

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
by Zoom Conference Call and In Person
November 9, 2023**

Introduction to Remote Meeting:

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

Present:

Present on the Zoom Conference Call was Commissioner Sandra Mies-Grantham, Member. Present in person in the Board room were Commissioner Rob Mills, Board President, and Commissioner Karen Otta, Treasurer. Commissioner Glen Morris, Member (he joined the meeting at 4:10 p.m.). Commissioner Paul Highfill, Member (he joined the meeting at 4:23 p.m.). Attorney Jeff Hollen, Legal Counsel. Staff: Adam Denlinger, General Manager; Trish Karlsen, Bookkeeper; Brad Wynn, Senior Operator.

Excused Absences: None

Call Regular Meeting to Order:

President Rob Mills called the regular board meeting to order at 4:00 p.m., Thursday, November 9, 2023, and introduced the commissioners and staff present in the board room. Members of the public in attendance in person were Mary Cutting, Rebecca Austen, Nancy McCarty, and TiAnne Rios. Present on Zoom were Rebecca Baker and Barbara Davis.

Announcements/Public Comments:

President Rob Mills asked if there were any announcements. Commissioner Sandra-Mies Grantham had no announcement; Commissioner Glen Morris had no announcement; Commissioner Karen Otta had no announcement; General Manager, Adam Denlinger had no announcement; Joy King-Cortes, Office/Finance Manager had no announcement; Trish Karlsen, Bookkeeper had no announcement. Attorney Jeff Hollen had no announcement; President Rob Mills had no announcement.

Public Comments:

Members of the public present in the Board room were Mary Cutting, Rebecca Austin, Nancy McCarty, and TiAnne Rios. Those present on the Zoom Conference Call were Rebecca Baker and Barbara Davis. President Rob Mills asked if members of the public had any comments to be part of the public record of the meeting. He explained that these would be comments and not questions or discussion. Those attending on Zoom, Rebecca Baker, and Barbara Davis, had no comments. Nancy McCarty present in the Board room commented that she had heard that the water SRWD is serving its customers now is coming from the City of Newport. If that is true, she is wondering why the customers have not been notified. The GM, Adam Denlinger asked her to leave her contact information for him to call her to answer her question. Adam Denlinger, GM explained that Mary Cutting and Rebecca Austen requested to do a presentation on emergency containers for the Makai Subdivision residents.

Consent Calendar:

Items on the consent calendar are the October/November 2023 Invoices List for approval; October 12, 2023, Regular Board Meeting minutes; October/November 2023 Financial Report; and General Manager's Monthly Report. President Rob Mills asked if each commissioner reviewed the consent calendar items. Commissioner Glen Morris answered YES; Commissioner Sandra Mies-Grantham answered YES; Commissioner Karen Otta answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Sandra Mies-Grantham seconded the motion. The motion was passed 3 – 0. Commissioner Karen Otta abstained from voting since was not present at the October 12, Regular Board Meeting. Commissioner Highfill arrived after the consent calendar was approved.

Discussion and Information Items:

Presentation about the Installation of Emergency Container on District Right-of-Way:

Adam Denlinger, GM introduced Mary Cutting and Rebecca Austen from the Makai Subdivision. Mary Cutting shared that she had been discussing with Adam Denlinger regarding their plan of putting together emergency supplies for the Makai residents in case of a catastrophic event. She and Rebecca Austen are in the beginning stage of putting together emergency supplies in a 20x80 container for the 160 homes with approximately three hundred people in Makai. The Lincoln County School District has a container full of emergency supplies at each school in Lincoln County and already has a written plan. They have also contacted the Seal Rock Fire Department (SRFD) and the fire chief has given them valuable information and is willing to buy the insurance for the container with emergency supplies. The South Lincoln

63 County Emergency Response is willing to be the fiscal agent for the Makai emergency supplies container. It was
64 discussed the importance of having a written plan as a guide as to how and when to access the container. Mary Cutting
65 explained that they are in the beginning phase of the project and before they can proceed, they would like to know if the
66 Makai Community can place the emergency supplies container on the district's property by the Water Treatment Plant.
67 Atty Jeff Hollen mentioned that the easement to the WTP is wider than the road. The container will be located outside the
68 gate of the WTP and can be accessed easily when needed. Although the road easement agreement doesn't provide that
69 the district could place a container on the easement, the owner might agree to it if approached by the Makai Community.
70 This discussion will continue during the regular board meeting on December 14. Adam Denlinger will look into the
71 easement agreement and will find out from other agencies who already have the emergency container in place and ask
72 for copies of agreements and MOUs. This item will be added to the agenda for the December 14, regular board meeting
73 for further discussion.
74

75 TiAnne Rios asked if Adam received an email from John French requesting for a meeting. Adam has received that email
76 and will schedule to meet with John French and other members of the No Spray on Beaver Creek group. She also
77 commented that the community has done a good job in working together to change the aerial spray to ground spray. The
78 Department of Forestry and Department of Agriculture representatives were present during the ground spraying to
79 supervise. She thanked the district for the support. She also wanted to know if the source water has been diverted to
80 another source now that there is plenty of rain.
81

82 **Primary Source Water Project Update:**

83 The unusually high sea swells had impacted the raw water quality due to increased levels of salinity and organics. The
84 district used our secondary emergency water supply from the City of Newport up until the beginning of this week. On
85 Monday, November 6 the WTP operators made the transition back to the Beaver Creek system. The district's secondary
86 water supply comes from the City of Newport and the City of Toledo and are registered with the Oregon Health Authority
87 (OHA). For this reason, the district has no obligation to notify the public when the source water is switched to either
88 source for emergency use.
89

90 During the period of time the plant was offline, water treatment operators continued working with the contractor to
91 complete the final warranty work identified during the 11-month warranty walkthrough and responding to routine water
92 treatment plant maintenance. The contractor has successfully completed several punch list or warranty-work items
93 identified by the engineer.
94

95 The district recently received a pay application (final) from the contractor, however, the engineer was not able to approve
96 the application due to final punch list items not being completed such as the concrete flooring in the Membrane Building,
97 Extended warranty on the servers, O&M Equipment submittals, special guarantees and approved O&M's are subject to
98 final completion. The EJCDC outlines the contractor needs to follow the contract before the engineer can approve the pay
99 request.
100

101 **Decision Items:**

102 **Scope of Work to Perform a Water Master Plan Update:**

103 The district's 2010 Water Master Plan (WMP) needs to be updated now that the district has transitioned from a water
104 distribution system only to a water treatment and water distribution system. Most of the capital improvements listed in the
105 2010 WMP had been completed. The district population has increased from 4,050 in 2010 to 6,000 and service
106 connections have increased from 2,400 in 2010 to 2,600 and the district is now operating a microfiltration membrane.
107 Jacobs Engineering, the district's Engineer of Record, submitted the Scope of Work to provide the Water Master Plan
108 Update. Some of the major project tasks to be included in the Water Master Plan Update are the Water Demand Analysis,
109 Improvement Needs, Regulatory Environment, Capital Improvement Plan, Financing and Rate Analysis, and Seismic
110 Evaluation. The cost for the WMP update is \$206,730 which qualifies for 100% SDC funding. Available funds in the SDC
111 Reserve account are \$486,522.50. Commissioner Karen Otta motioned to approve the Scope of Work submitted by
112 Jacobs Engineering to provide a Water Master Plan Update to begin in January 2024. Commissioner Glen Morris
113 seconded the motion. The motion was passed 5-0.
114

115 **Closing the Operations Facility Bank Accounts:**

116 The Board passed Resolution No. 0403-02 on April 17, 2003 (extended by Resolution 0416-01 on April 21, 2016) with the
117 purpose of establishing a reserve fund to set aside money to purchase a piece of land where to build an office and shop
118 facilities. The district opened an Operations Facility checking account with Umpqua Bank and Local Government
119 Investment Pool (LGIP) with the Oregon State Treasury. The district was able to purchase the land for \$210K. USDA
120 approved a loan of \$1.505M and a grant of \$407K to fund the building of the operations and shop facilities and considered
121 the \$210K as the district contribution. During the April 10, 2022, Budget Committee Meeting it was discussed that the
122 purpose of the Office and Shop Reserve Fund had been accomplished and it was decided to close the reserve fund and
123 transfer the money to the General Fund. The staff asked for approval from the board to close the Operations Facility
124 Checking Account from Umpqua Bank and close the Operations Facility LGIP Account from the Oregon State Treasury

125 and transfer the balance to the General Fund. As of Oct 30, 2023, the balance was \$125,035.57. Commissioner Karen
126 Otta motioned to close the Operations Facility Checking Account from Umpqua Bank and to close the Operations Facility
127 LGIP Account from the Oregon State Treasury and transfer the balance to the General Fund. Commissioner Paul Highfill
128 second the motion. The motion was passed 5 – 0.
129

130 **Reports, Comments, Correspondence:**

131 The district office will be closed on November 10 in observance of Veterans Day. The GM will participate and present at
132 the Oregon Legislators Water Caucus Tour on November 14. The GM will be out of the office on November 15-17 and
133 December 15 returning on January 2. He will be serving on the grand jury on Tuesday/Thursday throughout the months of
134 November and December. The employee luncheon is on December 14 at 12 p.m. and will be followed by the December
135 regular board meeting at 2:00 p.m.
136

137 **Recessed Regular Session to go into Executive Session:**

138 President Rob Mills recessed the regular session at 5:00 p.m. to go into Executive Session, pursuant to ORS
139 192.660(2)(h); To consult with legal counsel concerning the legal rights and duties of a public body regarding current
140 litigation or litigation likely to be filed. Representatives of the news media and designated staff shall be allowed to attend
141 the executive session. All other members of the audience were asked to leave the room and sign off from Zoom.
142 Representatives of the news media are specifically directed not to report on any of the deliberations. No final decisions
143 shall be made in the Executive Session.
144

145 **Reconvened Regular Board Meeting:**

146 President Rob Mills adjourned the Executive Session and reconvened the Regular Board Meeting at 5:58 p.m.
147 Commissioner Karen Otta motioned to authorize the district to enter into arbitration with the amended stipulation identified
148 as Stipulation to Arbitration Issues 2. Commissioner Paul Highfill seconded the motion. The motion was passed 4-0.
149 Commissioner Glen Morris had to leave the meeting before the motion and was not able to cast his vote.
150

151 **Adjournment:** Commissioner Karen Otta motioned to adjourn the meeting. Commissioner Paul Highfill seconded the
152 motion. President Rob Mills adjourned the meeting at 5:58 p.m.
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154 **Next Board Meeting:** December 14, 2023, at 2:00 p.m. Regular Board Meeting.
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Approved by Board President

_____ Date: