

BURLINGTON WATER DISTRICT

Manager: Hiland Water - P.O. Box 699 Newberg, OR 97132 Phone: 503-554-8333; 1-855-554-8333 (TF)
Internet: BWD Website <https://burlingtonwater.specialdistrict.org/>

Board of Commissioners Meeting

Wednesday, January 20, 2021

6:15 pm

Due to the current health emergency resulting from the COVID-19 pandemic, this meeting held by GoToMeeting videoconference.

MINUTES

Meeting called to order by Ron Yann, Chair, at 6:16 pm.

Present: Ron Yann, Dan Johnson, Christine Nelson, Amanda Schehr, Mark Oakley; board members (quorum)
Dan Zimmerman, bookkeeper
Matt Olson, Hiland Water manager
Tim Tice, OAWU
Ethan Perry, Prospective Board member

Public Comment: No public present.

Introduction for Potential New Board Members:

Ethan Perry, prospective Board member, introduced himself briefly. Ron will set up a time for a call in the near future to provide him with an overview of the District.

OAWU Rate Study Update (Tim Tice):

Tim presented a spreadsheet of proposed rates that incorporate the Portland Water Bureau (PWB) cost increases for the next 3 fiscal years. Our current base rates are providing ~42% of the proposed budget; ideally a water district should receive 60-70% of its revenue from base rates to cover annual fixed costs associated with operations. Tim suggests a \$5.60/month increase in the base rate for each of the next three fiscal years, which by FY23/24 will bring us close to his 60% recommendation. Assumptions include fixed costs as well as project costs for capital improvement planning. Tim also suggests a reduction to a 5-tier rather than 6-tier system for water consumption rates with additional moderate increases for consumption. Finally, Tim highly recommends consideration of a meter replacement program to update older meters, which will yield more revenue by more accurately monitoring usage. Another way to control costs is to re-negotiate the guaranteed minimum purchase with PWB. Board may want to consider providing a water allowance in the base rate, like for 100 cubic feet; if Board decides to make this change, Tim will need to re-run numbers to calculate impact for the budget. As our budget officer, Dan J. supports Tim's recommendations and summarized that the plan going forward is to: 1) increase base rates by \$5.60/month, 2) reduce the billing tier structure to 5 rather than 6, and, 3) modestly increase consumption rates for each tier. This will create a fair and equitable rate structure for all users.

BURLINGTON WATER DISTRICT

Manager: Hiland Water - P.O. Box 699 Newberg, OR 97132 Phone: 503-554-8333; 1-855-554-8333 (TF)

Internet: BWD Website <https://burlingtonwater.specialdistrict.org/>

Water Operator's Report from Hiland (Matt Olson):

- a. Monthly overview – Water system up and running (see December monthly report).
- b. Update on leak detection/repair. Hiland is moving forward with leak detection; Matt provided an overview of the process for leak detection, which usually takes place at night. Another leak detection meter was installed earlier this week in the Marina Way area across from Riverview, which will enable checking for leaks in the Marina Way/Harborton area. In response to Ron's request, Matt has agreed to develop a systematic leak detection plan for BWD. He noted that our meters are very old and probably represent a significant portion of our monthly water loss; worth considering a plan for their replacement along with leak detection.
- c. Update on 3-inch meter; replacement? The 3-inch compound meter at NARA is 15 years old; reducing its size might be problematic because of the potential needs of their fire system. Before reducing size, would need a plumber or engineer to determine total flow requirements, taking the fire suppression system into consideration. Replacement of 3" meters is expensive, but new mag meters can be very accurate and may be worthwhile.
- d. Pending billing adjustments: Account #2552. Leak at a marina was repaired by customer as soon as found, requesting an adjustment of \$216.28.
ACTION: Dan J. moved that the board approve the billing adjustment as outlined, Mark seconded, and the motion carried unanimously. Christine will notify Hiland.
- e. Customer issues? No other issues known.

Bookkeeper/Office Manager's Report:

- a. New auditor for FY 20/21 audit. Due to health issues, Dennis Connor has retired and has not referred his clients to another CPA, which leaves us without an auditor. BWD is not required to go through a bid process for expenditures less than \$10,000, so since our audit costs less than that, no need to put out a bid request. Board authorized Dan Z. to get names and recommendations from TSCC and request bids from those who are recommended.

Consent Agenda:

- a. Dan Z. reviewed the monthly Credit Memo from Hiland; Board had no concerns.
- b. Dan Z. reviewed monthly budget statement, FY 20-21 initial profit and loss statement, and this month's bills. No major items of note; water sales are tracking more closely to projections this year than in prior years. Debt service and fire protection payments have been made; annual SDIS insurance payment is being paid this month.
- c. Board approval to pay bills presented. Checks were mailed to Christine; she will get necessary signatures and submit when received.
ACTION: Amanda moved that the board approve paying all bills as presented, Dan J. seconded and the motion carried unanimously.
- d. Dan Z. distributed minutes from the December Board of Commissioners meeting.
ACTION: Dan J. moved and Mark seconded that the minutes be approved as presented. Motion carried unanimously.

Action Items:

BURLINGTON WATER DISTRICT

Manager: Hiland Water - P.O. Box 699 Newberg, OR 97132 Phone: 503-554-8333; 1-855-554-8333 (TF)

Internet: BWD Website <https://burlingtonwater.specialdistrict.org/>

- a. Approve Calendar for 21/22 Budget process: Dan J. presented an updated draft of the budget calendar, which has been reviewed by TSCC and updated based on their comments. Of note, in order to meet reporting timeline requirements, there will be one 'out of cycle' Budget Committee held between the February and March Board meetings. **ACTION:** Christine moved and Mark seconded that the budget calendar be approved as presented. Motion carried unanimously.
- b. Discussion related to 21/22 Budget process: Dan J. will send required notices regarding budget committee involvement and meetings to Hiland for distribution to our complete customer list. Will need to consider a revised rate ordinance and rate increase resolution at our March and April board meetings; Christine will prepare drafts.

Administrative Reports:

- a. Update on Portland Fire & Rescue multiyear Inter-Governmental Agreement (IGA): The IGA has been completed, signed, and filed.
- b. Update on Safe Drinking Water Revolving Loan Fund Application for the Riverview project: No response yet; still in process.
- c. Update on Metro right of way vacate request: Still awaiting completion of administrative paperwork; will be notified when done.
- d. Update on responses from letters to out-of-district customers: A small group of out-of-district customers on Newberry Road is pursuing annexation. Ron will follow up with Matt to determine whether Hiland could provide them with an estimate of the costs involved with bringing their system up to standards, or if that will need to be done by an engineering firm.
- e. May 2021 special elections/board recruitment: We have 3 board positions opening up effective July 1; two with 4-year terms and one with a 2-year term. Two individuals have expressed interest; important to make sure that they do not file for the same position. Ethan is interested in a 4-year term and will file for Position 1. Dan J. will talk with the other interested candidate and explore her interest in either Position 2 (2-year term) or Position 5 (4-year term).

As necessary: No additional agenda items arising pursuant to bookkeeper's, manager's reports.

Adjournment: Amanda proposed and Christine seconded a motion to adjourn the meeting. Motion carried unanimously and the meeting ended at 7:39 pm.

Next Board Meeting: Wednesday, February 17, 2021 at 6:15pm

Location: Due to the current health emergency resulting from the COVID-19 pandemic, meeting may be held by GoToMeeting videoconference.

Please join the meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/160573845>

BURLINGTON WATER DISTRICT

Manager: Hiland Water - P.O. Box 699 Newberg, OR 97132 Phone: 503-554-8333; 1-855-554-8333 (TF)
Internet: BWD Website <https://burlingtonwater.specialdistrict.org/>

You can also dial in using your phone.

United States: [+1 \(646\) 749-3122](tel:+16467493122)

Access Code: 160-573-845

Join from a video-conferencing room or system.

Dial in or type: 67.217.95.2 or inroomlink.goto.com

Meeting ID: 160 573 845

Or dial directly: [160573845@67.217.95.2](tel:160573845@67.217.95.2) or 67.217.95.2##160573845

New to GoToMeeting? Get the app now and be ready when your first meeting starts: <https://global.gotomeeting.com/install/160573845>

In the event that stay-at-home restrictions have been lifted, an in-person meeting may take place at the Scappoose Library, Scappoose, Oregon.

Christine Nelson
Recording Secretary