

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

June 17, 2020

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

MINUTES

Meeting called to order by Ron Yann at 6:22 pm.

Present: Ron Yann, Dan Johnson, Christine Nelson, Amanda Schehr; board members (quorum)
Dan Zimmerman, bookkeeper
JJ Olson, Hiland Water manager
Silas Olson, Hiland Water Operator
Tim Tice, OAWU

Public Comment: No public present.

Budget Adoption Hearing:

Due to lack of clarity about whether the budget could be adopted at a separate budget committee adoption hearing or needed to be adopted at a full board of commissioners hearing, the board briefly discussed Resolution 19/20-03: Adopting the 2020/2021 Budget; Making Appropriations; and Imposing and Categorizing Taxes.

As there were no issues or concerns, Christine proposed the following motion: I move that the Board of Commissioners of the Burlington Water District adopt *Resolution 19/20-03: Adopting the 2020/2021 Budget of \$516,900; Making Appropriations; and Imposing and Categorizing Taxes*. Amanda seconded and the motion passed unanimously.

Water Operator's Report from Hiland

- a. Monthly overview, JJ Olson: May monthly report reviewed. Federal source testing ongoing, two new connection requests are still pending. Leak detection with OAWU completed in May and identified issues were addressed; two hydrants had been reported as leaking, but when re-tested no leaks were identified. No questions from board.
- b. Loss Factor Proposal (plan for finding/fixing leaks), Silas Olson: Hiland proposes looking closely at components of loss: actual water loss versus metered water loss. Recommendation is to install leak detection meter at reservoir and monitor meter in middle of night when there should be no water being used (must be at a time when water not being used for nighttime irrigation), which would show actual water loss. If no actual loss at reservoir, meters may be insensitive/inaccurate (especially at lower rates of usage) meaning that customers are being underbilled and indicating that older meters would need to be replaced. Ballpark cost for

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installing/monitoring leak detection at the reservoir would be ~ \$2,000. City of Portland likely does regular maintenance on master meter at beginning of our system; Silas will verify this is the case. Rather than wait until winter when no irrigation being done, to make sure observations are accurate would need to request that customers not irrigate on night of testing and shut off backflows for those customers using sprinkler systems (~30 meters).

ACTION: Dan J. proposed and Amanda seconded a motion authorizing Hiland to do nighttime leak detection testing on reservoir, notifying customers in advance, turning off backflows before testing and on again after testing, with a maximum expenditure of no more than \$2,000. Carried unanimously.

Rate Study Update:

Tim Tice from OAWU presented preliminary thoughts about our rates and budget. His initial impressions suggested that to remain solvent, BWD might need to consider dramatically higher rate increases than were just implemented. Given the system BWD uses for charging moorage customers, the board determined that he was likely working from incomplete figures regarding the number of connections and base rates being charged. Tim also asked about plans for future capital improvements and discussed value of replacing older meters. Ron and Dan J. will work together to get Tim an updated tally of the number of base rate connections and respective meter sizes. After receiving updated figures, Tim will rework his rate study findings and provide an update at a future meeting.

Bookkeeper/Office Manager's Report:

- a. Dan Z. reviewed the Accounts Receivable/Payable report from Hiland, board had no concerns. Of note, Dennis Connor is back in the office and will be able to do our audit this year.

Consent Agenda:

- a. Dan Z. reviewed the monthly budget statement, presented this month's bills, and outlined the situation with this year's property taxes. To date, tax collections have been lower than estimated, so the District has not received the full amount used to determine the cost of our fire protection contract with Portland Fire & Rescue. In years where tax collections are higher than estimated, BWD may retain funds not used to pay for the fire contract, so over time tax collection differences likely balance out.
- b. Board approval to pay bills presented: **ACTION:** Dan J. moved that the board approve paying all bills as presented, Amanda seconded, and the motion carried unanimously.
- c. Approval of May Budget Committee minutes. Dan Z. distributed minutes from the May budget committee meeting. **ACTION:** Christine moved and Dan J. seconded that the minutes be approved as presented. Motion carried unanimously.
- d. Approval of May Board Meeting minutes. Dan Z. also distributed minutes from the May Board of Commissioners meeting. **ACTION:** Amanda moved and Dan J. seconded that the minutes be approved as presented. Motion carried unanimously.
- e. Discussed renewal of Dan Z's contract with Hiland. Dan Z. outlined charges for his proposed contract for this year. None of his rates have changed; the major difference is that instead of

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having an outside contractor assist with annual budget development and preparation, he will perform those services at his usual hourly rate. This change will ultimately represent a cost savings to the District. **ACTION:** Dan J. moved and Christine seconded that Dan Zimmerman's contract for Fiscal Year 2020-2021 be approved as presented. Motion carried unanimously. The Board much appreciates Dan Z's contributions.

Action Items:

- a. Second reading and adoption of: Ordinance 19/20-01, Revised Water Rates and Other Fees Policy. **ACTION:** Following second reading of the Ordinance, Dan J. moved that the Board of Commissioners of the Burlington Water District adopt *Ordinance 19/20-01, Revised Water Rates and Other Fees Policy for the 2020-2021 Fiscal Year*. Christine seconded and the motion passed unanimously. Christine will forward a copy of the newly adopted and signed Ordinance to Hiland for implementation of the new rates effective July 1, 2020.
- b. Reading and adoption of Resolution 19/20-04, Authorization of Fire Suppression Contract, Fiscal Year Commencing July 1, 2020. While we are obligated to authorize expenditure of funds for fire suppression, we do not yet have a contract with the City of Portland for fire suppression services. Changing the title of this Resolution to *Authorization of Fire Suppression Agreement* (instead of contract), better represents the purpose of this Resolution to authorize the use of property tax funds for fire suppression in the coming fiscal year. Dan Z. will contact City of Portland to determine when we might receive a proposed contract. **ACTION:** Dan J. moved that the Board of Commissioners of the Burlington Water District adopt *Resolution 19/20-04, Authorization of Fire Suppression Agreement, Fiscal Year Commencing July 1, 2020*. Amanda seconded and the motion passed unanimously.

Administrative Reports:

- a. Covid-19: Issues and Implications. To date, does not appear that any customers have had difficulty paying their bills due to Covid-19.
- b. Update on Riverview project. Ron circulated a copy of the Letter of Interest for funding the Riverview project which Edward Hodges submitted on our behalf. Ron will work with Ed to update the outdated BWD contact information included at the beginning of the LOI.
- c. Review FY 20-21 budget cycle. Dan Z. provided a brief review of last steps for the FY20-21 budget process. He will reach out as needed for any final information. Christine will post the adopted budget to the BWD website.
- d. Update on Chestnut Lane letter. Ron circulated a draft of a proposed letter to the BWD out of district customers that has been reviewed by the attorney. He asks that Board members review the letter and send any final comments or revisions to him.

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

Adjournment: Dan J. proposed and Amanda seconded a motion to adjourn the meeting. Motion carried unanimously and the meeting ended at 8:28 pm.

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Next Board Meeting: July 15, 2020 at 6:15pm

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

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

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United States: [+1 \(312\) 757-3121](tel:+13127573121)

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Christine Nelson
Recording Secretary