

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting by Zoom Conference Call Only
October 8, 2020**

Introduction to Remote Meeting:

Adam Denlinger, General Manager, explained that this board meeting is being conducted remotely in order to mitigate the transmission of the novel coronavirus and reduce the risk of COVID-19 illness in accordance with Governor Brown's Executive Order 20-12 to suspend all public gatherings. He further explained that the Board President will call each name to confirm those who are present. After each person hears their name, they need to reply. For each decision item in 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 name, he or she will give the vote to 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 4:03 p.m., Thursday, October 8, 2020.

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 Karen Otta, member; Commissioner Deanna Gravelle, Treasurer; Commissioner Sandra Mies-Grantham, Secretary; Commissioner Glen Morris, member; and President Rob Mills. Staff: Adam Denlinger, General Manager; Joy King, Office Manager; Atty. Jeff Hollen, District legal counsel.

Excused Absences: None

Announcements/Public Comments:

President Rob Mills asked if there are any announcements. Commissioner Glen Morris replied NO; Commissioner Karen Otta replied NO; Commissioner Deanna Gravelle replied NO; Commissioner Sandra Mies-Grantham replied NO; Office Manager Joy King replied NO; General Manager Adam Denlinger replied NO; President Rob Mills had NO announcement.

Consent Calendar:

Items on the consent calendar are Invoice List for September/October 2020; September 10, 2020 minutes of the regular board meeting; September/October 2020 Financial Report; Business Oregon IFA Disbursement Request No. 24; USDA Phase IV PMR No. 4; Contractor's Pay Request No. 4; and General Manager's Report. President Rob Mills asked if each commissioner has reviewed the items on the consent calendar. Commissioner Glen Morris answered YES, Commissioner Karen Otta answered YES; Commissioner Deanna Gravelle answered YES; Commissioner Sandra Mies-Grantham answered YES; President Rob Mills answered YES. Commissioner Karen Otta motioned to approve the consent calendar. Commissioner Glen Morris seconded the motion. President Rob Mills commented on line 61 of the minutes and requested to replace the word "start" with "continue" which the Board agreed. Joy King will make the change. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES; Commissioner Sandra Mies-Grantham voted YES, and President Rob Mills voted YES. Motion carried 5-0.

Discussion and Information Items:

Source Water Project Update:

The project is going along nicely. The contractor is focusing on completing the intake before or on October 15 when the in-water-work permit will expire. The contractor's next focus is to complete the backfill before pulling the sheet pile and remove the cofferdam which will complete the in-water-work. The contractor also has started laying the pipe in Makai starting at the water treatment plant location. Things are going well and all in compliance with regulations.

Decision Items:

The GM found out that there is an available grant from the state level when he attended the SDAO board meeting. SDAO staff worked very hard for the state to make grants from the CARES ACT available to Special Districts. This is a pass-through grant from the Federal level to the State then to local agencies. The total amount of federal award committed to Grantee by the agency is \$250,000 under the Federal award project Coronavirus Relief Fund (CRF) by the US Department of Treasury. The GM asked Trish Karlsen, SRWD bookkeeper to look into the CRF grant and see what the District would qualify for. Trish shared that in her research she found out that the District qualifies for the CRF grant for teleworking items and cleaning/disinfecting products. Since the coronavirus pandemic, administrative employees work from home and use ZOOM technology for meetings and trainings. The monthly board meeting has also been through ZOOM. Some of the items that the District qualifies for are laptops for working from home, iPads for board meetings, office furniture, and small office equipment with the total amount of \$20,221.09. (Please see complete list attached). Some of the items have already been purchased before applying for the CRF grant and will be reimbursed when the District receives the funds. Trish has done an

64 excellent job of researching what the District qualifies for. The CRF grant doesn't include reimbursement for uncollected
65 revenue. The State of Oregon Grant Agreement needs to be approved. Commissioner Glen Morris motioned to authorize
66 the District to execute an agreement with the State of Oregon, Department of Administrative Services to receive CARES Act
67 CRF Grant and authorize the General Manager to execute the agreement. Commissioner Karen Otta seconded the motion.
68 President Rob Mills asked each commissioner for their votes. Commissioner Glen Morris voted YES; Commissioner Karen
69 Otta voted YES; Commissioner Deanna Gravelle voted YES; Commissioner Saudra Mies-Grantham voted YES, and
70 President Rob Mills voted YES. Motion carried 5-0.

71
72 **Wholesale Water Purchased Agreement:**

73 President Rob Mills and GM, Adam Denlinger discussed with the Board the result of their final meeting with Toledo City
74 Mayor, Rod Cross, and CM, Judy Richter regarding their discussion of the short-term water purchase agreement.
75 Consideration for the continued purchase of water through December 31, 2021, includes a monthly base rate of \$5,686.29;
76 \$4.75/1,000 gallons for the first 8,000 gallons; \$5.25/1,000 gallons for the next 6,000 gallons and \$6.00 /1,000 gallons
77 thereafter; \$81,587.15 retroactive payment as a one-time payment due at the time of signing; and \$117,354.33 for minor
78 capital improvements from fiscal year 2017 through fiscal year 2020. \$44,854.33 is due upon signing and \$72,500 due by
79 July 30, 2021. Before the board is a draft Water Purchase Agreement which was presented to the City Council of the City of
80 Toledo. It is a 14-month agreement beginning November 1, 2020, until the project is completed and an option to extend for
81 another year if needed. One condition also is for the District not to profit from the sale of water to the City of Newport. It is
82 the common practice of the District when the City of Newport needs water in an emergency situation the District charges
83 the City what the City of Toledo charges the District plus an administrative fee. Commissioner Karen Otta motioned to
84 approve the Water Purchase Agreement with the City of Toledo. Commissioner Sandra Mies-Grantham seconded the
85 motion. Discussion on the process of the negotiation ensued. Both the City of Toledo and the District didn't have the
86 opportunity to review the draft agreement but the 2020 agreement drafted by the City of Toledo legal counsel is almost the
87 same as the 2012 Water Purchase Agreement. President Rob Mills asked each commissioner for their votes.
88 Commissioner Glen Morris abstained from voting; Commissioner Sandra Mies-Grantham abstained from voting;
89 Commissioner Deanna Gravelle voted YES, Commissioner Karen Otta voted YES, President Rob Mills voted YES. After
90 reconsideration Commissioner Glen Morris voted YES. Motion passed with 4 YES votes and 1 abstained from voting.

91
92 **Municipal Auditor Engagement Letter:**

93 Staff received an Engagement Letter from Signe Grimstad outlining the audit objectives, audit procedures, management
94 responsibilities, and engagement administration. Commissioner Glen Morris motioned to accept and approve the municipal
95 auditor engagement letter. Commissioner Karen Otta seconded the motion. President Rob Mills asked for the vote of each
96 commissioner. Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna
97 Gravelle voted YES; Commissioner Saudra Mies-Grantham voted YES, and President Rob Mills voted YES. Motion carried
98 5-0.
99

100 **Reports, Comments, and Correspondence:**

101 The General Manager Annual Performance Evaluation Package has been given to each Board member for their review and
102 the completed Evaluation is due on December 10. The GM will email an electronic copy of the Performance Evaluation to
103 each commissioner.
104

105 **Employee Appreciation Luncheon:**

106 The annual Board/Employee Luncheon will be on Thursday, November 12 at 12:00 p.m. and the regular Board meeting will
107 follow at 2:00 p.m. The GM discussed that because of the coronavirus pandemic the annual Board/Employee Luncheon
108 should be held in a place where social distancing protocol could be followed. Staff will look into hosting it at the Garden
109 Club or the Shop facility. The food will be ordered from Georgie's Restaurant and menus will be available a few days ahead
110 for those who will attend to choose food from the menu. At the time of the luncheon, John Garcia will be given a plaque in
111 recognition of his contribution to the District during his 20 years of service as President of the SRWD Board of
112 Commissioners. Also to acknowledge the retirement of Dave Anderson. Commissioner Karen Otta offered her home as the
113 venue for the luncheon. The GM will coordinate this with staff and commissioner Karen Otta.
114

115 **Recessed Regular Meeting & Call Executive Session to Order:**

116 President Rob Mills recessed the regular board meeting at 5:24 p.m. and called an executive session to order.
117 The SRWD Board will now meet in Executive Session, pursuant to ORS 192.660(2)(h); To consult with legal counsel
118 concerning the legal rights and duties of a public body with regards to current litigation or litigation likely to be filed.
119 Representatives of the news media and designated staff shall be allowed to attend the executive session. All other
120 members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to
121 report on any of the deliberations. No final decisions shall be made in Executive Session.
122

123 **Adjourned Executive Session and Reconvened Regular Board Meeting:**

124 President Rob Mills adjourned the executive session at 6:07 p.m. and reconvened the regular board meeting.
125 Commissioner Sandra Mies-Grantham motioned to authorize the GM, Adam Denlinger, with legal counsel attend the
126 mediation and to enter into a negotiation regarding easement issues contingent upon Board approval. Commissioner Karen

127 Otta seconded the motion. President Rob Mills asked each commissioner for their vote. Commissioner Deanna Gravelle
128 voted YES, Commissioner Karen Otta voted YES, Commissioner Sandra Mies-Grantham voted YES, Commissioner Glen
129 Morris was dropped off from the Zoom meeting because of computer issues, but he sent an email letting the Board know
130 that he supports and agrees with the Board's decision; Rob Mills voted YES. Motion passed 5 – 0.

131
132 **Adjournment:** President Rob Mills adjourned the meeting at 6:13 p.m.

133
134 **Next Board Meeting:** November 12, 2020, at 12:00 p.m. Board/Employee Luncheon and Regular Board
135 Meeting at 2:00 p.m.

136
137
138
139
140
141
142
143

144 _____
145 Approved by Board President

Date:

146