

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
August 10, 2017**

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6 Call Regular

7 Board Meeting: Board President John Garcia called the regular board meeting to order at 4:00 p.m.,
8 Thursday, August 10, 2017.
9

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

14 Excused Absences: Sandra Mies-Grantham, Rob Mills
15

16 Announcements: Glen Morris will not be able to attend the September 14 Board meeting.
17

18 Public Comments: None
19

20 Agenda Calendar: Items on the consent calendar are Invoice Lists for July/August 2017; minutes of the July 13,
21 2017 regular board meeting; July/August Financial Report/Invoices to approve; USDA Phase
22 3- Project Monitoring Report No. 22; General Manager's Report. Glen Morris motioned to
23 approve the consent calendar. Motion Seconded by Karen Otta. Motion carried 3 - 0.
24

25 Discussion and
26 Information Items:

27 Primary Source Water

28 Potential Risk Analysis: The General Manager, Adam Denlinger provided the Board with progress update on the
29 Phase IV Source Water Project Potential Risks.

30 Environment and Permitting - The engineer has begun pulling information together to
31 complete the 404-permit application. Staff is working with GSI Water Solutions to begin
32 Temperature Monitoring on Beaver Creek.
33

34 Easements and Access Agreements – Survey work is nearing completion. Legal counsel will
35 begin to develop easements and access agreements.
36

37 Project Funding – Application was completed and submitted to Business Oregon IFA on
38 Aug. 5, 2017. Staff continues to work with USDA-RD representatives in anticipation of
39 receiving notification regarding the District's application in October 2017.
40

41 Water Purchase Agreement – On Aug. 9, 2017 the District Manager, Adam Denlinger had a
42 conversation with City of Toledo City Manager and Public Works Director regarding why the
43 District is going to develop its own source water. City of Toledo staff were agreeable to look
44 at the contract for emergency use request. Part of the discussion was that the notification to
45 terminate would include a provision for emergency water use for both parties. The possibility
46 to have an intertie similar to the SRWD/City of Newport intertie that could be funded by
47 FEMA was also discussed. This would be a collaborative approach to qualify for FEMA
48 funding. City of Toledo staff were also informed of the SRWD Board of Commissioners'
49 desire to provide the City of Toledo a notice of contract termination in October 2017. The
50 City Manager requested to have more time to work with SRWD to develop a strategy of how
51 to present the notice to the City Council. The District Manager made it clear that the District
52 will not support and will not fund Toledo's Mill Creek Project. The City Manager was
53 agreeable for SRWD to put together a proposed amendment to the contract to present to
54 them. The District Manager discussed the importance of holding work sessions with the
55 Board of Commissioners so the Board would be aware of the language of the negotiation.
56 The general consensus of the Board was to approve the resolution authorizing the
57 termination of the 2012 Contract with the City of Toledo in October 2017, and for the District
58 Manager to work with the City Manager to develop the language and presentation that will
59 be presented by the District Manager in front of the City Council regarding the District's
60 Source Water Project.
61

62 Communication, Outreach and Education – District staff have begun the process of
63 engaging the community regarding Phase IV improvements by providing a presentation on
64 July 29, 2017 to the Pacific Shores HOA.

65 Engineering Costs – Scope of Services for permitting, geotech evaluation and pre-purchase
66 of membrane filtration engineering was approved on July 13, 2017. The engineer will begin
67 various steps in completing these items.
68

69 Natural Environmental Hazards and Conditions - On July 18, 2017 District crews responded
70 to a line break on the District's main supply line from Toledo. Crews successfully completed
71 the repairs by replacing a section of failed pipe.

72 Bond Counsel
73 Services RFP: The review committee consisting of Commissioner Morris, Adam Denlinger and Joy King,
74 met and reviewed the proposals received from three Bond Counsel. There was a decision to
75 develop a supplemental questionnaire consisting of 6 questions that will be sent out to the
76 three Bond Counsel who responded to the RFP. The answers will be reviewed and
77 considered in lieu of a personal interview.

78 AMI Project
79 Update: A preconstruction meeting was held on August 9, 2017 at 2 pm at the District office. The
80 meeting was attended by the contractor, subcontractor, USDA representatives, and SRWD
81 field and admin staff. The contract was signed on August 9, 2017 and the project begins in 2
82 to 3 weeks. The towers for communications would be installed first, then a central hub in the
83 office before installing the AMI meters. The staff will be trained first before making the
84 system application accessible by the customers. Community fliers notifying the customers of
85 the upcoming AMI project will be mailed out with the bills going out in August. If there's
86 savings from this Phase 1 project, it is possible to introduce schedule 2 which is the
87 installation of PRVs in the Bayshore area, towards the completion of Phase 1.

88 Decision Items:
89 New Vacuum
90 Excavation Unit: The District owns a 2008 trailer mounted vacuum excavation unit which is not very reliable
91 anymore. Staff is asking approval to purchase a new Paradigm vacuum excavation unit. This
92 unit doesn't need a CDL driver, it could vacuum dry or wet, safe for the environment and
93 safe for the staff. The District has a rolling stock program for vehicle replacement with a
94 contribution to that reserve of \$50,000 annually. The life expectancy of this equipment is 15
95 years and large enough for a 600 cubic feet excavation before emptying the holding tank. It
96 was the consensus of the Board to table this discussion for the Sept. 13 Board meeting
97 when more information as to cost and financing will be available.

98 Reports, Comments,
99 Correspondence:
100 SDAO Training: An SDAO Board of Directors and Management Staff Training will be held in Newport on
101 August 29, 2017. Commissioners Karen Otta, Rob Mills and John Garcia will be attending
102 the training with the General Manager, Adam Denlinger.
103

104 Office Closure: The office will be closed on Aug. 21, 2017 to avoid conflict with total eclipse activities. The
105 District will make sure the tanks are full for the anticipated high usage due to anticipated high
106 visitors to the coast for the solar eclipse.

107 Reschedule
108 October Meeting: Due to staff vacation the October Board meeting will be rescheduled from Oct.12 to Oct. 19.
109

110 Letter of Engagement: The Board reviewed the engagement letter from Grimstad and Associates for the FY 2016-
111 17 audit. President John Garcia signed the engagement letter.

112 Letter of Support:
113 Bayshore Foredune
114 Management Plan: The Board directed the General Manager to write a letter to Lincoln County, Department of
115 Planning Development in support of the proposed revision of the Bayshore Foredune
116 Management Plan.
117

118 Executive Session: None
119

120 Next Board Meeting: September 14, 2017 @ 4:00 p.m. Regular Board Meeting.
121

122 Adjournment: John Garcia adjourned the meeting at 5:35 p.m.
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128 Approved by Secretary

129 Date