SEAL ROCK WATER DISTRICT

 MINUTES OF THE

Regular Board Meeting

June 14, 2018

Call Regular

Board Meeting: Commissioner Glen Morris called the regular board meeting to order at 4:02 p.m., Thursday, June 14, 2018.

Present: Commissioner Glen Morris, Treasurer; Commissioner Saundra Mies-Grantham, Secretary; and Commissioner Karen Otta, member. Staff: Adam Denlinger, General Manager; Joy King, Office Manager. See sign in sheet for public attendance.

Excused Absences: President John Garcia, and Commissioner Rob Mills.

Announcements: None

Public Comments: David Young commented that he received a diagram of the proposed building and electrical location of the intake on his property at Beaver Creek from the engineer. He was very appreciative of the inter-action he had with staff, lawyer, surveyor and engineer when they toured the intake site and addressed his concerns.

Agenda Calendar: Items on the consent calendar are Invoice Lists for May/June 2018;

 April 12, 2018 Board meeting minutes; April 19, 2018 Budget Committee Meeting Minutes; May 10, 2018 Board meeting minutes; May/June Financial Report/Invoices to approve; AMI Project Contractor’s Payment Application No. 6; USDA Phase 3- Project Monitoring Report No. 32; General Manager’s Report.

Commissioner Saundra Mies-Grantham motioned to approve the consent calendar, except the April 19 Budget Committee Meeting minutes and May 10, 2018 board meeting minutes. This exception is noted as there’s no majority to approve each minutes of the meeting. Motion was seconded by Commissioner Karen Otta. Motion carried 3-0.

Discussion and

Information Items:

Primary Source Water

Project Update:

Water Pipeline Route: The District is looking into placing the raw water line from the intake along Beaver Creek Road, up through the Tysman’s property and up to the proposed water treatment facility located above the Makai subdivision. Staff recently learned that route is also in a conservation easement which could be too restrictive to allow the District’s raw water line to go through. The Wetland Conservancy wants to have a copy of the project final design to review but they don’t guarantee they will approve a conservation easement. The District can’t afford to engineer two routes so staff and consultants are considering another route to avoid the conservation lands and work with the surveyor to access the proposed treatment site through the Makai Subdivision. This route is through the Tysman’s access road, through a parcel of private land in Makai, to Kona Street, to Estate Drive and to the proposed treatment site. Staff has contacted the property owner who is living out of state and she has no problem granting the District access through her property as long as it will not pose any problem when she is ready to develop the land. There are also big trees that the Tymans don’t want to be cut down in order to avoid seeing the Makai Subdivision from their house. This final route could cost more than the first route due to extra length of pipes and open road restorations but considered as the best route to avoid the conservation easement.

Biological

Assessment: Environmental consultants have provided a draft Biological Assessment of the Beaver Creek Source Water Project to National Marine and Fisheries Service (NMFS) early March 2018 and again in May 2018 reflecting revision to meet NMFS’s concerns. Dialogue continues between the environmental consultants and NMFS to finalize details of the Beaver Creek Biological Assessment. NMFS representatives, Ken Pippen and Jennie Franks would like the District to set a date for an on-site visit to Beaver Creek. The two main concerns of NMFS are the loss of habitat and temperature of the water. Environmental consultants’ theory is that the bathtub effect of the stream is sufficient to allow surface water elevation to act as a surrogate for aquatic habitat. If it is not sufficient NMFS might require 7 to 10 channel cross sections to prove the theory.

 There is not enough available temperature data on Beaver Creek, but as a condition of the District’s water permit, staff has been gathering temperature data and report that to DEQ. Jennie Franks feels long term temperature monitoring and reporting them to NOAA and DEQ would be helpful. The District’s environmental consultants are feeling positive for the willingness of the representatives of NMFS to have an open communication to discuss the draft BA.

Decision Items:

Phase IV Final Design: Craig Massie from Jacobs Engineering (CH2M) explained that the system cannot be designed without knowing what type of membrane will be used. There are two types of membrane – pressure membrane and submerged membrane and there are 3 primary vendors who would qualify to respond to the membrane procurement process. Consultants are continuing to test the water to determine what type of membrane will work best to treat the water from Beaver Creek. Once the type of membrane is determined then the engineer can continue with the detail design of the system and the Membrane Procurement Request for Proposal (RFP). The District will have to pay around $30K-$40K to order the membrane, the bulk of the cost will be paid when its delivered and the balance will be paid when the membrane is installed, tested and working. The funding for the engineering design and the membrane procurement will come from Business Oregon IFA, which is a reimbursement process. District will have to pay for the monthly invoices and submit them to IFA for reimbursement. The cost for the engineering design is $895K. IFA asked to include Contract Language Clause with the Professional Service Contract with Jacobs Engineering (CH2M) which is added as an Attachment A to the contract. Commissioner Saundra Mies-Grantham motioned to approve and authorize Jacobs Engineering to begin final design and pre-purchase of membrane equipment. Motion seconded by commissioner Karen Otta. Motion carried 3-0.

Budget Resolution

No. 0618-01: Motion by Commissioner Karen Otta to approve Resolution No. 0618-01, a resolution adopting the 2018-19 Budget in the total amount of $19,345,748; a resolution making appropriations beginning July 1, 2018; a resolution imposing the tax within the District beginning July 1, 2018 at a permanent rate of $.1259 per $1,000 of assessed value for General Fund operations and in the amount of $770,300 for debt service on the General Obligation Bonds; and a resolution categorizing the tax as permanent tax rate $.1259/$1,000 subject to the General Government Limitations and for General Obligation Bond Debt Service $770,300 as excluded from Limitations. Motion seconded by Commissioner Saundra Mies-Grantham. Motion carried 3-0.

Budget Transfer

Resolution

No. 0618-02: Commissioner Saundra Mies-Grantham motioned to approve Resolution No. 1618-02 To transfer money between appropriation categories in the General Fund . Motion seconded by commissioner Karen Otta. Motion carried 3-0.

Reports & Comments: Staff sent a letter to Senator Ron Wyden regarding Rescission Proposal H.R. 3 in support of USDA-RUS. This is a proposal by the Federal Government to take back unobligated budget balances from different federal agencies.

 The Consumer Confidence Report (CCR) has been completed and will be posted to the website. Notices will also go out to customers where and how to access the CCR on the District’s website.

 Legal Counsel is requesting that the fee per hour for general legal counsel ($125 per hour) be the same as the capital projects legal fee which is $150 per hour.

 There will be an Oregon Coastal Caucus on August 22-23 at the Chinook Winds Casino & Resort in Lincoln City.

Adjournment: Commissioner Glen Morris adjourned the meeting at 5:00 p.m.

Next Board Meeting: July 12, 2018 at 4:00 p.m. Regular Board Meeting.

###### Approved by Secretary Date