

**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Regular Board Meeting  
January 11, 2018**

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7 Call Regular

8 Board Meeting: Board President John Garcia called the regular board meeting to order at 4:00 p.m.,  
9 Thursday, January 11, 2018.

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11 Present: John Garcia, Board President; Sandra Mies-Grantham, Secretary; Rob Mills, Member;  
12 Karen Otta, Member. Staff: Adam Denlinger, General Manager; Trish Karlsen, Bookkeeper.  
13 See sign in sheet for public attendance.  
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15 Excused Absences: Commissioner Glen Morris; Office Manager Joy King

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17 Announcements: None

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19 Public Comments: None

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21 Agenda Calendar: Items on the consent calendar are Invoice Lists for December 2017/January 2018; minutes of  
22 December 14, 2017 regular board meeting; December 2017/January 2018 Financial  
23 Report/Invoices to approve; USDA Phase 3- Project Monitoring Report No. 27; General  
24 Manager's Report. Commissioner Mies-Grantham motioned to approve the consent calendar  
25 not including the minutes since Commissioners Mies-Grantham & Otta were not present at  
26 the December 14, 2017 board meeting. Motion Seconded by Commissioner Otta. Motion  
27 carried 4-0.

28 Discussion and  
29 Information Items:  
30 Primary Source Water  
31 Project Update:

32 Funding: IFA/USDA: The General Manager presented a letter to the Board that he received from Business Oregon  
33 IFA describing that the district is going to receive a portion of the funding for Phase 4 Beaver  
34 Creek Source Water project. The funding agreement includes a loan for \$2.451M at 1% for  
35 30 years and a grant for \$1.030M. The funding agreement is expected by the end of the  
36 month. The District will be receiving the remaining financing for the project as a part of our  
37 USDA-RD funding package. USDA-RD has set aside the remainder of the financing for this  
38 project, which is a total of \$9,049,000. Their commitment right now is a \$6.549M loan and  
39 \$2.5M grant. The General Manager also informed the board that the USDA-RD Project  
40 Application is approved and currently in underwriting pending approval of the Letter of  
41 Conditions.  
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43 Wetlands Delineation: Wetlands delineation is complete and ready for submittal to the Department of State Lands.  
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45 Makai Tank  
46 Demolition:

The Makai tank was demolished by District crews using specialized equipment over a course  
of 3 days. This was an opportunity to optimize our workforces to save money on the project.

47  
48 Recessed Regular  
49 Meeting/

50 Executive Session: Garcia recessed regular meeting at 4:22 p.m. and called an executive session per ORS  
51 192.660(2)(h) to consult with the District attorney regarding legal rights and duties in regard  
52 to current litigation or litigation that is more likely than not to be filed.  
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54 Reconvened Regular  
55 Meeting:

Commissioner Garcia adjourned the executive session and reconvened the regular meeting  
at 4:52 p.m. The Board went into executive session to discuss a proposed increase by our  
water supplier, the City of Toledo, in which the City failed to meet certain conditions of our  
current contract. After review and discussion, it was the consensus of the Board to direct the  
District's Attorney, Jeff Hollen, to draft a letter to the City of Toledo's attorney that would  
stipulate that the District will accept the proposed rate increase for purchased water but future  
increases must meet conditions of the contract. Commissioner Garcia motioned for the  
District's attorney Jeff Hollen to draft the letter. Commissioner Mills seconded the motion.  
Motion carried 4-0.  
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65 Decision Items:  
66 Leak Relief Request: Brendi Hargrove, Utility Billing Clerk, presented to the board a letter from a customer, Laura  
67 Lively, requesting relief on a large water bill that she received due to high usage. It was the  
68 consensus of the Board to approve a One-time Leak Adjustment for the customer. Brendi will  
69 work the adjustment up and send it to the customer for her signature before credit can be  
70 applied to her account.  
71 Rescheduling of  
72 February Board  
73 Meeting: To allow board members and staff to attend the SDAO Annual Conference in Seaside, the  
74 board agreed to reschedule the February board meeting to the 15<sup>th</sup>.  
75 2018/2019 Budget  
76 Calendar: The proposed budget calendar was reviewed. Commissioner Otta motioned to approve the  
77 proposed budget calendar. Commissioner Mies-Grantham seconded the motion. Motion  
78 carried 4-0.  
79 2018/2019 Budget  
80 Officer: Commissioner Otta motioned to appoint General Manager, Adam Denlinger as the Budget  
81 Officer for the 2018/2019 Budget Session. Commissioner Mies-Grantham seconded the  
82 motion. Motion carried 4-0.  
83 SDIS Safety &  
84 Security  
85 Matching Grant: The District was awarded a matching grant from SDAO in order to purchase a garage door  
86 for Lost Creek tank site shed building & board room chairs.  
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88 Next Board Meeting: February 15, 2018 at 4:00 p.m. Regular Board Meeting.  
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90 Adjournment: Motion by Commissioner Otta to adjourn meeting. Commissioner Mies-Grantham seconded  
91 the motion. Commissioner Garcia adjourned the meeting at 5:14 p.m.  
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102 Approved by Secretary

Date

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