

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
June 14, 2018**

- 1
2
3
4
5
6
7 Call Regular
8 Board Meeting: Commissioner Glen Morris called the regular board meeting to order at 4:02 p.m., Thursday,
9 June 14, 2018.
10
11 Present: Commissioner Glen Morris, Treasurer; Commissioner Sandra Mies-Grantham, Secretary;
12 and Commissioner Karen Otta, member. Staff: Adam Denlinger, General Manager; Joy King,
13 Office Manager. See sign in sheet for public attendance.
14
15 Excused Absences: President John Garcia, and Commissioner Rob Mills.
16
17 Announcements: None
18
19 Public Comments: David Young commented that he received a diagram of the proposed building and electrical
20 location of the intake on his property at Beaver Creek from the engineer. He was very
21 appreciative of the inter-action he had with staff, lawyer, surveyor and engineer when they
22 toured the intake site and addressed his concerns.
23
24 Agenda Calendar: Items on the consent calendar are Invoice Lists for May/June 2018;
25 April 12, 2018 Board meeting minutes; April 19, 2018 Budget Committee Meeting Minutes;
26 May 10, 2018 Board meeting minutes; May/June Financial Report/Invoices to approve; AMI
27 Project Contractor's Payment Application No. 6; USDA Phase 3- Project Monitoring Report
28 No. 32; General Manager's Report.
29 Commissioner Sandra Mies-Grantham motioned to approve the consent calendar, except
30 the April 19 Budget Committee Meeting minutes and May 10, 2018 board meeting minutes.
31 This exception is noted as there's no majority to approve each minutes of the meeting.
32 Motion was seconded by Commissioner Karen Otta. Motion carried 3-0.
33 Discussion and
34 Information Items:
35 Primary Source Water
36 Project Update:
37 Water Pipeline Route: The District is looking into placing the raw water line from the intake along Beaver Creek
38 Road, up through the Tysman's property and up to the proposed water treatment facility
39 located above the Makai subdivision. Staff recently learned that route is also in a
40 conservation easement which could be too restrictive to allow the District's raw water line to
41 go through. The Wetland Conservancy wants to have a copy of the project final design to
42 review but they don't guarantee they will approve a conservation easement. The District can't
43 afford to engineer two routes so staff and consultants are considering another route to avoid
44 the conservation lands and work with the surveyor to access the proposed treatment site
45 through the Makai Subdivision. This route is through the Tysman's access road, through a
46 parcel of private land in Makai, to Kona Street, to Estate Drive and to the proposed treatment
47 site. Staff has contacted the property owner who is living out of state and she has no problem
48 granting the District access through her property as long as it will not pose any problem when
49 she is ready to develop the land. There are also big trees that the Tymans don't want to be
50 cut down in order to avoid seeing the Makai Subdivision from their house. This final route
51 could cost more than the first route due to extra length of pipes and open road restorations
52 but considered as the best route to avoid the conservation easement.
53 Biological
54 Assessment: Environmental consultants have provided a draft Biological Assessment of the Beaver Creek
55 Source Water Project to National Marine and Fisheries Service (NMFS) early March 2018
56 and again in May 2018 reflecting revision to meet NMFS's concerns. Dialogue continues
57 between the environmental consultants and NMFS to finalize details of the Beaver Creek
58 Biological Assessment. NMFS representatives, Ken Pippen and Jennie Franks would like the
59 District to set a date for an on-site visit to Beaver Creek. The two main concerns of NMFS are
60 the loss of habitat and temperature of the water. Environmental consultants' theory is that the
61 bathtub effect of the stream is sufficient to allow surface water elevation to act as a surrogate
62 for aquatic habitat. If it is not sufficient NMFS might require 7 to 10 channel cross sections to
63 prove the theory.

64 There is not enough available temperature data on Beaver Creek, but as a condition of the
65 District's water permit, staff has been gathering temperature data and report that to DEQ.
66 Jennie Franks feels long term temperature monitoring and reporting them to NOAA and DEQ
67 would be helpful. The District's environmental consultants are feeling positive for the
68 willingness of the representatives of NMFS to have an open communication to discuss the
69 draft BA.

70 Decision Items:

71 Phase IV Final Design: Craig Massie from Jacobs Engineering (CH2M) explained that the system cannot be
72 designed without knowing what type of membrane will be used. There are two types of
73 membrane – pressure membrane and submerged membrane and there are 3 primary
74 vendors who would qualify to respond to the membrane procurement process. Consultants
75 are continuing to test the water to determine what type of membrane will work best to treat
76 the water from Beaver Creek. Once the type of membrane is determined then the engineer
77 can continue with the detail design of the system and the Membrane Procurement Request
78 for Proposal (RFP). The District will have to pay around \$30K-\$40K to order the membrane,
79 the bulk of the cost will be paid when its delivered and the balance will be paid when the
80 membrane is installed, tested and working. The funding for the engineering design and the
81 membrane procurement will come from Business Oregon IFA, which is a reimbursement
82 process. District will have to pay for the monthly invoices and submit them to IFA for
83 reimbursement. The cost for the engineering design is \$895K. IFA asked to include Contract
84 Language Clause with the Professional Service Contract with Jacobs Engineering (CH2M)
85 which is added as an Attachment A to the contract. Commissioner Sandra Mies-Grantham
86 motioned to approve and authorize Jacobs Engineering to begin final design and pre-
87 purchase of membrane equipment. Motion seconded by commissioner Karen Otta. Motion
88 carried 3-0.

89 Budget Resolution

90 No. 0618-01: Motion by Commissioner Karen Otta to approve Resolution No. 0618-01, a resolution
91 adopting the 2018-19 Budget in the total amount of \$19,345,748; a resolution making
92 appropriations beginning July 1, 2018; a resolution imposing the tax within the District
93 beginning July 1, 2018 at a permanent rate of \$.1259 per \$1,000 of assessed value for
94 General Fund operations and in the amount of \$770,300 for debt service on the General
95 Obligation Bonds; and a resolution categorizing the tax as permanent tax rate \$.1259/\$1,000
96 subject to the General Government Limitations and for General Obligation Bond Debt Service
97 \$770,300 as excluded from Limitations. Motion seconded by Commissioner Sandra Mies-
98 Grantham. Motion carried 3-0.

99 Budget Transfer
100 Resolution

101 No. 0618-02: Commissioner Sandra Mies-Grantham motioned to approve Resolution No. 1618-02 To
102 transfer money between appropriation categories in the General Fund . Motion seconded by
103 commissioner Karen Otta. Motion carried 3-0.

104
105 Reports & Comments: Staff sent a letter to Senator Ron Wyden regarding Rescission Proposal H.R. 3 in support of
106 USDA-RUS. This is a proposal by the Federal Government to take back unobligated budget
107 balances from different federal agencies.
108 The Consumer Confidence Report (CCR) has been completed and will be posted to the
109 website. Notices will also go out to customers where and how to access the CCR on the
110 District's website.
111 Legal Counsel is requesting that the fee per hour for general legal counsel (\$125 per hour) be
112 the same as the capital projects legal fee which is \$150 per hour.
113 There will be an Oregon Coastal Caucus on August 22-23 at the Chinook Winds Casino &
114 Resort in Lincoln City.

115
116 Adjournment: Commissioner Glen Morris adjourned the meeting at 5:00 p.m.

117
118 Next Board Meeting: July 12, 2018 at 4:00 p.m. Regular Board Meeting.
119
120
121
122
123
124
125