

**Rivergrove Water District
Minutes-Regular Board Meeting
December 19th, 2016**

Chair DeVries called the Rivergrove Water District regular board meeting to order at 7:36 AM at 17661 Pilkington Rd, Lake Oswego. Commissioners Roth, DeVries, Patterson, McDowell, and Johnson were present. District Manager DJ Ezell and Finance Manager Dan Zimmerman were also present.

Public Comments: None as no public present.

CONSENT AGENDA

TAB 1: Minutes-November 21st, 2016 Regular Board Mtg.

Commissioner Roth moved that we approve the November 21st, 2016 minutes as presented. Commissioner Johnson seconded. Motion passed. Commissioners Roth, Johnson, and DeVries voted aye. Commissioners Patterson and McDowell abstained. Nays-None.

UNFINISHED BUSINESS

TAB 2: Well #1 Electrical Improvement Status:

DJ noted that she put in the proposed calendar from the Contractor to learn about when the work would happen. It looks like the actual construction won't happen until mid-February. We held a preconstruction meeting on December 13th. The contracts have been signed and one returned to the District office. They are now bound in one document which includes the signed contract and the General Contract documents.

DJ thought that the generator was set to be delivered around the end of March.

Chair DeVries asked if Jim is still leading the work. DJ said yes and she asked him at the meeting if he was going to be the project inspector on the job. He said that Gregg would be doing the inspecting of the electrical project.

TAB 3: Financial Report-Deposits Reconciliations and Board Report Checklist Beginning Fiscal 7/1/16

Dan stated he threw in the balance sheet this time because it is December. CUSI and Quickbooks are still reconciling. The deposits are still reconciliation.

TAB 4: November 2016 Bank Statements and Reconciliations Dan stated that we are continuing to track our expenses and reimbursements for the generator project.

Chair DeVries asked about the \$53,000 loan payment seems like a pretty high loan payment. Is that quarterly?

Dan stated that it was yearly. And maybe if we get future loans we could stagger the payment time. He mentioned the high uncleared balance in the checking was due to the State not cashing the loan payment check.

TAB 5: Fiscal year 2016-2017-Budget vs. Actual

Dan noted that we transferred more money to the Capital Improvement Fund. We had budgeted \$130,000 to transfer to the Capital Improvement Fund and have transferred \$105,000.

The Balance sheet shows where our Bank accounts are at this time. We do show a high balance in the checking account but we opted to keep that in checking to pay for the Generator bills that will be coming soon.

Chair DeVries asked if we get interest on the checking. Dan answered yes and no. We get the account analysis fee for the business checking and what it does is deduct the interest from the account analysis. If you looked at the interest that we make on the LGIP account we would be on the positive.

On the updated P&L by Class Dan edited to Gross Income from Gross Profit as requested. And DJ noted that the column heading that says unclassified is the General Fund that can be edited also.

Dan explained on the Trial Balance he felt this report was one the Board might not need to see. The only thing to look for is if the report balances.

Approve Financials/Pay Bills, Profit and loss by Class

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

Commissioner McDowell moved that we pay the bills and approve the bank statements. Commissioner Patterson seconded. Motion passed. Commissioners Johnson, Roth, Patterson, 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 6: Pump Reads-Completion of District Report

DJ gave the Board a copy of an email from a customer who wishes a discount on her bill due to sprinklers being left on.

DJ noted that we had two customers with very high bills this billing period. Dan explained the situation that happened with the Fran Wilson account and how our staff responded. The office received a phone call from Fran’s neighbors about the sprinklers running continuously. Because we only have her email Dan emailed her after the phone call on October 21 (a Friday) about the sprinklers running. He also called the non-emergency dispatch to do a welfare check as she is elderly. Neighbors told the police that she sometimes goes to the coast. Brian left a door hanger notice. He did not shut off the irrigation on the customer’s side of the meter as we are not supposed to mess with any of the customer’s plumbing. It is out of our jurisdiction and the District could be liable for damages. Fran responded by email on Saturday when office was closed. Her bill is over \$800.

Board discussion points:

Do we have any precedent for doing this? DJ-No adjustments are given when there is a leak. She would have to provide proof that the system was damaged and that she repaired it. Not just saying what happened.

DJ and Dan asked for direction? Dan stated that to keep in mind another customer had a big leak due to the drain valve in irrigation left open and his bill was over \$2,300.00. If an exception was given to Fran then this would set precedent to discount his bill also. If it was going with the leak policy: Nothing was broken and nothing was repaired.

Commissioner Johnson stated that we have to make a decision on the policy not on emotions.

DJ stated that she did respond to Mr. Slater denying any leak credit. She read the letter to the Board.

Commissioners replied that should be the response to Fran's request also.

DJ discussed the previous issue with Ms. Wilson due to a shut off of her water service. She was given a leak adjustment but by her calculations she did not receive enough credit so it remained unpaid. She didn't note her concerns to the District at that time so the service was shut off for non-payment. It only got more difficult from there.

Commissioners stated that was a different issue as this was not a leak it was left on.

Commissioner Patterson read from the email that said "should this happen again you have my permission to lift the lid and shut the irrigation system off." This statement alone shows that she was leaving for somewhere and did not check her irrigation system before leaving. We all have irrigation systems and there is a process for care and diligence with them and Fran did not do that.

Chair DeVries stated there are several things here and we need to respond to them:

We have a communication problem because she has not given the District phone numbers or emergency contact information for her account. DJ mentioned that in our Ordinance it states that customers are required to supply certain information to the District for their accounts one of which is a phone number.

Second thing we need to communicate is that she has given us permission to shut off her irrigation system but we have to decline because past the meter is not our jurisdiction. Suggest that she have a neighbor or relative as an emergency contact on her account to help do this for her.

Chair DeVries asked for an update at the next meeting.

DJ stated that she and Jim got the LOI done and submitted to the State. No other word back as the State. They have just reviewed the documents on the 15th. She noted that the water usage is down from past December. But with rate increase the water sales amount was slightly above last year. The fencing improvements at Old Gate are started but not complete. The weather interrupted progress on that.

Commissioner Patterson asked if privacy slats would be included. DJ stated yes on the portion that we are replacing across the front and the two front sections on the Nelson's side.

Chair asked if we could put the leak adjustment forms on the website. DJ confirmed that they were on the site but she could see about linking them from the home page.

Commissioner/Staff Comments: Commissioner Roth noted a friend of hers on Childs Rd. was interested in getting the property owners of Hilltop Road together to deal with the washouts that are coming down the hill to the lower properties.

Board discussion points:

Is it a private or public road? It is a public. It is labeled as a County non maintained road with no number on it.

If maintenance of the road is expected from the land owners Commissioner McDowell would like to see the road vacated. Then to create agreements with the multiple owners of the road that have shared interest in that property. In that case we could put a gate on it. DJ stated that there is a house beyond the reservoir so this would probably not work.

Boards concern is that area is known for being a landslide area by DOGAMI.

Commissioners discussed the District's responsibility in keeping up the road to continue to have access. We shouldn't have to make it an improved residential road that's not our responsibility.

What we should assure is that we keep the access to the road open.

DJ was just up there this week and she didn't notice any kind of slump or creep of the road. Board members felt we should inspect the area to see where the neighbors are seeing the washouts. Commissioner Roth said the washouts are coming down right behind Yamada's house. Staff will monitor the road and possible areas of washout.

DJ shared correspondence from Sean Foushee, a developer requesting the District serve water to lot TL 800 which is out of the District on Hilltop Road.

Board discussion points:

Chair DeVries asked if those are the steep lots that have been on sale forever? DJ noted TL800 is below Hilltop next to our property with Well #2 on it.

Commissioner McDowell asked if he has an easement to run his water line? DJ stated the easement noted is the District's transmission line from the reservoir down to Childs.

Out of District but could possibly be annexed. If water is not provided they could drill a well. Pressure at that point if it is tapped into District line could be at or below State minimum of 20 psi which would not be adequate for fire flow. Sean did call Jim Helton on the issue.

Commissioner Patterson would hate to see him drilling an adjacent well and have another straw down in the aquifer. There is greater risk of contamination.

Commissioner McDowell discussed the annexation process if we required him to annex.

Commissioner Johnson asked DJ how common was it to have a service line off of a transmission line? Not very. Are there issues with that? DJ stated there could be backflow issues if a pump is added to his line and it might set a precedent for other close properties to have to serve them water.

Commissioner Patterson's concern is that all that property is subject to landslide if more development happens.

Commissioner Roth noted that these could be served by LO if they annexed to the City but it costs more.

Main concern of the Board is tapping into a transmission line and future problems that could occur due to the connection there. Commissioner Johnson is worried about putting one little service line on a transmission line. It would create a weakness at that point and become more vulnerable.

Commissioner McDowell mentioned that the house on the corner should have a well. If that is the case couldn't they share a well? DJ stated that she suggested that he connect with LO water system.

Commissioner Johnson stated that if cost is the only criteria for them not to annex to Lake Oswego that his cost is not a criteria for us to make a decision on. There is also the time and hassle of going through with the process at Lake Oswego according to Shon.

Chair suggested we look into what type of hydrologic or otherwise problems that could be created by tapping a water service into a transmission main on a landslide vulnerable hillside.

Dan said that the developer conveyed to DJ that he hadn't even bought the property yet. He is trying to figure out if he could build something there first. Dan also mentioned that the developer wanted to have Jim write a letter of what would be required there and also a possible solution to the pressure issue. DJ told him that he was not to request any work from Jim as that would be a conflict of interest.

Board consensus was that the developer would have to own the property first and not just be speculating. They would not want to give any approval off of speculation.

For the record Commissioner Johnson is opposed to him tapping a service line on to a transmission main. But he does have another option up there and that is the City of Lake

Oswego plus checking with the neighbor on sharing a well. It would be different if we were the only source but we are not.

Chair stated that our answer is that we are opposed to putting our critical mainline at risk by tapping a service line into it.

Commissioner Patterson asked if the developer was informed of the land there being subject to landslides. He can look on the DOGAMI map to verify.

Commissioner Johnson stated that the County should not even be approving building on those sites. Having an existing house on one lot is one thing but splitting a lot on hazards lands and building is something else. We should be watching the County on any action that they will be planning up there.

DJ noted that the developer wanted to be on the agenda for next meeting would the Board want Jim to be here?

Chair DeVries stated unless Jim will be here for other reasons such as the Generator the Board would not request him to attend just for this. No reason to spend money when the Developer should be doing his own Engineering on it and then come to the Board with the answers.

DJ noted that what he wants to do is to have the Board say we will serve the property and then he will have engineering done. More discussion on concern about disturbing the critical transmission line.

Board consensus was no. Also any costs from our Engineer should be paid by this developer. Maybe a preapplication meeting. DJ told him to fill our preapplication forms and have a meeting. He didn't want to do that without discussion with the Board. Chair stated that he can come to the meeting with a proposal and we can address it.

Non-agenda items-DJ to answer that email. Dan updated on Collections there is 30 to 35 people to the company and we have received payments for 2.

Commissioner to sign checks for the month: Commissioner Roth volunteered to sign checks for December-January.

Agenda Consensus for the January 23rd, 2017 Meeting

Insurance Renewal Report

Fran Update If developer shows up they will talk with him not necessary to be on agenda.

Chair DeVries adjourned the meeting at 8:58 AM.

Respectfully submitted,

DJ Ezell,

Manager

Rivergrove Water District

These minutes are not verbatim and the meeting was tape recorded. The Tape Recorder was found to be inactive for the first portion of the meeting. Upon discovery it was fixed and the balance of the audio version is available on You Tube under Rivergrove Water. First section of the minutes of meeting was documented from notes.

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.