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**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
by Zoom Conference Call and In Person
October 13, 2022**

Introduction to Remote Meeting:

Denlinger, General Manager, explained that this board meeting is being conducted remotely and in person. Due to the limited capacity for in-person meetings, the public is invited to attend this meeting electronically. He further explained that the Board President will call each name to confirm those who are present by zoom conference. After each person hears their name, they need to reply. For each decision item on 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 names, he or she will give the vote in 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, October 13, 2022.

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 Sandra Mies-Grantham, Secretary; Commissioner Karen Otta, Treasurer; Commissioner Glen Morris, Member; Attorney Jeff Hollen, Legal Counsel. Present in person in the Board room were Rob Mills, Board President; Commissioner Paul Highfill, Member. Staff: Adam Denlinger, General Manager; Trish Karlsen, Bookkeeper.

Excused Absences: Joy King-Cortes, Office Manager

Announcements/Public Comments:

President Rob Mills asked if there are any announcements. Commissioner Karen Otta had no announcement; Commissioner Glen Morris had no announcement; Commissioner Sandra Mies-Grantham had no announcement; Bookkeeper, Trish Karlsen had no announcement; General Manager, Adam Denlinger had no announcement. Atty. Jeff Hollen had no announcement, and President Rob Mills had no announcement. Commissioner Paul Highfill was not present at the time of the announcements.

Public Comments: A member of the public, our customer, Janette Agre was present at the meeting. She and her neighbors have concerns regarding hydrants in their neighborhood. Janette had spoken with the General Manager, Adam Denlinger earlier regarding 3 hydrants on Paradise Lane, 1 hydrant of which they know is nonfunctional and the other 2 they are not sure about, which is of great concern to them. They would like assurance that the fire hydrants are working or if they are not working then what will be done about it. Commissioner Morris stated that the fire district is the one that should assure that the fire hydrant has been tested and that it is working properly and when it was tested, as they are supposed to do this on a regular basis. Also, he encouraged her to appear before the fire district's board and ask them about their requirements to maintain the fire hydrants and dates of when they last did this, and what the results were. The GM, Adam Denlinger stated that per the MOU that SRWD has with the Newport Fire Department does subject the fire department to the maintenance of the hydrants, testing the hydrants for flow, making sure the hydrants are accessible, painting the hydrants, and generally making sure it's operational. If the hydrants need to be replaced then the fire department would replace the hydrants. Mrs. Agre said she mostly wants to know if the hydrant by her residence is operational. The GM, Adam Denlinger said that the water district can go out to the hydrant to test whether it is operational but that it is ultimately the fire department's responsibility to do this on an annual basis. Another member of the public, Steve Schoen said that he is also concerned about who is responsible for the fire hydrants. He is attending the board meeting in order to observe our meeting process.

Consent Calendar:

Items on the consent calendar are September/October 2022 Invoices List for approval; September 8, 2022, Regular Board Meeting & Supplemental Budget Meeting Minutes; September/October 2022 Financial Report; Business Oregon IFA Disbursement Request No. 48; USDA Phase IV PMR No. 28; and General Manager's Monthly Report. President Rob Mills asked if each commissioner has reviewed the items on the consent calendar. Commissioner Karen Otta answered YES; Commissioner Glen Morris answered YES; Commissioner Sandra Mies-Grantham answered YES; Commissioner Paul Highfill answered YES and President Rob Mills answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Paul Highfill seconded the motion. The motion was passed 5-0.

61 **Discussion and Information Items:**

62 **Source Water Project Update:**

63 The District hosted a successful tour of the water treatment facility and intake site for the benefit of DEQ and USDA
64 yesterday. Jacobs Engineering, GSI consultants, representatives from The City of Toledo, The City of Lincoln City, The City
65 of Newport, and various others including Steve Schoen joined us on the tour. The District got a chance to share what we've
66 learned about the system and especially with respect to compliance with the state as far as DEQ is concerned.
67 We have been in several conversations with the engineer regarding substantial completion and there are only a few items
68 left remaining of the required conditions that need to be met for the engineer to certify substantial completion. The District
69 asked the engineer to put together the remaining list of items that are necessary for the contractor to complete to establish
70 certification for final completion, this is under RUS (Rural Utility Systems) Readiness for Final Payment. We are hoping to
71 close this project out sometime soon.

72
73 **Consider January 16, 2006 SRWD/NRFPD MOU:**

74 The GM, Adam Denlinger stated that if it pleases the Board, SRWD staff will continue discussions with the fire departments
75 and will bring back updates to the Board.

76
77 **Decision Items:**

78 **Consider Approving Municipal Auditor Engagement Letter with Grimstad & Associates, Certified Public**
79 **Accountants:**

80 Commissioner Morris stated that this is the standard engagement letter from the auditor that allows the auditor to audit the
81 District and file the necessary audit papers with the Secretary of State and the bondholders. It was noted that Grimstad &
82 Associates are the only municipal auditors on the coast. Commissioner Karen Otta motioned to approve the municipal
83 auditor engagement letter with Grimstad & Associates. Commissioner Glen Morris seconded the motion. The motion was
84 carried unanimously.

85
86 **Reports, Comments, and Correspondence:**

87 **General Manager Annual Performance Evaluation Package – Due December 8, 2022:**

88 The GM, Adam Denlinger will send the review in an email to all the Board members. Board President, Rob Mills asked for
89 the Board to get their completed review forms to him by mid-November. Commissioner Karen Otta volunteered, along with
90 President Rob Mills, to present the collected reviews to the General Manager, Adam Denlinger. President Rob Mills brought
91 up the procedure for a Board member to review the employee performance evaluations. Commissioner Karen Otta will
92 review the employees' performance evaluations by the end of the year.

93
94 **ORS 264.340 Purchase and Maintenance of Fire Equipment:**

95 Taxing authority for the water district and the fire department is very defined under ORS statutes. One of the complicating
96 issues that gets in the way of whose responsible for what with respect to maintenance is who has the taxing authority for
97 that individual item. It may be that the fire department has the taxing authority and is receiving those tax revenues annually
98 for the maintenance of hydrants. The same ORS statute allows water districts to do the same thing if it's not being done by
99 the fire department. We may need to involve our general counsel to help with the understanding.

100
101 **Analytical Laboratory (ALG) Preliminary Report:**

102 This is the first time that the District has seen an increase in our disinfection by-product testing that we do twice a year. We
103 tested two different locations at the far ends of our system, north and south. On the South end of our system, we saw an
104 increase, not so high that it is a violation. The state alerted us and the condition of that requires that we now need to test
105 quarterly. If the next two quarterly tests results are within the maximum allowable limits then we go back to twice a year. We
106 may need to do more flushing in that area. It doesn't mean that the water is unsafe, it is still within the allowable limits by
107 the state.

108
109 **Employee Appreciation Luncheon December 8th @ 12:00 noon, followed by the December Board Meeting @ 2:00**
110 **p.m.:**

111 The GM, Adam Denlinger proposed that the luncheon be hosted at the District shop for staff and the Board just like we did
112 last year. The Board was in agreement with that arrangement. The Board meeting will be held after the luncheon at 2:00
113 p.m.

114
115 **Recessed Regular Meeting:** President Rob Mills dismissed the members of the public and recessed the regular session at
116 4:45 p.m. to go into an executive session.

117
118 **Executive Session:**

119 The SRWD Board will meet in Executive Session, pursuant to ORS 192.660(2)(h); To consult with legal counsel concerning
120 the legal rights and duties of a public body with regards to current litigation or litigation likely to be filed. Representatives of
121 the news media and designated staff shall be allowed to attend the executive session. All other members of the audience

122 are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the
123 deliberations. No final decisions shall be made in Executive Session.

124
125 **Reconvened Regular Meeting:** President Rob Mills adjourned the executive session at 5:15 p.m. and reconvened the
126 regular meeting.

127
128 **Adjournment:** Commissioner Karen Otta motioned to adjourn the meeting. Commissioner Paul Highfill seconded the
129 motion. Meeting adjourned at 5:15 p.m.

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131 **Next Board Meeting:** November 10, 2022 @ 4:00 pm Regular Board Meeting.

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Approved by Board President

_____ Date: