

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
REGULAR BOARD MEETING
January 14, 2016**

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7 Call Regular

8 Board Meeting: John Garcia, President of the Board called the regular board meeting to order at 2:00
9 p.m., Thursday, January 14, 2016.

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11 Present: John Garcia, President; Glen Morris, Treasurer; John Filbert, Member; Rob Mills, Member;
12 Staff: Adam Denlinger, General Manager; Joy S King, Office Manager. See sign in sheet
13 for public attendance.

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15 Excused Absences: Sandra Mies-Grantham

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17 Announcements: Glen Morris will not be able to attend the February 11, 2016 regular board meeting.

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19 Public Comments: None

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21 Consent

22 Calendar: Items on the consent calendar are Invoice lists for Dec 2015/Jan 2016; minutes of the Nov
23 12, 2015 Board meeting; Minutes of Dec 10, 2015 Board meeting; Dec 2015/Jan 2016
24 Financial Report; USDA Project Monitoring Report No. 3; MOCON Corp. Payment
25 Application No. 2 Schedule 2; General Manager's Report. It was noted that due to Rob
26 Mills and Glen Morris' absence from the November board meeting & the absence of
27 Sandra Mies-Grantham from this meeting that the approval of the November board
28 meeting minutes would need to be deferred to the next board meeting in February 2016.
29 John Filbert motioned to approve the Consent Calendar excluding the November 12, 2015
30 Minutes. Motion was seconded by Rob Mills. Motion carried 4 – 0.

31 Discussion and

32 Information Item:

33 Statements of Qualification

34 (SOQ) Update: The General Manager updated the Board of the interview of Civil West by the interview
35 panel on January 14, 2016. The interview lasted for 1 ½ hours. Civil West performed well
36 and a good team of consultants came. CH2M Hill will be interviewed on the 21st of
37 January. It is important that score sheets must be used and each candidate should be
38 asked the same questions.

39 Mid-Coast Integrated

40 Water Resources Planning

41 Study:

The General Manager was able to obtain a copy of the Interconnection & Regional Water
Study prepared by Dyer Partnership Engineering in 1993. The agencies involved were the
City of Waldport, City of Yachats, Seal Rock Water District, Southwest Lincoln Water
District and City of Newport. The goal of the consortium at that time was to identify the
water needs and water resources in the area.

The City of Newport is going through this exercise again with grant funding. Tia Cavender,
the consultant who is working on the grant application is very glad to hear about the past
study and what the consortium did. She will review the study prepared by Dyer
Partnership in 1993. It was the consensus of the Board for the District to be a part of this
and for the General Manager to continue to be involved with the current study. The District
is very interested in finding new sources and the concept of interconnection with other
agencies like the intertie with the City of Newport as mitigation project funded by grants
from FEMA and IFA.

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55 SDAO BPA:

Rob Mills did a Board Practice Assessment (BPA) Presentation he developed as a tool to
help Board members of different Districts identify issues that need correcting before they
cause any problem. He serves as a facilitator and guides group discussion following the
BPA. SDAO has asked him to do a class/training on this during the SDAO Conference on
February 5-7, 2016 which will be held at Sunriver. The class/training is "Six Best Practices
of Highly Effective Boards: How Does Your Board Measure Up."

63 Wholesale Water
64 Rate Increase: The General Manager informed the Board that the City of Toledo increased the wholesale
65 water rate from \$3.41 to \$3.57 beginning January 1, 2016. He reviewed the invoices the
66 City assigned for delivering water to SRWD to make sure that the project costs benefit the
67 District. The City of Toledo's bond financing requires the City to increase the rates.
68

69 South Bay Road Emergency
70 Water Line Repair: Due to heavy rain during the week of Dec 7, a section of South Bay Road at MP 2.5
71 began to settle. This caused the District's 12" transmission line along the road to leak on
72 December 18. To avoid a complete system failure it was decided to replace a 300-LF of
73 mainline with 14" HDPE pipe to stabilize the waterline through the slump area. District
74 staff rented the equipment needed and completed the work. The District shut down the
75 system from the City of Toledo for 3 days. The tank water level was down to 13 feet which
76 was rarely below 18 feet in any given day before this. With guidance from Oregon Health
77 Authority a "No Pressure Boil Advisory" was issued to approximately 20 customers along
78 South Bay Road. The cost of materials, pipe fusion, and equipment rental is
79 approximately \$50,000. District staff is working with Office of Emergency Management
80 (OEM) / FEMA for reimbursement of the cost of emergency repair should the Federal
81 Government declares Lincoln County as a disaster area due to flooding caused by heavy
82 rains. Office staff is tracking costs of the emergency repair. It was the consensus of the
83 Board for the General Manager to continue to seek for FEMA grant for South Bay Road
84 emergency repair.

85 Decision Items:
86 Audit Report: The auditor completed the audit report for the District's financial statements for FY 2014-
87 15 on January 11, 2016. An extension was granted in December to file the audit report
88 with the Secretary of State Audit Division no later than January 31, 2016. There was a
89 new reporting requirement to comply with GASB Statement 68 on reporting the District's
90 Pension Liability in the financial statements which delayed the audit process. The State
91 Audit Division said that a majority of the agencies asked for extension because of GASB
92 68 reporting requirement. Glen Morris motioned to accept the audit report as presented
93 from the auditor. It was seconded by Filbert. Motion carried 4-0.

94 Budget Committee
95 Members: The term of four Budget Committee Members expired on June 30, 2015. They were asked
96 after the Budget Committee Meeting last year if they will serve another 3 year term and
97 they all agreed. It was motioned by John Filbert to reappoint James Senn, Barry Compton,
98 Garry Helms, and Barbara Flewellyn as Budget Committee Members. It was seconded by
99 Rob Mills. Motion carried 3-0. Glen Morris was excused and left for another engagement.
100 It was motioned by John Filbert to appoint Adam Denlinger as the Budget Officer. Motion
101 was seconded by Rob Mills. Motion carried 3-0.

102 Reports, Comments,
103 and Correspondence:
104 SDAO Annual
105 Conference: Adam Denlinger and Rob Mills are attending the SDAO Conference on Feb 5-7, 2016 at
106 Sunriver.

107 Bayshore Sand: The Bayshore community has developed a working group to include the Road District, the
108 County, and Seal Rock Water District. There will be cost to move the sand and the District
109 might be asked to participate in the one-time cost.

110 Miscellaneous: The office will be closed on Jan. 18 in observance of Martin Luther King Day; FEMA has
111 left over money and will cover the cost overran of the Intertie mitigation project; FEMA will
112 award SRWD \$100,000 for the Lost Creek Emergency Shut off valve. The application for
113 this was submitted in 2012; a new 4x4 truck was delivered; there will be a Board Training
114 at the Community College on January 25; the water rights application is still under review.
115 Water Resources Department is reviewing the draft comment from DEQ.

116 Executive Session: None
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118 Next Board Meeting: February 11, 2016 at 4 p.m. Regular Board Meeting.
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120 Adjournment: Garcia adjourned the meeting at 5:50 pm.
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123 Approved by Secretary Date