

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 Commissioners of Burlington Water District Meeting

October 18, 2023

6:15 – 8:10 PM

MINUTES

Meeting called to Order by Gail Curtis at 6:15.

Board members present to establish quorum for meeting:

Present: Gail Curtis, chair; Anne Squier, vice chair; Tiff Wood, treasurer; quorum present. Also, present Dan Zimmerman, bookkeeper; Aaron Olson, Hiland Water Operator and Ed Hodges, Engineer of record.

Absent: Susie Hasty, secretary; Kris Hines, board member

Public Comment (limited to 10 min./issue): None

Guests: Allegra Willhite, Executive Director, Tax Supervising and Conservation Commission (TSCC) with Multnomah County

Allegra Willhite informed the board that TSCC reviews the BWD budget (for consistency with state law) and there may be a future, shortfall in the tax collected for fire protection and the contract cost. Allegra's presentation followed a meeting held earlier in 2023 with Dan Zimmerman, Dan Johnson, past board treasurer and Allegra and Tunie with TSCC. Two key findings Allegra conveyed is that 1) the payment for fire and rescue services can only come from the taxes collected for that purpose. Other types of funds may not be used to cover fire and rescue costs; 2) the best practice for transparency purpose is for receipts and payments for fire and rescue to be kept separate from other funds.

Given the rising cost of fire and rescue and the likely shortfall, Allegra recommended the following four potential, board next steps:

- Meet with the City of Portland Fire and Rescue to fully understand how their charges for BWD are calculated; potentially negotiate a lower, contract for services fee; explore tying increases to a rise in tax %.
- Consider a local option levee with a five-year limit based. (The ballot cost is about \$1,500 and a January notice is needed for a May ballot).
- Consider changing the provisions under which the board operates to tie the rate of taxation percentage increase to the increased rate of service cost. (The City of Gresham has this provision however, being under a special district versus functioning under a city charter may prohibit this option).
- Consider partnering with nearby fire providers such as the City of Scappoose or Sauvie Island.

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Gail reported she received the fire and rescue cost from the City of Portland for fiscal year 2023-24 yesterday and would share with the board (sent 10/21/23). The FY 2023-24 amount is \$176,391 which is less than the \$182,700 tax collected and budgeted. Allegra was asked if taxes collected could be held and used for anticipated, future cost increases and she said yes. If excess taxes are collected there are no restrictions on how the district can spend these funds.

Next Steps: Tiff agreed to review the fiscal year 2023-24 fire and rescue cost assumptions to help the board better understand on what basis a reduction could be requested. There may be services included that BWD does not receive or benefit from. Additionally, Tiff agreed to work with Dan Zimmerman to understand the likely timeframe for a budget shortfall.

Ed Hodges, Engineer Curran-McLeod, Inc. and BWD Engineer of Record Reports:

- a. The **Water Meter Replacement** project: Hiland water has completed 90% of the project within a week of the start date. An issue that came up was replacement of a T-line on one property. The history of the T-line is not known but has caused water to not be metered and therefore, paid for. The board requested that the account address be provided to the board at next month's meeting.
ACTION: An additional \$5,000 was approved by the board to add to the \$68,555 water meter replacement project, as explained below.
- b. **Riverview Watermain Replacement project.** As presented at the Sept. BWD board meeting, an additional \$60,000 was estimated to be needed to pay the Contractor for excavating 180 cubic yards of rock for the installation of about 800 feet of the new water main. The final, rock excavation cost is \$69,000 requiring approval by the board.

Ed Hodges made an additional contract change order request of \$5,000 to excavate and install a 2-inch line at the third house from the end of Riverview. Ed Hodges said the work would be carried out by Hiland since they are currently in the field completing the Water Meter Replacement project at a reduced cost if done later. Board members raised concern that the residence being served is not in the BWD boundaries. Aaron Olson advocated for the 2-inch meter replacement noting that the current meter could be the cause of the 18% water loss reported for Sept. 2023. The Riverview project is expected to be completed by October 27th. The meter replacement project is about 90 percent complete considering the additional meter installation. Including the two change orders, the Riverview water main project cost is about \$500,000; under the \$579,880 loan and grant amount.

ACTION: Tiff W. moved, and Anne S. seconded a motion to approve a \$69,000 contract change order for the additional excavation and an additional change order for \$5,000 for Hiland to install a 2-inch meter on Riverview. The motion was unanimously approved.

- c. **Master Plan** update. Gail C. sent the Board Members a memo dated Oct. 18, 2023 with background information for the update of the BWD Master Plan. The memo will be discussed at the Dec. Board Meeting. Gail said Board Members may feel free to provide her written

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comments they may have by Dec. 6th. BWD has a \$20,000 grant to carry out the work. The timeframe for the update is yet to be determined. Oregon Administrative Rule (OAR) 333-061-0060 governs water master plans.

Water Operator's Report from Aaron Olson:

- a. Locates: Hiland responded to several locate requests, water lines marked as needed.
- b. Compliance testing: No coliform/e. coli detected in Sept. tests.
- c. Notes from the field: Hiland Water responded to two possible water leaks.
- d. Leak detection: 3.4 gal./min
- e. Billing adjustments: One request was submitted but returned to Hiland by Gail C. requesting an explanation.

Reservoir "Mission" alert solution: At the Sept. BWD board meeting, the board approved of up to \$5,000 for Hiland to add an electronic alert system to the reservoir monitoring system. The purpose of the alert is to inform Hiland when the reservoir is filling more than once a day. The system is referred to as the "Mission" monitoring system and was originally designed by Ed Hodges firm. As part of the work, Hiland will work with an electrician, programmers and coordinate with Ed Hodges.

NEXT STEPS: Per the Board's request, Aaron will be providing a written report for the November, 2023 board meeting.

Bookkeeper/Office Manager's Report:

- a. Hiland Credit Memo and Accounts Receivable/Payable reports: Reviewed receipts and expenses for month.
- b. Monthly budget statements: Reviewed balance sheet; Budget vs. Actual statements; Profit and Loss. Water sales YTD: 76.5% from July 23 to September 23.
- c. Monthly budget expenditures reviewed.
- d. Dan Z. said the Bank of the West ownership and name have changed. The bank fees have also increased. After some Board discussion, Tiff said he would work with Dan Z. to recommend an alternative bank to the Board.

Consent Agenda: Board unanimously approved payment of bills as presented.

The Board postponed approval of the September Board Meeting minutes to November because the final version had not been provided due to illness.

Administrative Reports:

- a. **Water Sales Agreement:** Gail Curtis sent Board Members the draft Water Sales Agreement dated Oct. 6, 2023 for the December Board Meeting discussion. To date, City staff has attended two BWD Board Meetings to present the draft agreement and answer questions.

Old Business:

- a. **Nov. and Dec. Board Meeting Dates: ACTION:** To accommodate holiday schedules, the Board unanimously passed a motion to change the November and December board meeting dates.

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The Nov. 15th date was changed to Tuesday November 14th and the December 20th date was changed to Tuesday December 19th, 2023. Anne S. requested the new dates be posted on the BWD website soon.

New Business: Alternative bank. As noted above, Tiff W. will recommend an alternative bank to the Board.

Announcements: None

Adjournment: Gail C. Moved that the board meeting be adjourned at 8:10 and Tiff W. seconded, the motion passed unanimously.

Next Board Meeting: Tuesday November 14, at 6:15pm, 2023.

Location: Meeting to be held by GoToMeeting videoconference.

Gail Curtis,
Acting Recording Secretary