

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
by Zoom Conference Call and In Person
August 8, 2024**

Introduction to Remote Meeting:

SRWD held this meeting through Zoom video conferencing and in-person. Due to the limited capacity for in-person meetings, the public was encouraged to attend the meeting electronically.

Present:

Commissioner Karen Otta was present via the Zoom video conference. Present in person in the board room were Commissioner Rob Mills, Board President; Commissioner Glen Morris, Member; Commissioner Paul Highfill, Member; and Attorney Jeff Hollen, Legal Counsel. Staff: Adam Denlinger, General Manager; Joy King-Cortes, Office/Finance Manager; Trish Karlsen, Bookkeeper; and Brad Wynn, Lead Operator.

Excused Absences: Commissioner Sandra Mies-Grantham.

Call Regular Meeting to Order:

President Rob Mills called the regular board meeting to order 4:00 p.m., Thursday, August 8, 2024, and introduced the commissioners and staff present in the board room. No member of the public was in attendance in person. The public present on Zoom were Jon French and Patricia French.

Announcements/Public Comments:

President Rob Mills asked if there were any announcements. Commissioner Glen Morris had no announcement; Commissioner Karen Otta had no announcement; Commissioner Paul Highfill had no announcement; General Manager, Adam Denlinger had no announcement; Joy King-Cortes, Office/Finance Manager announced that an email from the district's bond counsel was received today, which was added and distributed to each commissioner. This will be discussed under Reports/Comments/Correspondence; Trish Karlsen, Bookkeeper had no announcement; Attorney Jeff Hollen had no announcement; Brad Wynn, Lead Operator had no announcement; and President Rob Mills had no announcement.

Public Comments:

President Rob Mills asked the public who attended through Zoom if they had any comments. Patricia French had no comment. Jon French had no comment.

Consent Calendar:

Items on the consent calendar are the July/August 2024 Invoices List for approval; the July 11, 2024, Regular Board Meeting minutes; USDA Project Monitoring Report No. 47; and the General Manager's Monthly Report. President Rob Mills asked if each commissioner reviewed the consent calendar items. Commissioner Glen Morris answered YES; Commissioner Paul Highfill answered YES; Commissioner Karen Otta answered YES; and President Rob Mills answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Karen Otta seconded the motion. The motion passed with 4 YES votes and 0 NO votes.

Discussion and Information Items:

Water Treatment Plant Update:

The district crews responded to a 12-inch pipeline break at milepost 4 on South Bay Road due to extreme pressure of moving soil. This is the same area where the crew fixed a leak due to land movement in December 2023. The 12-inch AC pipeline is located underground on the county road right of way by the Yaquina River. The area is prone to ground movements during flooding causing the AC pipe to break. To prevent the pipeline that serves 24 homes from breaking again the General Manager, Adam Denlinger proposed to replace 1,000 feet of 12-inch AC pipe with 6-inch HDPE pipe using proceeds from grant funding he applied for from Lincoln County ARPA grant. The \$50,000 grant application was filed and is awaiting county approval. The estimated cost of this project is about \$50,000 including materials, equipment rental, and removal or hauling and disposal of old AC pipes. The labor for replacing the 12-inch AC pipe with 6-inch HDPE pipe will be performed by SRWD crews. Commissioner Glen Morris motioned to authorize the SRWD staff to repair the pipeline on South Bay Road by replacing 1,000 LF of the 12-inch AC pipe with 6-inch HDPE pipe using Lincoln County ARPA grant funding. Commissioner Paul Highfill seconded the motion. The motion passed with 4 YES votes and 0 NO votes.

Decision Items:

EPA Loan Agreement:

The district received the \$50K Loan Agreement from DEQ Clean Water State Revolving Fund. The term of the \$50K loan is .98% interest for 5 years. When the project is completed, and the district meets the conditions the loan will become a

63 “forgivable loan”. The agreement needed review by the district legal counsel and for him to render his legal opinion.
64 Historically, the DEQ loans and grants were for wastewater agencies only. Recently, DEQ has extended the loans and
65 grants to include water agencies for Water Source Protection Planning. Atty Jeff Hollen in reviewing the agreement
66 discovered that the agreement refers to the “facility” as wastewater instead of drinking water and several parts of the
67 agreement refer to wastewater. Board approval of this agreement was deferred until the regular board meeting in
68 September. The GM, Adam Denlinger will request DEQ to revise the contract to refer to drinking water instead of
69 wastewater.

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71 **Reports, Comments, Correspondence:**

72 **Bond Counsel:**
73 District Office Manager, Joy King-Cortes, received an email from Gulgun Ugur, the district’s bond counsel regarding the
74 merger of the insurer of the 2012 General Obligations. There is a debate about if this merger could be considered as a
75 material event, and if it is the district needs to file a Material Event Notice in EMMA, Electronic Municipal Market Access
76 website for the bondholders of publicly offered bonds. It was the recommendation of bond counsel and the district’s
77 financial adviser, David Ulbrich, SDAO consultant to file a material event notice. Joy King-Cortes, Office Manager, will file
78 it before August 15.

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80 **Office Closure:** The office will be closed on September 2, a Labor Day Holiday.

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82 **Water Management & Conservation Plan (WMCP) Final Order:**
83 The district received the Final Order Approving the Water Management and Conservation Plan prepared by GSI, the
84 district’s consultant. The WMCP is required under the conditions of the district’s water permits, permit extensions, and
85 other orders of the Water Source Department. The district’s approved WMCP shall remain in effect until July 26, 2034.

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87 **New Employees:**
88 The district successfully hired two new field employees. They had their orientation and they are fitting in nicely with the
89 office and field staff.

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91 **GM Vacation:**
92 Adam Denlinger, GM will be out of the office from August 12 until August 16. The Lead Operator, Brad Wynn, will take
93 charge of the field crew while the GM is out of the office.

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95 **Executive Session:** None

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97 **Adjournment:** Commissioner Glen Morris motioned to adjourn the meeting. Commissioner Paul Highfill seconded the
98 motion. President Rob Mills adjourned the meeting at 4:30 p.m.

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100 **Next Board Meeting:** September 19, 2024, at 4:00 p.m. Regular Board Meeting.

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Approved by Board President _____ Date: _____