the partnership. He asked if there are specific parts of the agreement the Board objects to.

**Herb Brown** stated that he sees it as a good agreement with a few minor word changes to be made. He commented on being part of a greater community. He noted that the District is not giving or selling water rights to Gresham, it's just allowing it to use them.

**Stephen McElroy** asked for another month to look over the agreement to be able to understand it and make a good decision.

**Stephen McElroy moved to table the IGA until the next meeting. Herb Brown seconded the motion. The motion was approved with Don McCarthy and Larry Dixon voting no.**

### **WELL PROJECT UPDATE**

**DM Barnes** reported that today the screen was being installed in the well. The filter pack will start going in tomorrow. He explained that the filter pack is the sand they pack in around the screen to filter out the sediment. It will take a couple of days to get all of the sand in; they will then start the development of the well. **DM Barnes** explained that this is where they airlift water out of the well and surge it to get all the silt and debris out of the well. A pump test is scheduled for late December. He noted that today he signed a change order to go from about a 3000 gallon per minute test to upwards of a 5000 gallon per minute test. The well is scheduled to be completed around January 8th. All indications are that we have struck another gusher. Soil samples look even better than those of the other well.

The contract has been awarded on the reservoir retrofit. He explained that it involves installation of a new inlet, a new vent on the top and seismic upgrades around the base of the reservoir. **DM Barnes** reported that bids were opened on the Well house #3 project. At about \$1,200,000, it's a little higher than expected, but the retrofit was under about that amount so we're about where we thought we'd be project wise.

The contract includes the chlorinator, ammoniator, caustic chamber to adjust pH, pump controls for well #3, piping for lines in and out of the well, telemetry controls and monitoring equipment. It is set to be awarded around the 20th or 22nd of December. The project will start sometime in January. He reported that the generator arrived.

### **CONSORTIUM UPDATE**

**DM Barnes** reported that he, Sandra Ramaker and Herb Brown attended the Consortium board meeting on 12/3. The Budget for next year was discussed; the District's dues will drop slightly to around \$21,000. The work plan includes restructuring the Consortium's role. It has been discussed that the Consortium look at not assigning or dictating what water you may or may not use, but rather serving as a clearinghouse of master plans to identify the long term demand of water and identify who is doing what to supply that need. **DM Barnes** added that the Consortium is in the process of developing the five-year update of the strategic plan. He commented on the progress made by the Conservation Program Coordinator hired approximately a year ago to move the Consortium's marketing programs forward.

**Jeanne Orcutt** commented that the District isn't getting its money's worth from the Consortium; it could save that money.

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

**DM Barnes** reported that the District is moving along on some very important projects and things are going well. **Don McCarthy** commented that staff and management are doing a good job.

**DM Barnes** stated that an employee potluck lunch is being held tomorrow; the board is invited to attend. Lunch will be followed by a short staff meeting.

**DS Baker** commented on the IGA and development of Eastside partnerships. He has worked for the District over 25 years and it has always been a goal to develop a regional type plan. He added that it is what is needed to provide the best quality and rates to this area. He noted that Dale Jutila brings a huge amount of experience and professionalism. **Herb Brown** commended DS Baker's statement.

**AS Shaw** noted that per information provided by MCTV's production person tonight, those interested can view tonight's meeting on Thursday, December 18<sup>th</sup>, at 6:00 p.m. on channel 30, and Friday, December 19<sup>th</sup>, at 2:00 p.m. on channel 22. She added that information on the Special District's Association of Oregon's conference was distributed.

**Larry Dixon** expressed agreement with DS Baker's statement adding that we are heading in the direction we should and the manager is doing a great job. **Stephen McElroy** wished everyone Merry Christmas and Happy New Year; he encouraged everyone to not drink and drive.

**Sandra Ramaker** thanked everyone for all the hard work they've done. She wished everybody a Merry Christmas and Happy New Year.

She noted that the next meeting is scheduled for Tuesday, January 20, 2004.

**ADJOURNMENT**

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

The meeting was adjourned at 9:15 p.m.

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Secretary