

SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting by Zoom Conference Call Only
June 11, 2020

Introduction to Remote Meeting:

Adam Denlinger, General Manager, explained that this board meeting is being conducted remotely in order to mitigate the transmission of the novel coronavirus and reduced risk of COVID-19 illness in accordance with Governor Brown's Executive Order 20-12 to suspend all public gatherings. He further explained that the Board President will call each name to confirm those who are present. After each person hears their name, they need to reply. For each decision item in the agenda that needs to be approved, after discussion and deliberation, the Board President will call each name of the commissioner for their vote. After the commissioners hear their name, he or she will give the vote to the affirmative by saying YES or negative by saying NO.

Call Regular Meeting to Order:

President Rob Mills called the regular board meeting to order at 4:00 p.m., Thursday, June 11, 2020.

Present:

President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. Present by Zoom Conference Call were Commissioner Karen Otta, member; Commissioner Glen Morris, member; Commissioner Deanna Gravelle, Treasurer (attended by audio conference call); Staff: Adam Denlinger, General Manager; Joy King, Office Manager; Atty. Jeff Hollen, District legal counsel.

Excused Absences: Commissioner Sandra Mies-Grantham

Announcements/Public Comments:

President Rob Mills asked if there are any announcements. Commissioner Glen Morris replied NO; Commissioner Deanna Gravelle replied NO; Office Manager Joy King replied NO; General Manager Adam Denlinger replied NO; Commissioner Karen Otta replied YES. She announced that she will not be able to attend the July 9, 2020 Board Meeting if it will be in person but she will be able to participate if it is through Zoom.

Consent Calendar:

Items on the consent calendar are Invoice List for May/June 2020; May 14, 2020 minutes of the regular board meeting; May 21, 2020 minutes of the Budget Committee meeting; May/June 2020 Financial Report; USDA PMR No. 50, and General Manager's Report. President Rob Mills asked if each commissioner has reviewed the items on the consent calendar. Commissioner Glen Morris answered YES, Commissioner Karen Otta answered YES, Commissioner Deanna Gravelle answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Karen Otta seconded the motion. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES; President Rob Mills voted YES. Motion carried 4 – 0.

Discussion and Information Items:

Source Water Project Update:

The contractor has started to mobilize to a staging area between the entrance to Makai and the turn off to Beaver Creek Road just off Hwy 101. There was a project walk-thru on June 1, 2020, that was attended by Adam Denlinger; Jeff Hollen; the RPR – Art Bowcock; the contractor and 2 of his staff. The group went to the intake site, followed the pipeline route from Beaver Creek Road through the easement owned by Jam and Sink LLC, into Makai Subdivision then to the tank site. The contractor took video of the walk-thru to show the condition of the different locations before the work begins. This video would be very useful to use after the construction to return the different worksites to normal conditions, just as good as before the work started. The contractor has notified the property owners that the project will start soon. Contract documents are now with USDA to be signed by Mike Beyer, USDA state engineer, today. He reviewed the contract documents the first time and found out that there were missing documents so he requested to include those missing documents. They are now included and the contract documents were delivered by District staff to the USDA Tangent office. Some of the documents not included in the first set of contract documents were the environmental requirement. The project sign required by USDA has been posted up by the contractor at the entrance of Makai by Hwy 101 but out of the ODOT right-of-way. Another sign is posted at the intake site. The contractor started clearing the intake site, removing trees identified and agreed to be removed by the owner. Jeff Hollen commented that the walk-thru video would be very beneficial for the contractor and the District. The contractor will have a surveyor survey the different locations. Commissioner Morris asked if the contractor has any indication of concern or question regarding the in-water work period. Adam explained that the contractor is confident that they will be able to complete the work during the in-water work period. The contractor is concerned about the supersac water barrier to control the water at the intake location during construction

63 and suggested to modify it to include a cofferdam water barrier. The submission of the water control plan is now under
64 review. The contractor is staging to work in different locations so his crew will work simultaneously.
65 Adam expressed that he is very impressed with the contractor from what he has observed. He is very conscientious
66 regarding protecting the environment and has developed a good relationship with the intake site property owner. Adam is
67 very pleased that the District has a high-quality contractor to complete the Beaver Creek Source Water Project.
68

69 **Performance Review:**

70 President Rob Mills followed up on the Performance Review Report. Karen Otta who was assigned to complete this task
71 will work with Joy King. Joy will make copies of the employees' completed performance review of each employee to give to
72 Karen for her review. Karen will then give a report to the Board.
73

74 **Budget Hearing:**

75 President Rob Mills opened the Public Meeting per ORS Chapter 294.453 and 294.456 to conduct a public hearing to
76 receive public testimony regarding the FY 2020-2021 SRWD Budget approved by the Budget Committee.
77 There were no members of the public who attended the meeting. SRWD staff stated that no comments were received
78 either by phone or by email from the public regarding the FY 2020-2021 Budget approved by the Budget Committee.
79 President Rob Mills adjourned the Budget Hearing.
80

81 **Decision Items:**

82 **Adopt FY 2020-2021 Budget:**

83 Staff recommended to amend the budget approved by the Budget Committee. The Governing Body can make changes to
84 the budget as long as the changes in expenditures do not exceed \$5,000 or 10% of the fund whichever is greater. The
85 recommended changes are in the General Fund. These changes do not increase or decrease the General Fund budget.
86 Staff has budgeted for grants from the CARES Act that provides assistance for states, local, and tribal government and
87 other grant sources that might be available later as a result of the COVID 19 pandemic. There is not much guidance as to
88 how the grants will be distributed. GFOA recommended for the District expenses as a result of COVID 19, should be
89 budgeted for COVID related expenses. The recommended changes are as follows:

90 Page 1, Line 14 – add a resource description to include COVID Recovery Grant.

91 Page 2, Line 3 – add an expenditure description to include COVID Recovery Cost.

92 Page 3, Line 3 – add an expenditure description to include COVID Recovery Cost.

93 Page 3, Line 10 – add an expenditure description to include COVID Recovery Cost and increase the amount to \$12,100
94 (increase of \$10,000).

95 Page 3, Line 14 – add an expenditure description to include COVID Recovery Cost and increase the amount to \$19,000
96 (increase of \$10,000).

97 Page 3, Line 24 – decrease the amount to \$110,000 (decrease of \$20,000).

98 These changes are also reflected on page 5 which is the Recap/Summary of pages 2-4 as follows:

99 Page 5, Line 9 – Under MATERIALS and SERVICES, labeled Operations and Services – increase to \$975,600 (increase of
100 \$20,000).

101 Page 5, Line 16 – Under CAPITAL OUTLAY labelled Operations and Services – decrease to \$175,000 (decrease of
102 \$20,000).

103 Resolution No. 0620-01, Under Resolution Making Appropriations in the General Fund, labeled Material and Services –
104 increase to \$1,522,100 (increase of \$20,000) and decrease Capital Outlay to \$184,000 (decrease of \$20,000).

105 Commissioner Glen Morris motioned to approve Resolution No. 0620-01 (see attached Resolution), A resolution adopting
106 the FY 2020-2021 Budget as amended, in the amount of \$30,479,047; a resolution making appropriations for the fiscal year
107 beginning July 1, 2020; a resolution imposing the tax for tax year 2020-2021 beginning July 1, 2020, at the permanent rate
108 of \$.1259 per \$1,000 of assessed value for the General Fund Operations and in the amount of \$745,000 for debt service on
109 the General Obligation Bonds; and a resolution categorizing the tax. Commissioner Karen Otta seconded the motion.

110 President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen
111 Otta voted YES; Commissioner Deanna Gravelle voted YES; President Rob Mills voted YES. Motion carried 4 – 0.
112

113 **Mid-Coast Water Planning Partnership (MCWPP):**

114 The District serves as the lead agency for the MCWPP. The Co-conveners of the MCWPP recommends for the SRWD
115 General Manager to negotiate an agreement and fee structure with the most qualified consultant to provide facilitation
116 and plan writing services and authorize the SRWD General Manager to sign the consultant service agreement.

117 Commissioner Karen Otta motioned to authorize the General Manager to sign the agreement and develop a fee structure
118 for a consultant to provides facilitation and plan writing services for the MWPP. Commissioner Glen Morris seconded the
119 motion. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES;

120 Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES; President Rob Mills voted YES.

121 Motion carried 4 – 0.
122

123 **COVID 19:**

124 The General Manager updated the Board of how the staff is mitigating the COVID 19 outbreak in Lincoln County. We follow
125 CDC recommendations/guidelines when we are in the building. The office is open by appointment only. The safety of the

126 employees is a concern especially for a small agency like ours. Staff time will be modified to work at home part of the week
127 to minimize exposure to each other. The field staff will do their work considering into accounts their safety and exposure to
128 coronavirus.
129 The Board approved waiving late charges in April and May. Staff wondered if the late charges should be reinstated in June.
130 Discussion included the current economic condition due to COVID 19. It was the consensus of the Board to waive the late
131 charges including July and do not turn the water off for customers that are past due. This issue will be revisited each
132 month. The Board wants to see a list with a running balance of how much monthly bills are not paid; and how much the
133 District is losing in waived late charges and turn on charges.

134
135 **Reports, Comment, and Correspondence:**

136 **USDA-RD Letter:**

137 The District received a letter from USDA dated May 27, 2020, Obligation of funds for the Beaver Creek Source Water
138 Project. The District's request for an additional grant in the amount of \$1.5 million has been approved.

139
140 **Appreciation Gift:**

141 Adam reported that the gift for John Garcia is being made by someone from the Newport area. It will look close to
142 Commissioner Karen Otta's design.

143
144 **City of Toledo Joint Meeting:**

145 President Rob Mills updated the Board that he will meet with the City Manager of Toledo tomorrow to discuss a meeting
146 with the City Mayor and City Manager to come up with a rate framework of agreement to take to the City Council on July 1
147 in the joint meeting.

148
149 **Adjournment:** Commissioner Glen Morris motioned to adjourn the meeting. Commissioner Karen Otta seconded the
150 motion. President Rob Mills adjourned the meeting at 5:04 p.m.

151
152 **Next Board Meeting:** July 1, 2020, at 6 p.m. Joint Meeting with Toledo City Council; July 9, 2020, at 4:00 p.m. Regular
153 Board Meeting.

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162 Approved by Secretary

Date: