

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
by Zoom Conference Call and In Person
February 16, 2023**

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 4:02 p.m., Thursday, February 16, 2023.

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 Saundra Mies-Grantham, Secretary; Commissioner Karen Otta, Treasurer and Atty Jeff Hollen, Legal Counsel. Present in person in the Board room were Commissioner Rob Mills, Board President; Commissioner Glen Morris, Member; and Commissioner Paul Highfill, Member. Staff: Adam Denlinger, General Manager; Joy King-Cortes, Office Manager.

Excused Absences: None

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 Paul Highfill had no announcement; Commissioner Saundra Mies-Grantham had no announcement. Office Manager, Joy King-Cortes had no announcement; General Manager, Adam Denlinger had no announcement. Atty. Jeff Hollen had no announcement. President Rob Mills had no announcement.

Consent Calendar:

Items on the consent calendar are January/February 2023 Invoices List for approval; January 12, 2023, Regular Board Meeting minutes; January/February 2023 Financial Report; USDA PMR Phase IV No. 31, and General Manager's Monthly Report.

President Rob Mills asked if each commissioner reviewed the consent calendar items. Commissioner Karen Otta answered YES; Commissioner Glen Morris answered YES; Commissioner Paul Highfill answered YES; Commissioner Saundra Mies-Grantham answered YES; and President Rob Mills answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Paul Highfill seconded the motion. President Rob Mills noted that the Certificate of Substantial Completion date on line 46 of the minutes should be changed to August 18, 2022. Joy King-Cortes will make the change. The motion was passed 5-0.

Discussion and Information Items:

Rate Adjustment for the FY 2023-24 Budget: The GM, Adam Denlinger discussed the different items that influence the budget. The cost of materials and services has gone up by about 35%; implementing the result of the recently completed salary survey will increase the salary and related payroll costs; COLA increase beginning July 1 is 8.7%; and the cost of an additional 1 FTE is about \$95,000. These are some of the increases in costs that the Board needs to consider in going through the budget process. It was discussed that the District is competing with other agencies in the area in hiring and keeping operators. The district needs to be competitive in salary and benefits to protect employees from leaving and to attract job seekers to apply for open positions. One of the challenges of hiring new employees is the availability and cost of housing in the area. Commissioner Glen Morris recommended adding a set amount to the monthly salary, an example is \$250 a month to be comparable with other agencies and see how it would affect the budget. Staff had a conversation with other agencies about how difficult it is to find an employee replacement. For some agencies, it took one to two years to find and hire a replacement.

Board Practice Assessment (BPA):

SDAO has a Consultant Services program free for members to utilize. Part of that program is the Board Practice Assessment (BPA). The BPA process is intended to guide the district as we transition into a full water system provider. There was a discussion of having a work session and inviting an SDAO consultant as a facilitator for a board self-

63 assessment to provide a unique opportunity to have a conversation regarding how the board is doing and how well-
64 prepared the board is to deal with changes like losing personnel or board members. It was also discussed that now that
65 the WTP is operational the district is in a transition period from water distribution to now include a water treatment facility.
66 The district has additional regulatory compliance required by the State of Oregon due to additional requirements in
67 operating a WTP. After discussion, it was the consensus of the board to table the BPA for now and set up a work session
68 30 minutes before the regular board meeting for planning and discussion of items as the need arises. Some of the items
69 that need to be discussed are the result of the salary survey and hiring an employee to fill a vacant position in the water
70 distribution system.

71 **Department of Interior WaterSmart Grant Program:**

72 The water grant funding is available for a project that assists communities in conserving water and building more resilient
73 infrastructure. Staff with board approval would like to submit a Letter of Interest for the WaterSmart Grant. Commissioner
74 Glen Morris motioned to authorize the GM, Adam Denlinger to submit a Letter of Interest to the Department of Interior for
75 the WaterSmart Grant. Commissioner Paul Highfill seconded the motion. The motion was passed 5 – 0.

76
77 **Decision Items:**

78 **Budget Committee List:** The list of appointed budget committee members was reviewed. Tom Ryan gave notice by
79 contacting staff that he will no longer be able to serve as a budget committee member. Barry Compton cannot attend the
80 April 20, budget committee meeting. Ronald Anderson is a new budget committee member who was appointed in May
81 2022. It was suggested to contact John Garcia to find out if he is interested in serving as a budget committee member.
82 Staff will be working with the budget committee to schedule an orientation meeting before the April 20, 2023 budget
83 committee meeting, to inform the budget committee regarding the transitional impacts that affect the budget. Also, there
84 will be an orientation for the newly appointed budget committee on the basics of Local Budget Law and the budget
85 process. Commissioner Glen Morris motioned to approve the budget committee member list. Commissioner Karen Otta
86 seconded the motion. The motion passed by 5 – 0.

87 **GSI Scope of Work and Fee Estimate:**

88 Two Scopes of Services were provided by GSI Water Solutions, Inc. One is for Year 6 Water Temperature Support on
89 Beaver Creek for Water Rights Permit on Beaver Creek for \$21,796. The second one is for Year 5 Streamflow Monitoring
90 Support on Beaver Creek for Water Rights Permit for \$41,015. Both are to comply with the requirements of the district's
91 raw water discharge permit on Beaver Creek. Commissioner Karen Otta motioned to approve the 5th-Year Streamflow
92 Monitoring and the 6th-Year Temperature Monitoring Scope of Work and Fees provided by GSI Water Solutions, Inc.
93 Commissioner Morris seconded the motion. The motion was passed by 5 -0.

94 **Letter of Interest (LOI):**

95 Funding is available under the Federal Safe Drinking Water Act via a Local Assistance Set-Aside from the Oregon Safe
96 Drinking Water Revolving Loan Fund Program. Staff would like to submit a Letter of Interest through the Department of
97 Environmental Quality (DEQ) to develop a Drinking Water Source Protection Plan. Commissioner Karen Otta motioned to
98 authorize the GM, Adam Denlinger to submit a Letter of Interest to DEQ and execute the agreement on behalf of the
99 district. Commissioner Glen Morris seconded the motion. The motion was passed by 5 – 0.

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101 **Reports, Comments, and Correspondence:**

102 The GM, Adam Denlinger, will attend the OAWU Management Conference on March 6-10 in Sunriver, Oregon.
103 The March regular board meeting is moved to March 16, 2023.
104 The office will be closed on February 20, in honor of Presidents Day.
105 OHA will perform a water system survey on the district's distribution system and the water treatment facility on February
106 22 to see if the district complies with the state requirements. An SDAO staff member came to fly a drone to photograph
107 the water tank hatches in preparation for the OHA system survey.
108 The State Director from USDA-RD, Margi Hoffman, will be onsite to tour the membrane water treatment facility.
109 The GM, Adam Denlinger will attend a legislative hearing in support of HB 3163 for continued funding to community
110 collaboration for place-based regional water planning in Oregon on February 28.
111 It was the consensus of the board to start advertising for the 1 FTE water distribution job opening.

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113 **Executive Session: NONE**

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115 **Adjournment:** Motioned by commissioner Karen Otta to adjourn the meeting. The motion was seconded by Paul Highfill.
116 The meeting was adjourned at 5:43 p.m.

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118 **Next Board Meeting:** March 16, 2023, at 4:00 p.m. Regular Board Meeting.

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Approved by Board President Date: