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**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
&
Supplemental Budget Hearing
by Zoom Conference Call and In Person
September 8, 2022**

10 **Introduction to Remote Meeting:**

11 Denlinger, General Manager, explained that this board meeting is being conducted remotely and in person. Due to the
12 limited capacity for in-person meetings, the public is invited to attend this meeting electronically. He further explained that
13 the Board President will call each name to confirm those who are present by zoom conference. After each person hears
14 their name, they need to reply. For each decision item on the agenda that needs to be approved, after discussion and
15 deliberation, the Board President will call each name of the commissioner for their vote. After the commissioners hear their
16 names, he or she will give the vote in the affirmative by saying YES or negative by saying NO.
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18 **Call Regular Meeting to Order:**

19 President Rob Mills called the regular board meeting to order at 4:02 p.m., Thursday, September 8, 2022.
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21 **Present:**

22 President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. Present by Zoom
23 Conference Commissioner Karen Otta, Treasurer; Commissioner Glen Morris, member; Attorney Jeff Hollen, Legal
24 Counsel. Present in person in the Board room were Rob Mills, Board President; Commissioner Paul Highfill, member. Staff:
25 Adam Denlinger, General Manager, Joy King-Cortes, Office Manager.
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27 **Excused Absences:** Commissioner Sandra Mies-Grantham
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29 **Announcements/Public Comments:**

30 President Rob Mills asked if there are any announcements. Commissioner Karen Otta had no announcement;
31 Commissioner Glen Morris had no announcement; Commissioner Paul Highfill had no announcement; Office Manager, Joy
32 King-Cortes had no announcement; General Manager, Adam Denlinger had no announcement; and Atty. Jeff Holl had no
33 announcement.
34

35 **Public Comments:** None
36

37 **Consent Calendar:**

38 Items on the consent calendar are August/September 2022 Invoices List for approval; August 11, 2022, Regular Board
39 Meeting Minutes; August/September 2022 Financial Report; Business Oregon IFA Disbursement Request No. 47; USDA
40 Phase IV PMR No. 27; and General Manager's Monthly Report.

41 President Rob Mills asked if each commissioner has reviewed the items on the consent calendar. Commissioner Karen
42 Otta answered YES; Commissioner Glen Morris answered YES; Commissioner Paul Highfill answered YES and President
43 Rob Mills answered YES. Commissioner Karen Otta motioned to approve the consent calendar. Commissioner Glen Morris
44 seconded the motion. The motion was passed 4-0.
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46 **Discussion and Information Items:**

47 **Source Water Project Update:** On July 25, the contractor with the subcontractor successfully installed pump 2 at the
48 Beaver Creek intake site. The electrician tested and reenergized the pump and placed it back in service and it is running for
49 2 weeks with no issues. The valve from the City of Toledo has been turned off and all the water is being produced from the
50 WTP to supply water to the customers throughout the District and South Bay Road.

51 The junior WTP operator, Chris Sutherland, passed the Water Treatment Operator 1 examination with a score of 91%.
52 Staff had received customer complaints regarding water quality such as the water tasting funny or too much chlorine. Most
53 of the customers who notice the chlorine taste are from the Makai subdivision which is closest to the WTP. The WTP
54 operator is adjusting the chlorine level to maintain the chlorine residual at the end of the system. Field crews are flushing in
55 areas where customers are noticing chlorine taste in the water.

56 The engineers are continuing to support the contractor to meet substantial completion. The punch list is getting shorter, and
57 the engineers are waiting for final O & M manuals from the contractor.

58 Jeff Hollen, the district legal counsel reported that he is waiting to restart the arbitration which will take place after the
59 substantial completion punch list is completed. There was discussion on what can be done to hasten the project
60 completion. The contract needs to be followed to complete the project.
61 The District has engaged the services of HR Answers, the consultants to conduct a wage scale study/survey to provide the
62 district with a comparable wage scale.

63
64 **Public Hearing:**
65 President Rob Mills opened the public hearing per ORS 294.471 and 294.480, to receive public testimony regarding the FY
66 2022-23 SRWD Supplemental Budget. No public was present. President Rob Mills closed the public hearing.
67 During the budget preparation process, it was expected that the district's Phase IV Beaver Creek Source Water Project
68 funded through grants and loans would be substantially completed before June 30, 2022, spending down available funding
69 by the end of the fiscal year. But due to unanticipated conditions outside the control of the district, the project remains
70 unfinished. Staff recommends that the best approach to correct conditions is to amend the budget by adopting a
71 supplemental budget to include project funding in the FY 2022-23 budget. Staff followed the steps outlined in the Local
72 Budget Law Manual on how to do a supplemental budget. A Notice of Public Hearing must be published, and a public
73 hearing is required for the Board of Commissioners to take public testimony regarding the proposed supplemental budget.
74 A Supplemental Budget Resolution needs to be approved and adopted by the Board of Commissioners.

75
76 **Decision Items:**
77 Commissioner Karen Otta motioned to approve Resolution 0922-01 adopting the FY 2022-23 Supplemental Budget.
78 Commissioner Glen Morris seconded the motion. The motion was passed 4-0.

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80 **Executive Session:** None

81
82 **Reports, Comments, and Correspondence:**
83 The district received a letter of appreciation from Commander Rand H. Wintermute, retired U.S. Coast Guard Commander
84 recognizing the help that Brad Wynn extended to him in locating the leak on his property which he was able to fix without a
85 lot of expense.

86
87 There is SDAO Summer Conference on September 15 in Salem for staff and Board Members.

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89 **Adjournment:** Commissioner Karen Otta motioned to adjourn the meeting and was seconded by Commissioner Paul
90 Highfill. President Rob Mills adjourned the meeting at 4:40 p.m.

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92 **Next Board Meeting:** October 13, 2022 @ 4:00 p.m. Regular Board Meeting.

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101 Approved by Board President Date: