

**Rivergrove Water District
Public Hearing/Regular Board Meeting
January 27th, 2020**

Volunteer Chair McDowell called the Rivergrove Water District regular board meeting to order at 7:30 AM at 17661 Pilkington Rd, Lake Oswego. Commissioners McDowell, Magura and Patterson were present. Commissioners Roth and Johnson were excused. Water District Manager, DJ Ezell, Finance Specialist, Janine Casey, and District Engineer Kyle Pettibone were also present.

Public Comment - No public present.

CONSENT AGENDA

TAB 1: Minutes-December 16th, 2019

Commissioner Magura asked that on page 2 in the sentence that contains two words containing "Condition". It should read "The condition of the reservoir is unknown," striking the second one.

Commissioner Magura moved we approve the minutes as corrected. Commissioner Patterson seconded. Motion passed. Commissioners Magura, McDowell, and Patterson voted aye. Nays none

UNFINISHED BUSINESS

Reservoir #3 Project Status:

Kyle passed around copies of the summary of the bids and bid results. We had 6 bidders. To remind everyone the Engineer's estimate was \$2.48 million. Low bid from James W Fowler was \$2.179 million and the second lowest was from Emery & Sons and it was \$2.256 million. In general, most of the bids were fairly clean but there was a problem with JW Fowler's. They did not provide their statement of bidder qualifications that was required as part of the bid proposal. All the other bidders submitted their qualifications in the bid document. Addendum 2 addressed the subcontractor qualifications that were required to be submitted within 2 hours of bid opening. The second issue of concern is that they have a termination in their recent history, which is currently in litigation. The third concern that may or may not be an issue is that they were the only bidder not to list in their first-tier contractors an electrical contractor. They were required to list subs in their bidding that were over 5% of the bid amount. For JW Fowler that would have been about \$110,000. It is conceivable they are self-performing or they have a very good deal from a sub below the threshold. It stood out as different from all the other bidders. These things compounded gives Kyle pause as to the responsiveness of their bid. The difference between the first and second low is \$76,000. He believes there is reasonable cause to deem James W. Fowler as not responsible.

Commissioner Magura asked what was said within the documents to terminate an unqualifying bid? He stated he is also personally and professionally aware of JW Fowler.

Kyle noted that what it said was they need to provide all of the required forms to be considered a responsible bidder. Commissioner Patterson felt that the bid directions should be attached to the minutes for reference.

Commissioner Magura asked what Kyle's recommendation would be? Kyle stated that the District had already had a public records request for all the bid documents. He felt the fairest and cleanest selection of a contractor would be to disqualify James W Fowler due to the previous discussion items and award the contract to Emery & Sons Construction Group.

Commissioners discussed the bidding and awarding the contract process. Board Consensus for awarding the contract was to do a Board action during the February meeting based on the written recommendation from Kyle.

Kyle will complete his recommendation to issue the intent to award to Emery & Sons, and submit it to DJ. There will be a five-day protest period where Contractors can protest. After that the Board could issue the intent to award but will delay that until we have secured funding. However, in order to do that on February 14th he and DJ, and possibly Chair Roth will be attending the IFA meeting. We will meet with them have a small presentation about the project and answer any questions regarding the amendment to the loan.

Commissioner Magura asked how long will it take for us to know if there's approval? Kyle stated that we have been told that we should walk out of the meeting with the approval of the amendment to the loan. We have formal written bids now that demonstrate a need and not a want. The District may during a special meeting, if needed, or during the regular February meeting finalize the intent to award the contract likely Emery & Sons, and in addition an amendment for RH2 services during construction, and also a contract for Deborah Sluyter, who will do all the labor standards administration. She is experienced in administrating labor project requirements and was recommended by the State. DJ stated that in the current loan there is \$30,000: \$15,000 for project management and \$15,000 for the labor standards certifications. The amount of Deborah's contract would be \$15,000. These funds are in the forgivable portions of the current loan and very specific to those expenses. Commissioner Magura asked about how much will RH2's amendment be? Kyle stated that for project management it should be around \$250,000, which includes the \$15,000. They would coordinate with the District staff to have as much or as little oversight as necessary to assist staff.

Commissioner Magura asked if Kyle could provide a monthly update on the project status-just brief bullet points that keep the Board up to date. Kyle agreed and also noted the Contractor should provide 3-week look ahead schedules that they can pass on to the Board. Possible special meeting dates/times discussed.

Kyle left the meeting at this time.

TAB 2: Insurance Renewal Report-Geoff Sinclair

District's insurance has already renewed on 1/1/2020. Page 4 shows dollars the District is spending on property and liability. District has a best practices credit of \$619. Page 5 shows dollar amounts comparing last year versus this year. Property went up about \$143,000 because they trend the property values up. Appraisals happen every 6 or 7 years which didn't happen this year. This created a \$501 increase. Geoff explained blanket coverage of property and the SDIS pool. Total of all structures could be applied to one structure loss which is a good buffer. District will receive back a longevity credit of \$913.

For budgeting purposes for the coming year, the District should expect to budget a 12% increase for Insurance coverage. Your project numbers will increase your overall budget that will increase your property numbers. The more you are doing the more liability you may have. Under contractor selection decision Geoff recommended that the District consult with their legal advisor for the project contractor selection. Geoff passed around his business cards for Board members to contact him with questions. DJ asked about District's cyber coverage renewal? He said it was up for renewal March 1 and is 1 million of coverage. Notification requirements is what mostly the coverage is for. Geoff left the meeting at this time.

FINANCIAL REPORT

TAB 5: December 2019 Bank Statements, Reconciliations, Balance Sheet, Accounts Receivable, Income/Expense Summary Charts, Check Register, Transaction Detail by Account, Revenue & Expense Budget vs Actual and by Class

Janine asked if there were questions/comments. She explained how she split out the payroll amounts.

Commissioner Magura moved to approve the financial report as submitted. Commissioner Patterson seconded. Motion passed. Commissioners Patterson, Magura, and McDowell voted aye. Nays-none.

Commissioner Magura moved we pay the bills. Commissioner Patterson seconded. Motion passed. Commissioners Patterson, Magura, and McDowell voted aye. Nays-none.

TAB 3: Audit Report-Final Tabled.

TAB 4: Resolution 2020-01 Prevention of Workplace Discrimination, Harassment, and Retaliation Policy Update: DJ stated that the Board might need to determine additional support services. DJ to run the information past our Attorney on the process and possible support services. Tabled for more information and legal review.

TAB 6: Staff Report

DJ said 29 shut off letters were sent out on the 24th. She mentioned that she will be starting the search is starting for an additional employee. She and Tom discussed it and decided it would be more of a generic job title such as Distribution Operator.

She informed the Board about the denial being changed for our last intern for unemployment. She said that we could change to paying unemployment insurance rather than self-insuring but that we would have to make a choice this meeting as it had to be done by the end of January. And what she was told that besides paying a percentage, any unemployment claims against the District for the next 2 years would still have to be paid as if we are self-insured also. Tabled for discussion for future budget item. Board consensus was for DJ to consult with our legal advisor and have them deal with these types of issues.

TAB 7: Pump Reads

DJ noted this is first month for Tom tracking the pump times and new formatted report.

Non-agenda items: Commissioner McDowell will sign checks through February.

Agenda Consensus for February 24th, 2020 Board Meeting: Reservoir project status

Adjournment: The meeting adjourned at 9:10 AM.

Respectfully submitted,

DJ

DJ Ezell, Water District Manager, Rivergrove Water District

These minutes are not verbatim and the meeting was tape recorded.

ORS 192.650 Recording or written minutes required; content; fees. (1) The governing body of a public body shall provide for the sound, video or digital recording or the taking of written minutes of all its meetings. Neither a full transcript nor a full recording of the meeting is required, except as otherwise provided by law, but the written minutes or recording must give a true reflection of the matters discussed at the meeting and the views of the participants. All minutes or recordings shall be available to the public within a reasonable time after the meeting, and shall include at least the following information:

- (a) All members of the governing body present;
- (b) All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition;
- (c) The results of all votes and, except for public bodies consisting of more than 25 members unless requested by a member of that body, the vote of each member by name;
- (d) The substance of any discussion on any matter; and
- (e) Subject to ORS 192.410 to 192.505 relating to public records, a reference to any document discussed at the meeting.