

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
REGULAR BOARD MEETING
March 12, 2015**

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7 Call Regular

8 Board Meeting: Board President John Garcia called the regular board meeting to order at 4:08 p.m.,
9 Thursday, March 12, 2015.

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11 Present: John Garcia, Board President; Glen Morris, Treasurer; Rob Mills, Member; John Filbert,
12 Member; Staff: Adam Denlinger, General Manager; Joy S King, Office Manager; Ralph
13 Wenziger, Civil West Engineering; Adam Sussman, GSI Project Manager; Jeff Hollen,
14 Ouderkirk and Hollen Law Firm. See sign in sheet for public attendance.

15
16 Excused Absences: Sandra Mies-Grantham

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18 Announcements: Rob Mills will be out of town on April 9, 2015 and will not attend the Board meeting.

19
20 Public Comments: None

21 Consent

22 Calendar: Items on the consent calendar are Invoice lists for Feb./Mar. 2015; minutes of the
23 February 12, 2015 Board meeting; February 2015 Financial Report; Project Monitoring
24 Report; General Manager's Report; Pacific Excavation Payment Application No.1. Glen
25 Morris motioned to approve the consent calendar. It was seconded by John Filbert. Motion
26 carried 4-0.

27 Decision Items:

28 Amendment No. 2: Jeff Hollen presented to the Board Amendment No. 2 that the Board had a consensus on
29 at the February 26 Special Meeting. The recital to the agreement is that the City of
30 Newport will pay \$55,322.49 as full payment of its share of the 2013 Refunding 2007 G.O.
31 Bond. The City agrees to pay annually their share of 2011 and 2012 G.O. Bonds and the
32 District agrees to reduce the balance of the 2007 IGA by the amount of its share of the
33 2011 and 2012 G.O. Bonds.

34 City staff are working on the requirements of the D.O.R. to complete the withdrawal. The
35 deadline for filing all the documents needed is March 31, 2015. Jeff Hollen and Adam
36 Denlinger have reviewed the documents submitted by the City of Newport to D.O.R.
37 Glen Morris motioned to approve Amendment No. 2 to the 2007 Intergovernmental Urban
38 Service Agreement between the Seal Rock Water District and the City of Newport. It was
39 seconded by John Filbert. Motion carried 4-0.

40 Source Water

41 Feasibility Study: Adam Sussman presented to the Board an amended Criteria Evaluation reflecting the
42 comments made by the Board during the February 12, 2015 Board meeting. Civil West
43 updated the construction cost, O & M cost, and added zoning map and tsunami inundation
44 map for each source water area. This is a reconnaissance feasibility level study and the
45 next level will include a more detailed cost analysis. John Filbert motioned to adopt the
46 revised Criteria Evaluation as presented. (See attached) It was seconded by Glen Morris.
47 Motion carried 4-0.

48 The Board reviewed the draft Executive Summary prepared by GSI Water Solutions, Inc
49 and Civil West Engineering Services, Inc. (see attached) Discussion ensued. John Filbert
50 motioned to approve the Executive Summary as presented. It was seconded by Glen
51 Morris. Motion carried 4-0.

52 A project timeline for source water was discussed. The completion of the feasibility study
53 is the start of other tasks for staff to pursue like filing a water right application with Water
54 Resources Department; seek financing opportunity; and go out for RFQ for engineering
55 for a more detailed design. Adam Sussman recommended adding at least 3 months to
56 the application timeline. The District needs time to hold informational meetings and to
57 invite local agencies and the patrons to share the District's plans and goals with regards to
58 developing its own source water. It will help the District in the state level to have a good
59 relationship with local agencies.
60

61 The timing of when to give the City of Toledo notice was discussed. When the District gets
62 approval by the WRD to have water rights at Beaver Creek, it will be a good indication
63 when to give that notice.

64 Underwriting
65 Agreement: An agreement submitted by David Ulbricht for Financial Advisory Services was reviewed
66 by the Board. It is anticipated that the District will enter into a financial agreement when
67 obtaining interim financing to fund Phase 3 improvements. Glen Morris motioned to
68 authorize Adam Denlinger to sign the Engagement Letter with Charter Municipal Advisory
69 Group, LLC. It was seconded by John Filbert. Motion carried 4-0.
70

71 Letter of Interest: The GM visited First Stop when he attended the Management Conference in Bend. He
72 obtained information that there are loans/grants available for planning and design phase
73 of projects. It was the consensus of the Board to authorize the GM to apply for loan/grant
74 for the planning and design phase of the source water project. He will send a Letter of
75 Interest/Intent to IFA for \$150,000 loan/grant for design and engineering. There are other
76 financing agencies that offer loan/grant for different phases of the project.

77 Discussion and
78 Information Item:
79 SDAO Board Practice
80 Assessment: Rob Mills presented to the Board a pilot assessment program that SDAO is implementing
81 as one of the training tools available to member Districts to qualify for a 2% discount on
82 liability insurance cost. It is to assess how well the Board or the District is functioning. The
83 measure used in the assessment is High Risk, Medium Risk, Low Risk and Good,
84 Caution, Danger. He has been invited to different Districts to help assess how they are
85 functioning by talking to employees and Board members.
86

87 Executive Session: John Garcia recessed the regular board meeting at 6:05 pm to go into executive session
88 per ORS 192.660(2)(e).
89

90 Reconvene Regular
91 Board Meeting: John Garcia adjourned the executive session and reconvened the regular meeting at 6:40
92 pm.

93 Small Membrane
94 Facilities: Adam Denlinger reported to the Board that he and Bob Bynum, an engineer who designs
95 small membrane water filtration facility, visited Kernville-Gleneden Beach and Neskowen
96 Water Districts to see their small membrane facilities.

97 SRWD/Newport
98 Intertie: The GM reported that there will be a change order for the Newport Intertie project. The
99 subcontractor was unable to complete the bore. The strip was too narrow so the best way
100 to lay the pipe was by boring but there was a problem hitting solid rocks. ODOT approved
101 an open cut to lay the pipe in place. The contractor is asking for \$50,000 for 3 days of
102 extra work instead of 5 days. The GM is working with the engineer and contractor to come
103 up with a fair amount.
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105 Phase 3: The permit for Phase 3 project is now with the Department of State Lands.
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107 Reports, Comments,
108 And Correspondence: None
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110 Next Board Meeting: April 9, 2015 at 4:00 p.m.
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112 Adjournment: Garcia adjourned the meeting at 6:50 pm.
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121 Approved by Secretary _____ Date _____