

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, March 17, 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 (arrived 10 minutes after meeting began); board members (quorum)
Dan Zimmerman, bookkeeper
Matt Olson, Hiland Water manager
Lauren Golar, prospective Board member

First reading: Ordinance 20/21-01, Revised Water Rates and Other Fees Policy (Dan J., Board Treasurer/Budget Officer).

Of those present, Lauren was the only one who had not already read the Ordinance in its entirety and agreed to have Christine email her a copy for review.

ACTION: In lieu of having Dan J. read the lengthy document aloud, Christine moved that the Ordinance be appended to the minutes of this meeting, Dan J. seconded, and the motion passed unanimously.

Public Comment: There were no comments from the public.

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

- a. Monthly overview. Water system still operating (see February monthly report). Matt drew BWD logo being used on Hiland monthly reports; District is welcome to use.
- b. Upcoming new monitoring requirement. BWD passed the new state-required sanitary survey; official report has not yet been received. When report arrives, it will contain a state requirement for ongoing daily monitoring of chlorine residual. Monitoring options are: 1) manual daily testing (an individual receiving BWD water would be provided with equipment to complete testing and record results daily; equipment cost \$500-900); or 2) installation of an automated system for daily testing and logging of results; cost ~\$5,000). After discussion, consensus of board was that an automated system would better guarantee accuracy and consistency of testing and recording. Hiland will provide a more complete proposal when mandate received.
- c. NARA 3" meter replacement estimate. It will cost ~\$5,000 to replace the NARA 3" meter with a digital magnetic meter (~ \$3,585 for meter, remainder for additional parts and labor). Given age of existing meter, new one would likely yield more accurate readings of their water usage. Matt will email a firm quote to Board for further consideration.

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- d. Discuss systematic schedule/cost for meter replacements. Matt retrieved an estimate created a year ago for costs of new meters systemwide. Total at the time was ~\$52,000 for meters only, installation not included; meter prices have gone up 10% since then (meter costs are rising and will continue to). Now likely to be ~\$60,000, with an additional 20% for installation. New meters will provide much more accurate measurement of water usage; costs could be recovered in 5 years by reducing loss factor significantly. Matt will provide an updated quote. He recommends development of a systematic, methodical plan for partial replacement with meter style that will remain available over time (ideal to have uniform meters across the system), starting with smaller meters and replacing largest meters last. Can cost more in long run to do replacement over time, but allows for systematic budgeting. Radio meters are more costly; Matt will get estimate of how much labor savings there would be with installing radio meters versus meters that must be read manually, warned labor savings not likely to be large.
- e. Update on leak detection/repair. Hiland has completed installation of leak detection meter at Cornelius Pass/north end of system; further system-wide nighttime leak detection testing will be done when nighttime temperatures and weather conditions permit.
- f. Determining integrity of existing 2" line to Newberry out of district customers. The only way to verify the integrity of the line is to dig it up and inspect a section; not recommended simply for verification because that could potentially impair the integrity of system. Hard to assess status of line definitively, better to look at whether there have been leaks, and to date there haven't been any. That section of line was repaired in a couple of years ago when a signpost was drilled into the pipe; at the time, the Hiland staff doing the repair reported that the line was good. As Matt previously reported, for the 3 customers affected, a 2" line is a likely a preferable option to a 4" line.
- g. Customer issues? None reported.
- h. Billing adjustments:
 - i. Account 2488, \$942.59. Leak adjustment approved at February meeting; Christine informed Board of final amount that was authorized based on Hiland documentation.
 - ii. Account 2506, \$93.25. Request for leak adjustment for customer who identified and repaired leak after receiving January billing.
ACTION: Dan J. moved that the board approve the requested adjustment, Christine seconded, and the motion carried unanimously. Christine will notify Hiland.

Bookkeeper/Office Manager's Report:

- a. Update on TSCC response to budget documents. Packet was sent to TSCC; they acknowledged receipt and congratulated us for being the first district to be reviewed. No other feedback provided. LB-1 has been posted ahead of schedule.
- b. Update re: new auditor for FY 20/21 audit. Dan Z. adapted an RFP from a larger district and has sent it to 4-5 audit firms (enclosed in Board packet, along with sample letter sent to prospects). Would like to find a few more possibilities, ideally smaller firms or sole CPAs that focus on a niche market of small municipal operations, as larger firms have responded that our small enterprise is not worthwhile. Hoping to have several bids by next month.

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Consent Agenda:

- a. Accounts Receivable/Payable. Credit report from Hiland inadvertently omitted from Board packet; Dan Z. reviewed and will send updated packet at conclusion of meeting. Noted receipt of SDIS insurance longevity credit which has been deposited.
- b. Monthly budget statements. Dan Z. reviewed monthly budget statement, FY 20-21 initial profit and loss statement, and this month's bills; board had no concerns. The check written to Portland Fire & Rescue at end of January has not yet cleared; Dan Z. will contact them to find out why it hasn't been processed. Water sales continue to track more closely to projections than in past years; revenues are being projected more accurately than previously.
- c. Board approval to pay bills presented. Check register inadvertently omitted from Board packet; Dan Z. reviewed and will include in updated packet to be sent at conclusion of meeting. Checks were mailed to Christine; she will get necessary signatures and submit when signed.
ACTION: Christine moved that the board approve paying all bills as presented, Mark seconded and the motion carried unanimously.
- d. Approval of February Budget Committee minutes. Dan Z. distributed minutes from the February 17th Budget Committee meeting in the board packet.
ACTION: Amanda moved and Dan J. seconded that the minutes be approved as presented. Motion carried unanimously.
- e. Approval of February Board Meeting minutes. Dan Z. distributed minutes from the February 17th Board of Commissioners meeting in the board packet.
ACTION: Amanda moved and Dan J. seconded that the minutes be approved as presented. Motion carried unanimously.
- f. Approval of March Budget Committee minutes. Dan Z. distributed minutes from the March 3rd Budget Committee meeting in the board packet.
ACTION: Dan J. moved and Amanda seconded that the minutes be approved as presented. Motion carried unanimously.

Action Items:

- a. SDAO Information Security Policy. Christine briefly reviewed the SDIC Best Practices Program, which focuses on information security this year. Completion of an SDIS survey can result in a maximum 8% discount on cost of the next annual SDIS policy. We have met requirements for 3 of 4 categories, each worth a 2% discount, and Christine has updated the survey, giving us a 6% discount for next year. To get an additional 2% discount, would need to adopt an Information Security Policy (template provided in board meeting packet). After review and discussion of the template, the Board reached consensus that the policy is not applicable given our circumstances and not worth pursuing. The Board will forgo the additional 2% discount for the 2022 policy.

Administrative Reports:

- a. Update on Safe Drinking Water Revolving Loan Fund Application for the Riverview project. Slow process; moving ahead but still in midst of process.

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- b. Update on Metro right of way vacate request. This process provides legal right of way for access to the reservoir and for the pipes feeding our system from the reservoir and is nearly completed. Documents providing easements to the reservoir and water lines have been drawn up by the County and sent to the District for notarized signature by the Board Chair. **ACTION:** Dan J. proposed and Christine seconded a motion authorizing Ron to sign the easement documents on behalf of Burlington Water District. Motion carried unanimously.
- c. Update regarding Newberry out-of-district customers. Issues are: 1) the existing line serving these 3 customers is 2" rather than the 4" line specified by our District standards, and 2) the integrity of the existing line is unknown so annexation would require the District to accept ownership of the system 'as-is'. Hiland has gone on record noting that the volume required for this number of customers is too low for a 4" line (usage would not guarantee enough flow to ensure that water would not stagnate in the larger line) and recommending that the 2" line be retained; Matt noted tonight that evaluating the integrity of the line is challenging. Discussion revolved around the merits of including them in the district; it was noted that the annexation process is long and complex, involving County approvals. The majority of the Board expressed support for their inclusion in the District, as the ultimate goal would be to have no remaining out-of-district customers. Further, these customers could request a District hearing to grant an exception to the District standards and make the case that the industry standards are not applicable to them, which the District could grant. **ACTION:** Ron proposed and Dan J. seconded a motion supporting the inclusion of the current Newberry Road customers into the District, allowing them to proceed with the understanding that based on Hiland's recommendation, their 2" line would be considered adequate. Motion carried unanimously.
- d. Update regarding May 2021 special election/board recruitment. Lauren Golar has filed for the available 2-year position, have not heard back from Ethan Perry. Now that it's too late to file formally to run for a position, discussed the possibility of recruiting write-in candidates. Can also appoint candidates later if there are not enough elected commissioners.

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

Adjournment: Amanda proposed and Mark seconded a motion to adjourn the meeting. Motion carried unanimously and the meeting ended at 7:46 pm.

Next Board Meeting: Wednesday, April 21, 2021, immediately following Budget Adoption Hearing that begins at 6:15pm.

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

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

<https://global.gotomeeting.com/join/497183813>

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You can also dial in using your phone.

United States: [+1 \(872\) 240-3311](tel:+18722403311)

Access Code: 497-183-813

Join from a video-conferencing room or system.

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

Meeting ID: 497 183 813

Or dial directly: [497183813@67.217.95.2](tel:497183813@67.217.95.2) or 67.217.95.2##497183813

New to GoToMeeting? Get the app now and be ready when your first meeting starts: <https://global.gotomeeting.com/install/497183813>

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

Appendix: Ordinance 20/21-01, Revised Water Rates and Other Fees Policy

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ORDINANCE 20/21-01 REVISED WATER RATES & OTHER FEES

BURLINGTON WATER DISTRICT MULTNOMAH COUNTY, OREGON

THIS MATTER, came before the Board of Commissioners of the Burlington Water District at its regular meeting on March 17, 2021, to consider service charge and water rate increases; and

WHEREAS, the Board finds that the District needs to raise its water rates to meet the rising costs of water purchase from Portland Water Bureau; and

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT'S BOARD OF COMMISSIONERS AS FOLLOWS:

1. **New Account set up requirements:**

a. Full name, phone number, driver's license number, date of expiration or date of birth, place of employment, and email address (if applicable).

2. **Billing:**

a. Hiland Water Corporation will read customer water meters monthly, for Burlington Water District, and send water bills around the 25th of the same month on pre-printed Hiland billing cardstock. The due date will be on or near the 10th of the following month. Water rates and late fees will continue to be determined by the Burlington Water District Board of Commissioners.

b. All bills are due and payable approximately 15 days after billing on or near the 10th of each billing month (interest and late fees apply after the 28th).

c. Customers will have multiple payment options, including automatic recurring direct withdrawal, mailed payments, e-checks, and credit/debit cards. The latter two options can be completed through our website (<https://burlingtonwater.specialdistrict.org/>), Hiland's website (www.hilandwater.com) or over the phone each month. For those who choose credit/debit card payments, there will be a fee per transaction, based upon the prevailing rate, charged directly to the customer.

d. Any billing disputes shall be presented in writing to the District's Board of Commissioners. Any such disputes must be submitted within 120 days of the date of the billing in dispute. Any and all final decisions on billing disputes shall only be made by a decision from the District's Board.

3. **Collections:**

a. Disconnection notices are sent at least 15 calendar days in advance of disconnection, if there are any charges that were overdue at the time of billing.

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ORDINANCE 20/21-01

Burlington Water District

Page 2 of 6

- b. For any payments not received 5 business days in advance of disconnection, another disconnection notice is sent. 48 hours prior to scheduled disconnection, the Hiland Water Corporation office attempts to contact any customers scheduled for disconnection, to collect payment.
- c. If payment is not received before the disconnection visit, a Hiland staff person will go to the residence and attempt to collect payment in person. If successful, the customer will be assessed a \$35 fee, which will be retained by Hiland. If unsuccessful, the staff person will disconnect water service until payment is received.
- d. Upon reconnection, a \$60 fee will be assessed to the customer and retained by Hiland.
- e. Checks remitted to Hiland with non-sufficient funds will generate customer fees ranging from \$4-\$25 depending on number of occurrences by that customer and the discretion of Hiland's office manager. Hiland will retain these fees.

4. **Property Owners Responsibility:**

- a. The area around the meter is to be kept clear and accessible; if the District needs to provide service to the meter and the meter needs to be cleared, a minimum charge of \$25, or more as necessary to cover the actual time involved, will apply per occurrence.
- b. All water charges, interest, re-billing charge, and fees relating or associating with restoring water service in the event of a water service shut-off.
- c. When a property is purchased that has a locked meter due to a delinquent balance, the debt is to be satisfied before the water service is restored.
- d. The minimum monthly rate for water service shall apply, and shall be paid, for all periods during which the customer is entitled to use the water service if a water meter is in place, unless:
 - 1. The customer by written request applies for the removal of his/her meter (water service) and terminates the account. In order to reinstate the service; the customer will cover charges for a new water meter plus parts and labor to install the meter back in the original location. The cost for the meter will be for the same size meter that was previously removed. If a larger meter is requested, all new installation and the cost difference of the system development charges (SDC) upgrade will apply.

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ORDINANCE 20/21-01

Burlington Water District

Page 3 of 6

e. The moorages within and outside of the District that receive a water distribution service from Burlington Water District will receive a monthly service charge for each home or floating home that resides within the moorage. The District is scheduled to count the homes and floating homes within each moorage annually. This procedure will take place between June 1st and July 1st of each year. The moorage's total service charge will be based on the number of homes, floating homes, and habitable dwellings and the total charge will apply for one full year until the next annual home count. Adjustments will be made and will reflect the July statement of each year. The water usage breakdown is based on the number of homes and floating homes that reside within the moorage. Example:

4 floating homes = 4 service charges

+ 1st 500 cubic feet of water @ \$9.70 per 100 cubic foot.

+ 501 to 1000 cubic feet of water @ \$11.56 per 100 cubic foot, etc.

5. Landlord/Tenant agreement:

A mandatory contract between Burlington Water District and the landlord for his/her rental served by the District states that the landlord is responsible for any outstanding water bill that the tenant fails to pay. The contract is to be signed and returned to the District office before a tenant is allowed to put the water service in his/her name.

6. Service Charge:

a. A monthly service charge, based on 12 months a year, shall be levied on water services connected directly to the District system. The service charge shall be in addition to the rates charged for water used:

Within District Boundaries: \$59.78

Outside District Boundaries: \$78.31

b. The service charge shall apply to any unused water service when the owner, other city, water district, bank, realtor or water company desires the service retained for future use. Failure to pay the charge within sixty (60) days of the bill for the charge will be sufficient cause for the service to be shut off and the meter locked or disconnected from the main (the monthly minimum service charge will apply). The Board of the District may direct a waiver of the charge because of a special need to retain the service when the public health or welfare or the convenience of the Bureau is served.

7. Rates:

For water used through metered services, the charge per 100 cubic feet shall be as follows:

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ORDINANCE 20/21-01
Burlington Water District
Page 4 of 6

a.	Inside District Boundaries:	New rate per 100 cubic feet
	First 500 cubic feet	\$ 9.70
	501 to 1000 cubic feet	\$11.56
	1001 to 2000 cubic feet	\$13.98
	2001 to 3000 cubic feet	\$15.89
	Any additional cubic feet	\$17.25
b.	Outside District Boundaries:	New rate per 100 cubic feet
	First 500 cubic feet	\$10.13
	501 to 1000 cubic feet	\$11.94
	1001 to 2000 cubic feet	\$14.15
	2001 to 3000 cubic feet	\$16.03
	Any additional cubic feet	\$17.77

8. Other Water Usage

a. Whenever the potential contamination or pollution of the District Water supply may exist, the District shall require an approved backflow prevention device be installed, at the owner's expense (refer to Rules and Regulations Section 1.22 for further details). Testing of the device is required annually, which will be performed by the District's hired certified contractor, Hiland Water.

(1) For inspection of backflow prevention, the District shall charge: \$50.00

b. For the use of fire hydrants:

(1) Monthly hydrant permits \$50.00

(2) For water used per cubic foot \$.13

c. Use of fire hydrants requires a hydrant meter, which may be rented from Hiland Water. Charges for the rental shall be as follows:

(1) Refundable hydrant meter deposit \$1,000.00

(1) Monthly rental fee \$50.00

d. Use of fire hydrant without permit, the charges shall be as follows:

(1) Each access \$75.00

(2) In addition, water used, minimums, and service charge shall be charged at double the regular rates.

e. When there are extraordinary circumstances, the Board of the Burlington Water District may adjust rates for using the hydrants.

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ORDINANCE 20/21-01
 Burlington Water District
 Page 5 of 6

9. Other Service Charges

1. Interest charged after the 28th of each month for accounts past due at the monthly rate 1.5%
2. For special shut off or turn on at consumer's or owner's request \$ 25.00
3. Additional charges for non-payment of bill or unauthorized water usage
 - a. Removal of meter \$250.00
 - b. Reinstallation of meter \$250.00
 - c. Additional charges could be applicable depending on the amount of time between removal and reinstallation.

10. Water Adjustments:

One water adjustment allowed per water service for the recovery of up to one half of one month's water leak amount expense if the leak is fixed within a one-month time of discovery. The adjustment will be based on the average monthly use, and cost of excess water, or a Board authorized adjustment.

11. The District's system development charges for water are hereby as follows:

References: Resolution No. 15/16-01 and the June 17, 2015 adopted Water System Development Charge Methodology; most recently Resolution No 20/21-02 adopting a Water System Development Charge rate increase.

All residential units are assigned one Equivalent Dwelling Unit (EDU) per dwelling unit. Commercial and industrial developments are assessed proportionate System Development Charge (SDC) charges based on the capacity of water meter used to service the facility. All SDC costs also include a charge of 2% for staff administration.

WATER SYSTEM DEVELOPMENT CHARGE (SDC) FEE SCHEDULE

METER SIZE	EDU FACTOR	IMPROVEMENT FEE	REIMBURSEMENT FEE	ADMINISTRATION FEE (2%)	TOTAL SDC
3/4" *	1	\$546	\$1,887	\$49	\$2,482
1"	1.66	\$921	\$3,182	\$82	\$4,185
1 1/2"	3.33	\$1,849	\$6,382	\$165	\$8,396
2"	5.33	\$2,959	\$10,216	\$264	\$13,439
3"	11.67	\$6,479	\$22,369	\$576	\$29,424
4"	20	\$11,104	\$38,334	\$989	\$50,427

*Includes 5/8" x 3/4" and 3/4" x 3/4" meters

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ORDINANCE 20/21-01
Burlington Water District
Page 6 of 6

System Development Charge Project Plan: The Burlington Water District’s Board has adopted the June 2015 capital improvement program. The costs supporting development of the District’s fee are consistent with those projects contained in the capital improvement plan which add to the capacity of the District’s water system or increase the system’s level of performance in order to accommodate the impacts of new development on the District’s water system.

12. New Service Expense for Water Meter and Installation:

A onetime charge will be assessed for the water meter, necessary piping, and installation expenses for each new water service purchased from Burlington Water District. That combined charge will be a Burlington Water District cost. A cash deposit is required at the time the new service is ordered. The difference between the deposit amount and the actual equipment/installation cost will either be returned to the purchaser or an additional billing will be issued. The normal deposit is listed below for the following meter/service line sizes. Burlington Water District does retain the right to assess the meter location with respect to the nearest water supply line and make adjustments to the amount of deposit required.

1. ¾” through 2”	meter/service line	\$3,500.00
2. 3”	meter/service line	\$6,700.00
3. 4”	meter/service line	\$7,800.00

Payment must be made before installation.
Service charge starts at time of installation.
All meters are the property of Burlington Water District.

13. Main line extension: plan review fee starts at \$750.00. (See Burlington Water District Public Works Design Standards for details.)

THE FIRST reading of Ordinance 20/21-01 on March 17, 2021.

SECOND READING and ADOPTION by the Burlington Water District Board of Commissioners on April 21, 2021.

Ron Yann - Chairman

Christine Nelson - Secretary