

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS  
REGULAR BOARD MEETING  
BOARD INDEX OF AUDIOTAPE  
June 8, 2017**

**COMMISSIONERS PRESENT:**

Naomi Angier, President  
William "Bill" Blanas  
Hugh Kalani, Secretary  
David McNeel, Treasurer  
Larry Sowa

**STAFF PRESENT:**

Todd Heidgerken, General Manager  
Karin Holzgang, EA to Board  
Carol Bryck, Chief Financial Officer

CRW Employees: Bob George, Chief Engineer;  
Adora Campbell, Human Resources Generalist;  
Adam Bjornstedt, Principal Engineer; Rob  
Cummings, Water Resources Manager; Joe Eskew,  
Engineering Manager; Kham Keobounnam, IT  
Manager; Karen Sype, Sr. Finance and Accounting  
Specialist; Shelley Matthews, Sr. Finance and  
Accounting Specialist

**VISITORS:** Gary Kerr, Warren Mitchell, Sherry French, Paul Arpo, Jim Martin

**Call to Order**

Commissioner Angier called the meeting to order at 6:00 pm. The pledge of allegiance was recited.

**MOTION:** Commissioner McNeel moved to approve the agenda as written. Commissioner Blanas seconded the motion.

**MOTION CARRIED 5-0**

**Ayes:** Angier, Blanas, Kalani, McNeel, Sowa

**Nays:** None

**Abstentions:** None

**Public Comment:** None

**BUDGET HEARING**

**MOTION:** Commissioner Angier moved to open the budget hearing. Commissioner McNeel seconded the motion.

**MOTION CARRIED 5-0**

**Ayes:** Angier, Blanas, Kalani, McNeel, Sowa

**Nays:** None

**Abstentions:** None

The hearing of the Clackamas River Water Board of Commissioners, Clackamas County, Oregon will be called to order pursuant to ORS 192.640, 294.438 and 294.453, to allow members of the public an opportunity to testify regarding the CRW budget as approved by the Budget Committee on April 20, 2017 for the biennium July 1, 2017 to June 30, 2019. The budget hearing will be closed by board action and considered for approval on Agenda Item #1

Ms. Bryck shared that the budget that was approved by the budget committee has been modified slightly within categories but the overall budget total was unchanged by addition the reduction to the ending fund.

**Public Comment on Biennial 2017-2019 Budget:** Gary Kerr (chair of the budget committee) shared that he appreciated the budget document and the presentation made during the budget committee meeting.

### **Budget Hearing Closed**

#### **Agenda Item 1.0 Adoption of Biennial Budget and Make Appropriations for the 2017-2019 Biennium**

**MOTION:** Commissioner McNeel move to approve Resolution No. 11-2017, adopting the budget and making appropriations for the 2017-2019 biennium. Commissioner Kalani seconded the motion.

**MOTION CARRIED 4-1**

**Ayes:** Angier, Blanas, Kalani, McNeel  
**Nays:** Sowa  
**Abstentions:**

#### **Agenda Item 2.0 Resolution No. 12-2017 Approve Utility Billing Bad Debt Write-off for FY 2016-17, Uncollectible Water Bills**

**MOTION:** Commissioner McNeel moved to approve Resolution No. 12-2017 Bad Debt Write-off for FY 2016-17, Uncollected Water Bills. Commissioner Kalani seconded the motion.

Ms. Bryck shared that the amount of write-off is larger than in past years, but is still less than 1%. The change is attributed to increased rates.

**MOTION CARRIED 5-0**

**Ayes:** Angier, Blanas, Kalani, McNeel, Sowa  
**Nays:**  
**Abstentions:**

**Agenda Item 3.0      Resolution No. 13-2017 Establishing Wholesale Water Rates Charged to Sunrise Water Authority**

**MOTION:**                      Commissioner McNeel moved to approve Resolution No. 13-2017 Establishing Wholesale Water Rates charged to Sunrise Water Authority effective July 1, 2017. Commissioner Kalani seconded the motion.

Ms. Bryck shared that the increase is slight and is just an adjustment for increased water production costs.

**MOTION CARRIED 5-0**

**Ayes:**                      Angier, Blanas, Kalani, McNeel, Sowa  
**Nays:**  
**Abstentions:**

**Agenda Item 4.0      Resolution 14-2017 2015-2017 Biennium Budget Appropriation Transfer**

**MOTION:**                      Commissioner McNeel moved to approve Resolution No. 14-2017 authorizing an appropriation transfer of \$461,300 from Unappropriated Ending Fund Balance to Interfund Transfers in the General Fund and increase Debt Service appropriation in the Revenue Bond Fund for the Biennium 2015-2017. Commissioner Kalani seconded the motion.

Ms. Bryck noted that when the budget was first approved there was not budgeting for the bond revenues. In the supplemental budget there was a calculation error for covering the interest payments for the bonds so this transfer will take care of the missed interest payment that was not accounted for when the supplemental budget was approved earlier in the year.

**MOTION CARRIED 4-1**

**Ayes:**                      Angier, Blanas, Kalani, McNeel  
**Nays:**                      Sowa  
**Abstentions:**

**Agenda Item 5.0      Acceptance of Staff Recommendation for Professional Auditing Services and approval of General Manager signing the Contract**

**MOTION:**                      Commissioner McNeel moved to approve the selection of Moss Adams, LLC for audit services for the year ended June 30, 2017 through fiscal year 2019 and authorize the General Manager to negotiate and sign the contract on behalf of the Clackamas River Water Board of Commissioners. Commissioner Kalani seconded the motion.

Ms. Bryck shared that there was a competitive process conducted in order to select an audit firm. The auditors do report to the Board, there were four firms that responded to the solicitation. The firms were scored based on established criteria in the solicitation and based on those rankings all three members of the review panel ranked the firms in the same order. Staff is recommending Moss Adams, LLP to be the CRW auditing firm.

**MOTION CARRIED 5-0**

**Ayes:** Angier, Blanas, Kalani, McNeel, Sowa  
**Nays:**  
**Abstentions:**

**Agenda Item 6.0 Project Acceptance: S. Leland Road Waterline Replacement, CIP 14-5179**

**MOTION:** Commissioner McNeel moved to approve the "Notice of Acceptance" for the S. Leland Road Waterline Replacement project establishing the project completion date as June 8, 2017 and authorize the General Manager's signature on said Notice of Acceptance. Commissioner Kalani seconded the motion.

Mr. Eskew shared with the Board the status of the completed project. Oregon Underground, Inc. completed the project worked to complete the project ahead of schedule and closeout was completed ahead of schedule. The last task is to accept the assets into our inventory.

Commissioner McNeel asked about the change order for this project and asked if there should be more work ahead of the project for the bidding purposes or to just "roll the dice" since the additional cost for exploration would not pencil out.

Commissioner McNeel voiced his concern that the change order was a 10% increase of the project cost and expressed concern that this could become more common with the number of individual Backbone Project and therefore increasing the overall cost of the project as a whole.

**MOTION CARRIED 4-1**

**Ayes:** Angier, Blanas, Kalani, McNeel  
**Nays:**  
**Abstentions:** Sowa

**Agenda Item 7.0 Resolution 15-2017- Endorsing Annexation of Territory into the jurisdictional Boundaries of Clackamas River Water- Property on S. Bradley Road- Tax Lot No. 22E25B TLID 00901**

**MOTION:** Commissioner McNeel moved to approve Resolution No. 15-2017 endorsing annexation of territory into the Jurisdictional Boundaries of Clackamas River Water for property located at TLID 22E25B Tax Lot 00901. Commissioner Kalani seconded the motion.

Mr. George shared that with this annexation there will be an additional CRW customer. The property owner requested a new service and that they will incur the costs of annexation and the costs of new service to their residence.

**MOTION CARRIED 5-0**

**Ayes:** Angier, Blanas, Kalani, McNeel, Sowa  
**Nays:**  
**Abstentions:**

**Consent Agenda**

CA-1: Gross Payroll and Account Paid for May 2017  
CA-2: Cash Position and Transfers May 2017

**MOTION:** Commissioner McNeel moved the CRW Board approve the Consent Agenda as presented. Commissioner Kalani seconded the motion.

**MOTION CARRIED 5-0**

**Ayes:** Angier, Blanas, Kalani, McNeel, Sowa  
**Nays:**  
**Abstentions:**

**Agenda Item 8.0 Management Report**

- **Regional Water Providers Consortium (RWPC)** – This meeting was held the night before and they celebrated their inception and shared a video on the history of the Consortium. Donn Bunyard of CRW was a part of the video. The Board officers were selected last night at the meeting. The group will be spending time on strategic planning this next FY.
- **Clackamas Regional Water Supply Commission** – The meeting started with an overview of the history of the commission and then presented a draft planning document that both the CRW and SWA Boards will have the opportunity to comment on and approve.
- **Government Finance Officers Association Award** – The district received this award again and the credit goes to Ms. Bryck and her staff for their work on presenting financial information.
- **Communications** – There will be a billing insert sent out with the June bills.
- **Looking Ahead** – June 27<sup>th</sup> (Tuesday) will be the night for the Board Work Session and Special Meeting. There will also be the swearing-in of

the Board members during the Special meeting. June 29<sup>th</sup> is scheduled for a community meeting at the 152<sup>nd</sup> Reservoir site, Board members will be receiving an invite to the meeting. August 8 will be a joint work session between CRW and Oregon City to review the joint engineering study along with the consultant, Murray Smith and Associates. Mr. Heidgerken will be out at the AWWA conference next week but available by phone and email. The Riverside Park restrooms have been re-opened for use.

**Agenda Item 10.0      Commissioner Reports and Reimbursement Requests**

**Public Comment:      None**

**Regular Meeting adjourned at 6:35**