

**Rivergrove Water District  
Minutes-Regular Board Meeting  
February 27<sup>th</sup>, 2017**

Chair DeVries called the Rivergrove Water District regular board meeting to order at 7:31 AM at 17661 Pilkington Rd, Lake Oswego. Commissioners DeVries, Patterson, Johnson, McDowell and Roth (arrived 7:33 AM) were present. Insurance agent Ron Cutter from Brown and Brown, District Engineer Jim Helton, MSA, District Manager DJ Ezell and Finance Manager Dan Zimmerman were also present.

**Public Comments: None**

**CONSENT AGENDA**

**TAB 1: Minutes-January 23<sup>rd</sup>, 2017 Regular Board Mtg.**

*Commissioner Patterson moved that we approve the January 23<sup>rd</sup>, 2017 minutes as presented.*

*Commissioner McDowell seconded. Motion passed. Commissioners Patterson, McDowell and DeVries voted aye. Commissioner Johnson and Roth abstained. Nays-None.*

**UNFINISHED BUSINESS**

**TAB 2: Yearly Insurance Report:**

Ron thanked the Board for having him again this year and passed around a summary of the District coverage. Property and Liability renewed on January 1 with SDIS, the insurer. Premiums for 2017 are \$12,719 as compared to \$12,120 last year. On page 6 summarizes property coverage-buildings and contents, etc. There is \$500 deductible. Earthquake has the same amount of coverage as property but no flood coverage. They have quoted before but the District decided that risk of flood to District property was small. Discussion continued on possible flood risks of hydrants and distribution main in floodplain and getting coverage. Since mains and hydrants are not scheduled that would be additional cost besides the flood coverage. Board consensus was that they didn't want to pursue further on flood coverage.

Chair DeVries asked on the property schedule if we added the 1<sup>st</sup> Generator? DJ stated yes it has been. Jim noted that the new mobile generator will be on site soon so that would need to be added at that time.

Ron summarized page 9, the Inland Marine Schedule, and page 10 Boiler Machinery and Equipment Breakdown coverage, which comes with \$1,000 deductible. DJ noted on exemptions of coverage this time SDIS is excluding lead contamination but with our water we shouldn't have any issues. On page 12 is the Liability coverage. There is total liability of \$5,000,000 and no deductible applies here. Examples of claims would be for tort liability, employment and possible harassment claims. The District could go up to \$10 million coverage. Discussion continued on what kind of claims would go up that high for the District which questioned whether it would be necessary. Ron will quote and pass information on to DJ. Ron noted last coverage is for the District automobiles, page 14. Auto liability is the same as general. They are covering the 2006 Chevy, and 2012 Ford Truck. There is \$100 Comprehensive and \$500 Collision deductible. Coverage is essentially the same as last year. On July 1 the District's Worker's Comp comes up for renewal with SAIF. You could have Worker's Comp with SDIS but they pay no dividends. Any Questions?

Ron remembered from last year Chair DeVries asking if there were any other Insurance companies that we should be looking at? In Ron's opinion SDIS offers the best insurance when you are looking at pricing, programs, and overall coverage. Discussion continued on insuring the District pipe. Only way that makes sense is to insure pipes within the areas that are most vulnerable and most important. Ron said we would have to be very specific on the description of the location of the insured piping.

Ron left the meeting at this time.

**TAB 3: Status Update on Safe Drinking Water Loan LOI**

DJ shared the congratulatory letter from the State concerning acceptance of our letter of interest for the loan, 30 day public notice, and applications accepted after March 6. She noted that at the DWAC meeting it was said that interest rates went from 1.77% to 2.12% this next quarter. She asked if any of the funding for the

accepted loans picked were in jeopardy because of the new Federal Administration. Their answer was they haven't heard anything yet. DJ stated that the funds are revolving those funds should not come from the Federal Government.

Jim stated there are two steps to get going on this. First after the public comment period we need to fill out the loan application and submit it as soon as possible. Part of the application has to do with us showing the timing of the project. In the LOI we gave three options for our readiness to proceed. He explained the options and felt that the second option was the best at this time.

Commissioner Patterson asked if the seismic upgrades would meet the subduction zone 9.5 for 5 minute duration quake?

Jim noted that what they would do would be to have their Geo-tech come out and do a sight specific evaluation and apply the current thinking in terms of what are the projected risks for all the different quakes including the crustal quakes along with the subduction quakes. Whichever one would be the most risky would be what they design to.

Basically for us to get started we have a project cost of these 6 projects from the Master Plan of \$1.08 million. In the LOI we put the cost as 1.19 million based on inflation for 2017. We projected that \$200,000 would be from the District and \$991,000 would come from the loan. If we could basically set the budget to reflect that \$200,000 in the next fiscal year that would match the schedule we are showing.

Chair DeVries asked if any of the project was SDC fundable? Jim said portions of the project are about 10%. Discussion continued on the specifics of the project such as design of the wall, seismic upgrades are for the reservoir only no distribution, \$200,000 budgeted for a project cost for the seismic remediation on Reservoir #3. If it sounds ok they will assist in preparing the application for Option #2 as outlined in the LOI. Board consensus was to proceed. They will get a GeoTech and Structural Engineer on Board and will prepare their scope of work so that they can start immediately in July.

Chair DeVries was concerned with two risk management things that he sees often with GeoTechs that bother him. Geotech portions tend to be not very large contracts and they limit their liability to the amount of the contract. Jim stated that they do not allow that and they require the GeoTechs to maintain the same amount of Insurance coverage that MSA has with their clients. They use GRI and Shannon & Wilson the most.

Chair DeVries asked if Mr. Buford and Foushee supply an application? DJ replied no we haven't received anything. Discussion continued.

**Generator update:** Jim talked to the generator supplier and the generator has been delivered to their shop in Ridgefield. They are getting the spare parts pulled together and plan to deliver the generator sometime this week. When it comes we will get it onsite and park it behind the shop. Our electrical contractor was supposed to be in there and working right now but hasn't started yet. He was delayed in getting his submittals in for the custom panels that were required for the customer pump starter and they didn't order it until February 2<sup>nd</sup>. He felt that they should have all their equipment before installation which is a conflict with DJ/Rick's vacation plans. They are gone the last two weeks in March. This was supposed to be finished the last week in February. They are not behind as per contract it shows substantial completion by April 4<sup>th</sup>.

Chair DeVries asked if they could be delayed until DJ/Rick gets back? Jim would suggest them not moving in until April 3<sup>rd</sup> if the Board would like. Board consensus was yes and we would let them know the contract time would be extended due to that.

Jim left the meeting at this time.

**TAB 4: Update Customer request for Discount:**

Dan stated we are doing our part to communicate with Ms. Wilson. There has never been any formal leak adjustment filed. He sent his communication by certified letter and she sent by email to please don't do that again. By email he responded that was fine but if he did not get a response by email he would also send it certified. To date she hasn't picked it up at the post office. He's pretty confident she is reading the emails but she selectively responds to theme. In all the communication with her he has suggested that she fill out

our Customer Service Form with her contact information but she only responded to what she wants to and ignores the rest.

Discussion continued on legal standing using certified letters and the direction of the adjustment she wants, with no formal proof of what she says happened.

Chair DeVries stated that unfortunately the amount won't break the bank but she is headed toward having her water shut off for delinquent charges if she doesn't want to work out a payment plan. Dan stated yes next Month. Board discussion continued.

Chair DeVries stated that he didn't think that there was anything else that we could do, we've notified her, gave her option for a payment plan, notified her again and if she doesn't respond we have to shut her water off. Has she sent us the regular payment? Dan said yes she looked back what she paid a year ago and paid that much.

Commissioner Johnson said that we have done our due diligence and if she doesn't respond we continue to follow our rules, and put her on the shut off list. Discussion continued on mailing of shut off notices. Board consensus was that we would mail out notices the same to her as our other customers receive who are on the list.

Dan mentioned that there are other organizations such as the school district and Salvation Army that have helped people in the past pay their water bills. He mentioned that he had heard if you dial \*211 on the phone and tell them your situation they will put you in contact with organizations for help. Board discussion continued on the possibility of Dan compiling a list of those organizations to supply to customers. Board members suggested Clackamas County as an organization and also asked Dan to check into what other water districts do.

Board discussion on delinquent customers, possible leaks, and following policy. DJ noted that there is another customer that had a high bill and the customer is adamant that he didn't have a leak. All possible explanations to date don't make sense but he will be another customer in the future that will have an issue. District staff to document any actions such as replacing the meter and red tagging it.

Chair DeVries stated that if the customer could provide some evidence of some sort about the usage then we could accommodate. Other discussion items included customers using the District **meter stops** (not the main I misspoke) and possibly by-passing the meter, could the District lock services open-probably not a good idea. DJ noted the best way to check that is to run the outside hose bib and if the new meter doesn't turn it could be by-passed. DJ noted all customers have the right to appeal a decision and there is a section in the ordinance that describes how to do it.

Board reiterated that we have rules to follow and we should continue with them.

Dan noted just one additional note on Fran we would ask that the Board just have our backs please if it comes down to it. We are trying to just follow the rules and she has gotten past the Board before with a sad letter or something. That is why we are being extra careful this time.

Commissioner Roth stated but if she has done this before which they understand she has, then the sympathy runs out. Board consensus was if an exception is made for one then everyone would want the same treatment. Commissioner Patterson felt that they will be consistent and be supportive and try not to undermine staff's efforts.

#### **TAB 5: Financial Report-Deposits Reconciliations and Board Report Checklist Beginning Fiscal 7/1/16**

Dan stated Quickbooks is reconciling. Chair DeVries asked if the discrepancy was figured out? Dan said not yet but an adjustment (reducing \$90.00 in Water sales in Quickbooks than was in CUSI) was made and noted on paperwork. Dan explained where the numbers come from for the reconciling report. Chair DeVries suggested Dan consult with Auditor about it before too long.

**TAB 6: January 2017 Bank Statements and Reconciliations** Dan stated we are still just tracking the transfers with the Generator and all. Chair DeVries asked if Dan could expand the row so all the information is readable.

#### **TAB 7: Fiscal year 2016-2017-Budget vs. Actual**

Dan noted he changed the title to the columns requested. We transferred more money to the Capital Improvement Fund and should be able to transfer what was budgeted to the Fund after the 10<sup>th</sup> of March due date and processing the Autopays. We talked about possibly beefing up the transfer to the Truck fund as the Chevy is having issues. DJ explained the work which was done and that Vic's suggested at least once a week to do some highway driving with it.

**Approve Financials/Pay Bills, Profit and loss by Class**

*Commissioner McDowell moved that we approve the financial report. Commissioner Roth seconded. Motion passed. Commissioners Patterson, McDowell, Roth, Johnson, and DeVries voted aye. Nays-none*  
*Commissioner McDowell moved that we pay the bills and approve the bank statements. Commissioner Roth seconded. Motion passed. Commissioners Roth, Patterson, Johnson, McDowell, and DeVries voted aye. Nays-none*

All Board members present reviewed and signed the "Approval of Payment Form and Approval of reconciliations between CUSI and QuickBooks for Water Sales, Penalties and Water Deposits (including attached supporting documents)" And all Board members present reviewed and signed the form entitled Rivergrove Water District-Bank & LGIP Statements." Commissioner McDowell completed the "Financial report check list" for this meeting.

**TAB 8: Pump Reads-Completion of District Report**

DJ summarized subjects not discussed-We are getting the Top Ops trophy back!, only two customers that contacted us had leaks due to cold weather.

**Appointment of Budget and Assistant Budget Officer:** *Chair DeVries moved to appoint DJ as budget officer. Commissioner Johnson seconded. Motion passed. Commissioners Roth, Patterson, Johnson, McDowell, and DeVries voted aye. Nays-none*

*Chair DeVries moved to appoint Dan as assistant budget officer. Commissioner Johnson seconded. Motion passed. Commissioners Roth, Patterson, Johnson, McDowell, and DeVries voted aye. Nays-none*

**Commissioner/Staff Comments:**

**Non-agenda items**-Chair DeVries shared a flyer he received from a Board meeting on Board responsibilities. He thought we might look into seeing what SDAO has that is like it. Commissioner Roth noted that she and Commissioner McDowell are up for re-election to the Board and deadline to refile is the 16<sup>th</sup> of March. She also discussed a very vocal Stafford meeting there were 400 people in attendance. Stafford wants to be part of the urban reserve and the three adjoining cities do not want to have anything to do with them.

**Commissioner to sign checks for the month:** Commissioner Johnson volunteered to sign checks for March. May need back up.

**Agenda Consensus for the March 20<sup>th</sup>, 2017 Meeting**

None suggestions. Budget Calendar approval.

**Chair DeVries adjourned the meeting at 9:02 AM.**

Respectfully submitted,

DJ Ezell,  
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.