

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
REGULAR BOARD MEETING
December 11, 2014**

1
2
3
4
5
6 Call Regular

7 Board Meeting: Board President John Garcia called the regular board meeting to order at 2:03 p.m.,
8 Thursday, December 11, 2014.
9

10 Present: John Garcia, Board President; Glen Morris, Treasurer; Rob Mills, Member; John Filbert,
11 Member; Staff: Adam Denlinger, General Manager; Joy S King, Office Manager. See sign
12 in sheet for public attendance.
13

14 Excused Absences: Sandra Mies-Grantham, Secretary
15

16 Announcements: Glen Morris announced he'll be out of town during the January Board Meeting. Adam
17 Denlinger announced he has more information not included in the GM Report. He will give
18 a verbal report.
19

20 Public Comments: None
21

22 Consent Calendar: Items on the consent calendar are Invoice lists, minutes of the Nov. 13, 2014 board
23 meeting, Financial Report, Project Monitoring Report, General Manager's Report. Rob
24 Mills announced he was not present at the Nov 13, 2014 Board meeting. His name should
25 be moved from Present to Excused Absence. The minutes was corrected. Morris
26 motioned to approve the consent calendar as corrected. It was seconded by Filbert.
27 Motion carried 4 – 0.
28

29 City of Newport
30 CSA Withdrawal:

The City of Newport is in the process of withdrawing the properties included in the CSA which are located within the City boundary. An ordinance drafted by the City effective July 15 was reviewed by Jeff Hollen. It didn't include the metes and bounds description as contained in the Amended IGA. Recommended changes have been forwarded to the City of Newport. Adam Denlinger will work with the City and the County Assessor's Office to complete the withdrawal process.

37 SDAO Safety Grant: The District received approval from SDAO Safety and Security Matching Grant for \$3,000.
38 The District's share will be \$3,000. The \$6,000 is to purchase 8 reflective traffic signs and
39 aluminum trench shoring system needed to protect operators when maintaining system
40 components that have to be accessed by excavation.

41 Discussion and
42 Information Items:
43 Phase 3 Improvements
44 Update:
45 Source Water
46 Feasibility Study:

The GM will put together a flow chart to outline the time frame of the Source Water Project. The result of the Feasibility Study in draft form will be available in January for the Board to review and to see what water source should be pursued further. By February the final copy would be available for Board approval. The approved copy will be used for engineering and application for SB 829 grant. The state is looking for collaborative work that would benefit the community. There was a meeting on Dec. 8 attended by state local agencies along with special interest groups to discuss the Source Water Reconnaissance Level Feasibility Study. It was a good meeting with good dialogue. The GM will meet with each individual to discuss their specific comments.

55 SRWD/Newport
56 Intertie: FEMA &
57 IFA Grant Funding:

The SRWD/Newport Intertie Project is out to bid. Bid opening is scheduled for Dec 18, 2014 at 2:30 pm. The original scope of services submitted by the engineer was for design only and didn't include bid support, construction management, inspection, and project close out. The original cost estimate was \$628,668 which was submitted to FEMA and IFA. The engineer's updated estimate including contingency is \$814K.

62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121

Toledo Shared Improvements: The GM received notice from the City of Toledo that the whole sale price per 1,000 gallons will increase from \$3.30 to \$3.41 an \$.11 increase or 3%. The GM attended the Toledo Council Meeting and voiced his concern that the rate increase is above the national average plus the District pays 50% share of capital costs. The wholesale rate will take effect beginning January 1, 2015. The District also received a statement with invoices attached for capital cost from October 1 thru Dec 10, 2014 totaling \$589,819.67. The GM met with the COT City Manager and discussed that the current contract needs refinement.

Reports, Comments, and Correspondence:

Reactivation of LGIP: It was the consensus of the Board to reactivate the SRWD account with Oregon State Treasury. John Garcia, Board President signed the reactivation request.

Notice from Lincoln County: The notice is an Amendment of the Lincoln County Enterprise Zone Boundaries affecting the South Beach area.

Letter from SDAO: SDAO is funding an Oregon Supreme Court appeal of a recent Court Appeals decision that has introduced a new uncertainty regarding the protections from intergovernmental taxation that special districts typically enjoy. SDAO is asking the SRWD to consider voluntarily contributing financially to the Supreme Court appeal. It was the consensus of the Board to support this since the result affects the district. Staff needs to contact SDIS to find out what is the proportionate share of contribution a small district should be.

Audit Report: Copies of the audited financial statements are available in the office. King will send copies to entities that have requested audited financial statements and post the report in EMMA (Electronic Municipal Market Access) through MSRB (Municipal Securities Rulemaking Board) to comply with the continuing disclosure requirements of the 2012 and 2013 General Obligation Bonds issues.

GM Performance Evaluation: The GM requested to have his performance evaluation in an open meeting. John Garcia received the evaluation form from each board member. He went over the evaluation with Glen Morris before the meeting. The floor was opened for each board member to verbalize their evaluation of the GM. John Filbert expressed that he is happy with the GM's performance. The GM is extremely professional, has good ideas and generates ideas, extremely organized, knowledgeable of subjects and people in the community, analytical thinker, good listener, and builder of team of people. Glen Morris expressed that he agreed in all that was said. He asked the GM to prepare a perk chart for the source water project; to think outside the box and bring other ideas/alternates, and he likes how the GM listens to Board direction. Rob Mills expressed that he is grateful to have Adam Denlinger as the GM of SRWD and thankful for the synergy he brings to the employees. John Garcia expressed that the Board has developed a trust in running the District. Trust that they didn't have before and appreciates the GM for presenting or identifying problems and shortfalls so the board can make plans. It was the consensus of the board to reward the GM by giving him a step increase and a bonus of 1.5% of his annual salary.

Executive Session: No executive session.

Next Board Meeting: January 8, 2015 at 4:00 p.m.

Adjournment: Garcia adjourned the meeting at 4:00 pm.

Approved by Secretary

Date