

# 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

February 19, 2020

6:15pm

Scappoose Library

Scappoose, Oregon 97053

## MINUTES

**Meeting called to order at 6:15 pm.**

**Present:** Ron Yann, Dan Johnson, Christine Nelson; Amanda Schehr, Mark Oakley, board members (quorum)  
Dan Zimmerman, bookkeeper  
JJ Olson, Hiland Water manager  
Guests: Laura Schroeder, attorney; Bob Trotter, Channel Island Marina

### **Swearing in of newly appointed Commissioner, Position #2:**

Amanda Schehr read aloud and signed the Burlington Water District Oath of Office.

**Public Comment:** There were no billing questions or other issues from customers. At this point in the meeting, the public were excused.

### **Executive Session began at 6:21 pm:**

Pursuant to statutory authority ORS 192.610 to 192.690 regarding:

- a. ORS 192.660 (2) (f) to consider information or records exempt by law from public inspection; and
- b. ORS 192.660 (2) (h) to consult with counsel regarding the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

**Executive Session ended at 7:08 pm** and the regular board meeting resumed.

### **Action Items:**

1. Christine proposed and Mark seconded a motion to pass a resolution declaring the 2018 petition requesting annexation of Chestnut Lane and Vista Lane areas into the District moot. The motion passed unanimously; Resolution 19/20-01 was thereby adopted.
2. Two customers residing within district boundaries are currently being charged out-of-district rates. Dan J. moved and Mark seconded a motion to correct this erroneous billing going forward; motion passed unanimously. JJ will advise Hiland of this change.

### **Water Operator's Report from Hiland:**

1. Monthly overview

In lieu of the report included in the board packet, JJ distributed an updated monthly report for the full month of January. Going forward, reports will cover all activities in the prior month.

- a. New connection updates and requests:
  - i. Paving after Driggers installation has been completed, final costs can now be calculated. Could consider replacing the manual meters that were installed with radio meters.

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- ii. Razib Shishir, 17865 NW St. Helens Road, requests new hook-up. Action: Dan J. moved and Christine seconded that this request be granted; approved unanimously.
    - iii. Jon Strauhall, Mt. View Road (already approved for new in-district hook-up) needs a fire flow test for the hydrant as part of his permitting process; will be completed on Friday. He understands he is responsible for the costs involved.
  - b. Hiland now has a GPS mapping unit to map meter locations and assist with leak detection.
  - c. Hiland will determine locations of master meters for Chestnut/Vista and Logie Trail and add them to the meter reading schedule. It will be best if they are tested for accuracy before charges are levied from these meters, but discovery and prep for this will be a time-consuming project. Board consensus is that this project must become a priority. Next step will be to determine age of the meters based on their serial numbers.
  - d. Radio meter cost estimates presented. No cost savings with the labor involved in reading radio meters; savings would be a result of more accurate readings and reduced water loss. Given the expense involved, may be best to postpone decision about meters until after our leak detection survey is completed; will keep in mind for the future.
  - e. Transducer has now been replaced and is operational. There was concern among the Board that the three-month delay in implementation of that repair contributed to large water losses; staffing issues were presented as the reason for the delay.
  - f. Reservoir: Christine obtained information from Curran-McLeod Consulting Engineers, who were responsible for the design and installation of the 400,000-gallon reservoir and still have copies of all the specs and as-builts. The reservoir was installed in March 2015, so is only 5 years old, and likely will not require maintenance until 10 years of use. Curran-McLeod will provide Hiland with copies of all relevant documents.
  - g. Water loss this month was 26.43%. Strategies for calculation of water loss factors were discussed. Having readings of the master meter with PWB and reservoir levels at the same time would allow for a more accurate calculation. Going forward, JJ will request a reading of reservoir levels on the same day as meter reading is done.
  - h. A question arose regarding the status of customer accounts. Reviewed the billing cycle and fact that the standing board meeting date does not match well with the Hiland billing and shut off notification calendar. Hiland uses standard operating guidelines for dealing with past due accounts and will notify the board if intervention is needed.
2. Hiland contract renewal (5/2020)  
Brief discussion of ways to get an accurate overall projection of the impact of the new rates for budgeting purposes. Action: Dan J. moved and Mark seconded a motion to accept Hiland's new rates and renew our contract with Hiland effective May 1, 2020; approved unanimously.

## Consent Agenda:

1. Accounts Receivable/Payable report from Hiland. Water loss and status of customer accounts discussed previously as part of the water operators report.
2. Monthly budget statement. The monthly budget statement was reviewed. Dan Z. consulted with Summer Sears, CPA regarding assistance with upcoming budget development. Although this has not been done in the past, future budgets can follow usage patterns of the district to create a budget that tracks more accurately throughout the year. In addition, costs currently

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listed under the budget category 'legal and professional' can be broken into more specific budget lines to more meaningfully describe expenses.

3. Board approval to pay bills presented. Dan Z. called attention to the large payment due to Portland Fire and Rescue for fire suppression contract; he has transferred funds from the LGIP account to checking to cover the check. Action: Dan J. moved that the board approve paying all bills as presented, Mark seconded, and the motion carried unanimously.
4. Approval of January minutes. Action: Dan Z. distributed minutes from the January meeting. Dan J. moved and Amanda seconded that the minutes be approved as presented. Motion carried unanimously.

## **Bookkeeper/Office Manager's Report:**

1. Updated contract for legal services.  
Schroeder Law Offices submitted a proposed contract to update the original contract signed in 5/2016. The 2016 contract has not been fully followed by either BWD or Schroeder Law; instead of paying the originally contracted amount, BWD has paid Schroeder on an invoiced hourly basis. Schroeder Law proposes that neither party is at fault and the obligations between both are satisfied. Further, Schroeder Law offered an updated hourly fee agreement, with a supplemental optional annual flat fee contract for reviewing board minutes and agendas for compliance with public meeting and records laws. While consensus was that the agreement should be accepted and the new contract signed, the board deferred a final decision until the March board meeting to allow time for full review of the proposed contract.

## **Administrator's Report:**

1. Update on OAWU rate study.  
OAWU rate study cost estimate is \$5000; they have agreed work with us on timeline that will accommodate our budget process this year. Will be important to have a model that can be used for rate justification over a minimum of 5 years; ideally model should be one that can be easily updated as needed. To meet expenditures going forward, need realistic projections that take future PWB increases into consideration. Dan Z. doesn't foresee overspending with payment of a \$5000 fee. Dan J. will move forward, provide answers to remaining questions OAWU posed, and clarify period of time covered by rate study. Action: Dan J. proposed and Amanda seconded a motion to approve the OAWU fee with the understanding that the rate study will cover a minimum of 5 years; passed unanimously.
2. Future leak detection efforts/mapping – OAWU?  
Clarified earlier in the meeting that the cost of OAWU leak detection study is a flat rate of \$1000/day. Discussion regarding moving forward with this study was deferred until next month.
3. Update on transferring checking account to US Bank, Peninsula Office (St. Johns).  
After meeting with 3 different staff members, Christine discovered that US Bank levies substantial fees for business accounts utilizing ACH transfers (\$16/month flat fee plus additional per transfer charges up to \$15). Since ACH transfers are critical to money management with the LGIP account, these costs are unacceptable. Decision to retain checking account with Bank of West in St. Helens for time being; will work to minimize number of trips to St. Helens.
4. Update on transfer of electronic records from Juli/Google Drive.

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Christine met with Juli Valeske, former board chair, and obtained two thumb drives containing all available BWD electronic documents. One large capacity thumb drive contains historical documents (2007-2018), a smaller capacity thumb drive contains more recent working files (2018-present). After Christine consolidates her recent files with those on the working file thumb drive, she will work with Ron to transfer the working files to Google drive and will retain historical documents. The board commends Juli for her work in compiling and organizing the electronic files.

## 5. FY 20-21 budget cycle

- Update on budget preparation process to date. Summer Sears will serve as a consultant, but BWD will be responsible for preparing the budget. Craig Gibbons of the Multnomah County TSCC will also assist with consultation and review of the budget and budget timeline.
- Finalize budget calendar. Dan Z. outlined the review process the budget committee will need to undertake. Our budget process will likely take longer than proposed in the draft budget calendar distributed at this meeting. The board recommended delaying the budget committee and budget adoption meetings by a month to allow for completion of the rate study and give extra time for budget development. Christine will revise and distribute the updated calendar and related materials. Mark will send the revised calendar to TSCC for their approval. The letter Ron drafted to customers inviting participation on the budget committee was reviewed and approved by consensus; Christine will finalize and sent to Hiland for distribution.

**As Necessary:** Additional agenda items arising pursuant to bookkeeper's, manager's reports:

1. Brief discussion of Hiland representation at meetings. May not be necessary to have a personal representative present; may be sufficient to review the monthly operator's report.
2. Further discussion regarding the pros and cons of installation of radio meters. Consensus was that for now it is preferable to change meters out over time, replacing older meters as they fail and thus spreading the costs over a longer period.

Dan J. proposed and Mark seconded a motion that the meeting be adjourned. Motion carried unanimously and the meeting ended at 9:24 pm.

**Next Board Meeting:** March 18, 2020 at 6:15 pm

**Location:** Scappoose Library