

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, February 17, 2021

~6:45 pm following Budget Committee meeting beginning at 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 7:05 pm.

Present: Ron Yann, Dan Johnson, Christine Nelson, Amanda Schehr; board members (quorum)
Dan Zimmerman, bookkeeper
Lauren Golar, prospective Board member
Matt Olson, Hiland Water manager

Public Comment: There were no public comments.

Introduction for Potential New Board Members: Lauren Golar, prospective Board member, introduced herself briefly in the preceding Budget Committee meeting. Ron and Dan J. provided a brief overview of the District and will follow up with her.

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

- a. Monthly overview – Water system up and running (see January monthly report). The water system passed a new sanitary survey (an additional water quality monitoring evaluation now required for systems that draw from surface water sources like Bull Run).
- b. Update on leak detection/repair. Matt presented a series of slides that gave a graphic overview of how leaks are detected, where Hiland is with leak detection for the BWD system, and next steps to be undertaken (install additional leak detection meter just north of Cornelius Pass, utilize newly installed leak detection meter on south end of system). Hiland is also now accounting for the water going to the wheeled water customers on Harborton Road (previously this water usage would have appeared as water loss).
- c. Consider systematic schedule for other meter replacements? Matt's recommendation is to systematically replace and upgrade the water meters across the system, as new meters will measure actual water use much more accurately. A ballpark estimate for meter replacement is \$200-300/service; Matt will prepare an estimate of actual cost.
- d. Replace NARA 3" meter? Matt's recommendation is to retain the 3" meter (not reduce to 2"), and to replace the older meter with a more efficient new one; he will get an estimate for cost of a new mag meter.
- e. Customer issues? None reported.
- f. Pending billing adjustments: Account #2488. A 3" line at a marina broke and was repaired as soon as possible after being found, but resulted in a sizeable water loss and a bill of ~\$2,500;

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customer requesting an adjustment for the loss. Hiland has not yet provided a leak adjustment worksheet outlining how much the actual cost will be.

ACTION: Ron moved that the board approve whatever adjustment is determined by Hiland, Christine seconded, and the motion carried unanimously. Christine will work with Jonathan to establish the amount of the leak adjustment, then notify Hiland and customer of decision.

Bookkeeper/Office Manager's Report:

- a. Update re: new auditor for FY 20/21 audit. TSCC provided copies of audits done for other districts; when Dan Z. sent inquiry emails to these firms their responses requested copies of a Request for Proposals (RFP). An RFP allows the auditors to create an accurate bid for the work. Dan Z. will prepare an RFP and send it out to multiple potential auditors as a means of obtaining competitive bids.

Consent Agenda:

- a. Dan Z. reviewed the monthly Credit Memo from Hiland; included costs for leak detection efforts. Of note, leak detection is budgeted under maintenance; to date the District has spent almost all the funds budgeted for this line item. Will need to monitor these expenditures carefully for remainder of year to avoid a budget reconciliation. Board recommended increasing the maintenance line item in next year's budget to cover costs of further leak detection efforts and meter replacement.
- b. Dan Z. reviewed monthly budget statement, FY 20-21 initial profit and loss statement, and this month's bills; water sales continue to track more closely to projections than previously.
- c. Board approval to pay bills presented. Checks were mailed to Christine; she will get necessary signatures and submit when signed.

ACTION: Amanda moved that the board approve paying all bills as presented, Christine seconded and the motion carried unanimously.

- d. Dan Z. distributed minutes from the January Board of Commissioners meeting.

ACTION: Dan J. moved and Amanda seconded that the minutes be approved as presented. Motion carried unanimously.

Action Items:

- a. Consideration/Approval of OAWU Water Rate recommendations. Now that OAWU has finally provided a formal report, Dan J. considers it a reasonable proposal despite the awkwardness of the process and the rate increases it represents for the coming year. Discussed the options of accepting the proposed rate structure and rates, modifying them, or rejecting them and going back to the rate structure that has been used in the past. Given that we initiated the rate study process in March, 2020, the fact that we're just now getting a final report is very unfortunate and puts us in a difficult position with regard to the statutory requirements of the budget process calendar. Consensus was that moving forward with the OAWU recommendations brings us more in line with industry standards and creates a more fair and equitable rate structure than what was being used previously. We can monitor the fiscal impact over the coming fiscal year and adjust the following year's rates accordingly.

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ACTION: Dan J. presented a motion accepting the OAWU rate study and implementing its proposed rate structure for FY 21/22. Christine seconded; motion carried unanimously.

- b. Consideration/Adoption of Resolution 20/21-02; Water Development System Development Charge Rate Increase. There was a 2.6% increase in the standard against which the SDC charges are calculated. This Resolution increases rates by 2.6% and must be passed before increased SDC charges can be included in an Ordinance to revise rates.

ACTION: Dan J. moved and Amanda seconded that Resolution 20/21-02 be adopted and the proposed SDC rate increase be implemented for FY 21/22. Motion carried unanimously.

- c. Review/Approval of Hiland contract renewal for FY21/22.

ACTION: Dan J. proposed and Ron seconded a motion accepting the terms of and renewing the Hiland contract for the coming fiscal year. Motion carried unanimously.

- d. Consideration/Approval of Ordinance 20/21-01, Revised Water Rates and Other Fees. Reviewed the draft of the Ordinance, briefly discussed new provisions that were added.

ACTION: Christine proposed and Amanda seconded a motion approving the Ordinance as drafted. Motion carried unanimously.

Administrative Reports:

- a. Update on Safe Drinking Water Revolving Loan Fund Application for the Riverview project. Still in process, awaiting response from funding agency.
- b. Update on Metro right of way vacate request. In last stages of being finalized, should be completed in near future.
- c. Update regarding Newberry out-of-district customers. This project has been complicated by concerns about the size and condition of the main line serving this neighborhood (currently is a 2" line, which is likely adequate for the number of customers, but our standard is 4"). Ron has asked Matt to provide us with an assessment of the line's condition before we consider taking ownership of this line.
- d. Update regarding May 2021 special election/board recruitment. To date, two potential candidates have expressed interest in response to the invitations that have been sent; if a position remains unfilled the board can make an appointment at a later date. Consensus not to have Dan J. draft and send another recruitment letter.

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

Adjournment: Amanda proposed and Dan J. seconded a motion to adjourn the meeting. Motion carried unanimously and the meeting ended at 8:29 pm.

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

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

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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