

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

April 15, 2020

(following Budget Committee meeting that began 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 at 7:33 pm.

Present: Ron Yann, Dan Johnson, Christine Nelson, Amanda Schehr, Mark Oakley; board members
Dan Zimmerman, bookkeeper
JJ Olson, Hiland Water manager
Edward Hodges, Engineer, Curran-McLeod

Public Comment: There were no billing questions or other issues from customers.

Riverview Drive capital improvement project presentation (Edward Hodges, Principal, Curran-McLeod Inc., Consulting Engineers):

Curran-McLeod has worked with the District for many years. The Riverview water line replacement project, initially proposed in 2017, is fairly straightforward given that the rock substrate of that area complicates the work. A full study is not necessary at this time, instead initial field work/test bedding can be done to generate a project recommendation/work proposal. The 2017 estimated total project cost was \$150,000 to \$300,000. Funds allocated in the FY20/21 budget would be used for design, survey, bidding, initial construction. Mr. Hodges can assist with initial financing through a \$20,000 Technical Assistance Grant for small districts from the Infrastructure Funding Agency (IFA) of Business Oregon. There is also loan funding available through Drinking Water State Quality Loan Fund; provides partial grant funding in combination with a low interest 30-year loan. There are other state and federal sources of low interest loan funding available as needed, though they are more time-consuming to obtain. Curran-McLeod will work with BWD to obtain financing.

Water Operator's Report from Hiland

- a. Monthly overview. March monthly report reviewed; no questions from board. Hydrant flow testing was completed for the two ongoing new connection requests; still waiting for response to proceed on both. Razib has not yet paid SDC costs but has deposited \$500 to cover costs incurred to date. JJ verified that out-of-district master meters are relatively new (2005 and 2013) so testing for accuracy is not necessary at this time.
- b. Out of district loss factor. There is no meter on the 8" main line at the northern District boundary where the line goes out of district. The line size is reduced to 2"-3" for the Chestnut Lane and Logie Trail areas. The current loss factor for Chestnut Lane and Logie Trail is 10%, which is acceptable and not indicative of problems.

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- c. OAWU leak detection study. OAWU does leak detection in tandem with the water operator to locate meters, but the water operator costs are not included in their \$3,000 estimate. Hiland time and materials costs will be 2-3 days of work for a total of an additional ~\$1,000.
- d. Hiland representation at meetings. To save district costs, JJ offered to attend future meetings remotely for entire meeting, rather than attending only initial part of meetings in person.
- e. Meter testing. Hiland proposes doing a meter test, not redundant to the leak detection study. Would be a test of meter reading accuracy for a random sample of ~30 meters (and at least one from every in-district subdivision) to make sure that meters are not under-registering. If the meters prove inaccurate, provides basis for investing in meter replacement.
- f. District water loss factor. This month's loss factor is again very high (33.5%). JJ noted that loss percentage fluctuates with usage. Cannot verify source of leaks until more detection completed. JJ will work with OAWU to facilitate faster completion of the leak detection study and will copy Dan J. on communications with OAWU so BWD remains in the loop.
- g. Accounts Receivable/Payable report from Hiland. Few accounts in arrears, no concerns at this time.
- h. **ACTION:** Dan J. proposed a motion to authorize Hiland expenditures for participation in the OAWU leak detection study (up to \$1,200) and complete meter testing (up to \$650). Mark seconded; motion carried unanimously.

Bookkeeper/Office Manager's Report

- a. Reviewed Hiland credit memo, no questions from board.
- b. While filing mandatory quarterly transit and payroll tax reports, identified outstanding credits and requested refunds. These refunds are being deposited as they are received.
- c. Ordered new checks with updated mailing address; will be available for next month's bills. Check register has been distributed in the board packet for review. This month's checks have been sent to Christine for signatures; she will sign, obtain second signatures, and mail payments.
- d. Reviewed balance sheet, no questions from board.

Consent Agenda:

- a. Monthly budget statement. Of note, this year there was more tax revenue than was expended on fire protection. Per TSCC, any tax collections that exceed cost of fire protection are revenue to district and may be used for other costs. As has been the pattern this fiscal year, water sales continue to be lower than budgeted. Dan Z. recommends an increase in both base rates and volume charges to increase revenue.
- b. Board approval to pay bills presented. **ACTION:** Dan J. moved that the board approve paying all bills as presented, Mark seconded, and the motion carried unanimously.
- c. Approval of March minutes. Dan Z. distributed minutes from the March meeting. Amanda moved and Mark seconded that the minutes be approved as presented. Motion carried unanimously.

Action Items:

- a. Riverview Drive capital improvement project (Edward Hodges, Engineer) – discussed earlier.

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- b. Consider Ordinance 19/20-01, Revised Water Rates and Other Fees. Discussion of potential rate increase of 20% for both base service charge rates and variable water rates, which is what has been used in budget projections for FY20/21. Decision to proceed with 20% increase for both. As recommended by Hiland, will change water hydrant water usage rate to cubic feet and calculate cost accordingly. In keeping with Hiland recommendation, will increase service charges for unauthorized removal and reinstallation of meters to \$250 to discourage tampering. Christine will consult with SDAO to determine whether it is necessary to retain mention of the fees involved with public request for information in the fee ordinance and revise accordingly.
- c. Consider Resolution 19/20-02, Resolution Adopting A Water System Development Charge Rate Increase. Has been five years since SDC rate schedule has been reviewed; the cost basis for the charge has gone up 10.26% in that interval. This resolution proposes a 10.26 % increase in SDC charges and may be passed by a simple motion. **ACTION:** Christine proposed and Amanda seconded a motion to approve Resolution 19/20-02; passed unanimously. Christine will notify Hiland of the rate increase, which is effective immediately. The board noted that this new rate schedule will increase the SDC charge for the Razib new connection request, since that full SDC amount has not yet been paid.
- d. Consider next steps for resolving out-of-district issue. Ron has not yet sent a draft customer letter regarding the out-of-district plan to the attorney for review. As there were no suggestions for edits from the board, he will finalize his draft and submit it to Schroeder Law.

Administrative Reports:

- a. FY 20-21 budget cycle. Christine reviewed budget calendar, next steps, budget process and what gets addressed by board vs. budget committee. Board had no questions.
- b. Covid-19: Issues and Implications. With regard to customers affected by the economic downturn due to the pandemic, we will have Hiland refer those with hardship situations to the board for consideration on a case-by-case basis. Hiland can provide board contact information, which is also available on the website.
- c. Update on OAWU rate study. Dan J. confirmed that BWD wants to have the study done; OAWU acknowledged but did not provide dates for completion. Dan provided some of the additional information they requested, but still needs to send them our approved budget and proposed fee ordinance for FY 20/21. Christine will forward those documents when complete.
- d. Update on OAWU leak detection study. It will be very helpful to have JJ's assistance with OAWU to get leak detection study underway.
- e. Status of Metro Right of Way vacate process. Ron contacted Metro attorney. Currently in hands of Multnomah County, likely that will hear back from them by summer. In meantime, there is nothing else we can do to facilitate process.
- f. Update on transfer of electronic records to Google Drive. All recent board files have been uploaded to Google Drive; Ron sent each board member a link giving everyone both read and write access to the drive.

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

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Adjournment: Christine proposed and Dan J. seconded a motion to adjourn the meeting. Motion carried unanimously and the meeting ended at 9:04 pm.

Next Board Meeting: May 20, 2020 at ~6:45 pm (following Budget Committee meeting that begins at 6:15 pm).

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

To join the meeting from a computer, tablet or smartphone:

<https://global.gotomeeting.com/join/801872437>

For audio-only, dial in using a phone:

Number: 1 (669) 224-3412; **Access Code:** 801-872-437