

**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Regular Board Meeting and Rate Hearing  
June 9, 2016**

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Call Regular Board Meeting: Board President John Garcia called the regular board meeting to order at 4:02 p.m., Thursday, June 9, 2016.

Present: John Garcia, Board President; Glen Morris, Treasurer; Sandra Mies-Grantham, Secretary; Rob Mills, Member; Staff: Adam Denlinger, General Manager; Joy S King, Office Manager. See sign in sheet for public attendance.

Excused Absences: John Filbert

Announcements: Joy King announced that the Agenda was revised. The District needs to surplus the Xerox 5330 to be picked up by Xerox for disposal. This item was added under Consent Calendar. Resolution 0616-03 A Resolution to transfer between appropriations in the General Fund was added under Decision Items.

Public Comments: None

Consent Calendar: Items on the consent calendar are Invoice lists for May/June 2016; minutes of the May 12, 2016 regular board meeting and budget hearing; May/June 2016 Financial Report/Invoices to approve; Project Monitoring Report No. 8; Mocon Corp. Schedule 1 Payment Application No. 7 and Schedule 2 Payment Application No. 7; Schedule 1 Change Order No. 2; Surplus Xerox 5330; General Manager's Report. The GM reported that Mocon requested a change order to install the water line by HDD as a change of condition at a cost of \$75,000 for a section of work south of Ona Beach. District staff, engineer and USDA did not agree that a change of condition exists. The request was rejected. Sandra Mies-Grantham motioned to approve the consent calendar to include the surplus of Xerox 5330. Rob Mills seconded the motion. Motion carried 4-0.

Discussion and Information Item: Source Water Project Update: Paul Berg, Project Manager and Nason McCullough, Geotechnical Engineer from CH2M did a presentation on Beaver Creek Water Supply Conceptual Design. Topics discussed were Project Goals, Hazards, Water Treatment Criteria, Intake Facility Criteria, and Possible plant site. Comparative construction costs were also discussed. The three possible sites (South, North, and Makai) were compared as to their strengths, weaknesses, opportunities and threats. The next steps will be to finalize the conceptual design, perform water quality monitoring, initiate discussions on permits, and start to secure funding. (See attached for copy of the presentation). The engineers didn't recommend doing a pilot testing for the membrane for treatment. The technology has been used for several years and is effective. The Makai tank is not a seismic tank and can't be used. A new tank needs to be constructed out of seismic materials to withstand an earthquake.

Emergency Pipeline Replacement: Oceania Drive: District staff is working with USDA to comply with all the requirements for funding through ECWAG (Emergency Community Water Assistance Grant). All the required documents have been submitted and is now waiting for USDA approval to obligate the funding. The contractor is ready to start once funding is approved.

143<sup>rd</sup> St. Emergency waterline replacement on 143<sup>rd</sup> Street started on May 31 by Wheeler W. Construction. Residents in that area received a community advisory notice before the work started. Other utilities are having difficulty locating their own utilities in the area. So far the District hasn't received any complaint from any of the residents. It will take 45 days to complete the project.

63 Water Rate  
64 Adjustment: John Garcia opened the meeting for Public Hearing to consider public comment regarding  
65 the proposed water rate increase at 5:10 p.m.  
66 The City of Toledo increased its wholesale rate from \$3.41 to \$3.57 or \$.16 per 1,000  
67 gallons. The District also took out a Line of Credit to pay for its share of the City of  
68 Toledo's capital improvement. The interest is due on April 22, 2017. It is necessary for the  
69 District to increase the water rate to pay for the loan interest and the increase in the  
70 wholesale rate.  
71 There was no comment received from the public. John Garcia closed the public hearing at  
72 5:20 p.m.

73 Decision Items:  
74 Budget Adoption: John Garcia read Resolution No. 0616-01 a Resolution Adopting the 2016-17 Budget in  
75 the total amount of \$15,024,951; a Resolution Making Appropriations; Resolution  
76 Imposing the Tax; and Resolution Categorizing the Tax. (See attached)  
77 Glen Morris motioned to approve Resolution 0616-01. Rob Mills seconded the motion.  
78 Motion carried 4-0.  
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80 Water Rate Increase: John Garcia read Resolution No. 0616-02 a Resolution Approving and Adopting a Water  
81 Rate Increase. Glen Morris motioned to approve Resolution 0616-02. Sandra Mies-  
82 Grantham seconded the motion. Motion carried 4-0.

83 Appropriations  
84 Transfer: John Garcia read Resolution No. 0616-03 a Resolution to Transfer Appropriations  
85 Between Categories in the General Fund to cover estimated year end expenses for  
86 Materials and Services. Glen Morris motioned to approve Resolution No. 0616-03. Rob  
87 Mills seconded the motion. Motion carried 4-0.

88 Reports, Comments,  
89 and Correspondence:  
90 Annual CCR: The Annual Consumer Confidence Report is now available. It will be posted on the  
91 website and mailed to those who will request for it.

92 Oregon Coastal  
93 Caucus: The Fifth Annual Oregon Coast Economic Summit will be held in Coos Bay on August 8-9,  
94 2016. Rob Mills will attend the summit.  
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96 Executive Session: None  
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98 Next Board Meeting: July 14, 2016 at 4:00 p.m. Regular Board Meeting.  
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100 Adjournment: Garcia adjourned the meeting at 5:50 pm.  
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109 Approved by Secretary \_\_\_\_\_ Date \_\_\_\_\_