

**Rivergrove Water District
Minutes-Regular Board Meeting
November 19th, 2018**

Chair DeVries called the Rivergrove Water District regular board meeting to order at 7:34 AM at 17661 Pilkington Rd, Lake Oswego. Commissioners DeVries, Roth, McDowell, Johnson, and Patterson were present. Water District Manager DJ Ezell, Acting Finance Specialist Colleen Jacobson were also present. Customer Larry Magura, PE was present also.

CONSENT AGENDA

Public Comment: None

TAB 1: Minutes-September 24th, 2018, Regular Board Meeting

Chair DeVries noted that he had only one correction on page 2 of 5 2nd bullet up from the bottom where it says “taste and order” it should be “taste and odor”. The bullet above that the quotations should read “and terminates water service”.

Commissioner Patterson stated that on page 1 about 11 lines up from the bottom replace the word “with” with the word “will”. On page 3 middle of the page the line that starts with DeVries delete the first “we”.

Commissioner Patterson moved we accept the minutes as amended.

Commissioner Roth seconded. Motion passed. Commissioners Roth, DeVries, McDowell, Johnson and Patterson voted aye. Nays none.

UNFINISHED BUSINESS

TAB 2-District Report

DJ noted that she listed all of the issues that she has been correcting when Eelia was here and if anyone had any questions please bring them up.

AMR meters-Brian and Jeff have been installing 45 meters since 10/5 and staff also trained with our Salesman from Consolidated and the Mueller representative remotely.

Brian stated that he likes the amount of data that they provide-90 days every hour.

DJ said that in collecting the reads Brian had installed 20 of them in the areas of Olson Ave, Megan and 35 Place. Just past the Childs/Bryant stop sign we stopped and tried populating the reads. We got all but one for the area.

Kyle and DJ will be meeting on the 27th with the State Representative from Business Oregon to discuss what we need to amend the loan.

They also met with the developer for 5550 Pilkington and basically he stated that if they are going to be required to upgrade the frontage then they would only put one house there to avoid the requirement. We discussed the option of the District doing the neighboring portion and joining in the cost to help make it happen. He was a bit more agreeable to that but noted that he didn't know any Contractors and so Kyle will get him a quote on the cost of the upgrade and see if that is more workable. We will know more after that is done.

Chair DeVries had some questions about the “Eelia” issues on DJ's report. He stated that he understood about the workers comp issue and noted it should be “workers” not “workman's”. They are aware of the Department of Revenue fine and DJ noted that we

just received another \$258 fine due to Eelia failing to pay the State Withholding for June. Chair DeVries said but DJ had cleared that up with online payments and reporting. DJ replied yes. Item 4 Chair DeVries was not clear on something on the 941 reports. DJ stated that we received notice from the IRS that the last two quarters of 2017 were not filed and she has now filed them. DJ stated that there is no fine on this one. Chair DeVries then asked about the 457 Deferred Compensation issue. Is it different than the overpayment issue? DJ stated yes that it shows contributions done since May 2018 are ACH's waiting to be processed however, Eelia paid them with checks. DJ has to get in touch with Valic to make sure even though Eelia paid checks for them that they have been properly credited.

DJ stated that she has not turned over payroll to Colleen yet. She needs to completely redo the payroll instructions the way we are supposed to be doing it.

Board discussed doing online Quickbooks and payroll advantages and disadvantages. Disadvantages-Our Auditor says it creates more work for him. Cost will be additional \$3,000 DJ has to research that.

Advantages-They do and keep backups and online can be accessed anywhere just by logging in, online stays hand in hand with our Bank accounts.

Decision should be made not based on consultants likes and dislikes. It should be based on what is the best fit for accounting for the District.

Commissioner McDowell asked if DJ has found out more about either payroll online or going with a payroll service. DJ said she has inquired with ADP but has not had the time to get any more. She does not want to hand it over to anyone until the mess with the payroll is cleared up and she also thought if we do it should happen at the end of this calendar year and beginning of 2019.

Chair DeVries mentioned that they would like to have a report on her research somewhere either in February or March.

DJ also announced that Jeff had been offered a position with the City of Portland and he will be starting before the first of the year. She did offer him a position but he was told in the future that soon he would be making \$100,000 so if that doesn't happen maybe he might come back. We are not holding our breath on that though. We will again in February get another intern going.

Review of task order changes and the new one by Larry Magura, PE:

2nd Task order: RH2 doing an update report for the Water Management and Conservation plan-Larry stated this one looks fine no comments.

His comments are focused on the **2nd Amendment to Task order 1:**

Comments are:

1. Minor one on **page 3:** They are talking about the scope of work for the Geotech and the Surveyors. And they make assumptions that only applies to the previous task. The assumptions are only in the wrong place and just need to be moved.
2. On review of the documents they are talking about an in-house review. Since this is a fairly large project, he would suggest to the Board to have a third party also review the documents at about the 90% completion and prior to them going to bid. Another set of eyes would be valuable. He didn't want to over commit himself but it would be something that he could do before it goes out on the street.

3. **Task 4-Design for Phase 2 Section 4.1** They talk about 4 design items for bidding out. It is unclear if they are going to be bid out one time or four times. It just needs to be clarified.
4. **Page 6 Under Task 5-Design for Phase 3 5.1** 7-10 needs to be changed to ASCE/ANSI 7-16 Version.
5. **Task 7-Services During Bidding 7.4** Where it is noted: Assist the District in compiling the bid tabulation should be replaced with them doing the bid tabulation.
6. **Cost summary:** In his opinion the survey costs seem awfully high. DJ will contact Kyle about Larry's review and see if he can give a more thorough explanation. DJ stated that their surveyor will be starting work the following Monday.

Chair DeVries asked Larry to give us an unsolicited proposal for his services to be that third-party reviewer because he has already done quite a bit review for us to date. Then the Board can see if they want to put it out for Larry will just send over a small fee basically a fixed amount to do the review. Board will look it over and see if they want to do a proposal or just lean on his local knowledge and his expertise to do the reviewing and get back to him.

FINANCIAL REPORT

TAB 4- September 2018 Bank Checking, Water Deposit, LGIP Reconciliations Statements and Reconciliations

Chair DeVries wanted clarification on the first page where it showed an uncleared balance of \$32,000 and he couldn't find those numbers. The most he could find was an uncleared balance of around \$5,371 from page 3. Chair DeVries asked where the page one report comes from. DJ said it was just hand generated-that it doesn't tie back to coming automatically from the software. Staff will research and send an email back to the Board.

DJ mentioned there were some items that weren't reconciled as far back as March that we will have to do general journal entries to get them out. DJ also mentioned that we did a stop payment on one check #8170 that was made out to Eelia for \$100 and where the check went, we haven't found it. DJ stated that she also sent Eelia a certified letter (returned postcard) to let her know that her medical would stop being paid by the District as of November 30th. That never came back to us. Chair DeVries asked DJ to document for Eelia's personnel file.

Deferred compensation overpayment: Chair DeVries stated that the options are don't pay deferred compensation until the overpayment paid off or for the Board to just forget about it and use as a bonus or something. Chair DeVries asked DJ to bring back a proposal to the Board on how to reconcile that.

TAB 5: Profit and Loss Budget vs. Actual, P & L by Class, Trial Balance, Fiscal year 2018-2019 Pay Bills

TAB 6: Approval for Payment Form & Supporting Document

All the bills have been paid and a transaction form attached to the list of bills.

TAB 7: Pump Reads

Audit Status DJ has been working with them. They sent a draft and some things were incorrect so they are correcting that. Hopefully, it will be done by the December Board meeting and the Auditor will be present to give a report.

Commissioners tabled approving the financial report until the reconciliation discrepancy is found.

Commissioner McDowell moved that we pay the bills. Commissioner Roth seconded. Motion passed. Commissioners Roth, Patterson, McDowell, Johnson and DeVries voted aye. Nays-None.

All Board members present reviewed and signed the “Approval of Payment Form. And all Board members present reviewed and signed the form entitled Rivergrove Water District-Bank & LGIP Statements.” Chair DeVries signed the check list the “Financial report check list” for this meeting.

TAB 3- 10-01 Ordinance update pages 7-16 up to Section 24

Page 7-Section 9: Commissioner McDowell ask for clarification of “temporary” suspension of service”. Should just note it is “temporary suspension of water service charges” to clarify it is the charges only and if they want to just turn off their water for a period of time that is ok.

Section 10: Chair DeVries-fourth line the bottom of the page says “Customer may”, do we want “shall”. Board consensus was to keep it “may”.

Page 8 Section 10: Formatting should be cleaned up if possible.

4C-Should be a “written” notification.

4F-Should be “written” District notification or written notification from the District. DJ stated it will probably be a door hanger but that is

Page 9-Section 10 (5 & 7): Change as edited by Kyle.

Section 11 (4)-DJ noted that this is the one that comes up every so often (Billy and also the 65th house) and have been dealt with several times. What Jim and DJ did was to delete the wording from “new and ending at approval?” Then they added a new fee called “reinstatement fee”. But the Board needs to decide what that will be for a water service that has been terminated for over a year, the meter pulled, and was left with an outstanding balance. Board/staff discussed the issue.

DJ felt that what really needs to be covered is the service charges that were missed when it was terminated and any unpaid balance at the time account was terminated.

Chair DeVries felt that deleting the wording and just adding the fee was not what we wanted to do.

Commissioner Johnson stated that what needs to happen is to work backwards and decide what we want and then make the wording conform to what we want. You could leave the wording the same and then define what SDC fees are applicable.

Chair DeVries felt that what we are trying to say that “if there is not alteration that could impact and cause increased water usage from the water system, we could charge them a reinstatement fee in lieu of past water fees.”

Commissioner McDowell stated we could keep the wording as stated and add that the customer may ask the Board for a variance to paying SDC fees. Commissioner Johnson stated that would be ok but the Board would need to establish criteria for the variance and how they should make a decision.

Chair DeVries stated in addition we could still define reinstatement fee if they qualify for the variance.

Chair DeVries felt this is what the Board wants. That we will leave SDC in there, tell them they can file for a variance, tell them if the variance is approved, they will be assessed a reinstatement fee. Then we just need to define the reinstatement fee and place an amount or how to calculate it?

Board consensus was to stop at this time. DJ stated that they have already discussed Section 12: No comments.

Section 13 on how to reword the subject of outside users has been discussed and DJ has that information.

Section 15-Kyle's comments were discussed. End of Board discussion on Ordinance.

Commissioner and Staff Comments: None

Commissioner Volunteer to sign checks this month: Commissioner McDowell volunteered to sign checks and he said mornings are good for him.

Non-agenda items: None

Agenda Consensus for December 17th, 2018 Meeting

Ordinance review and update

Chair DeVries adjourned the regular Board meeting at 9:03AM.

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.