

OTTER ROCK WATER DISTRICT
Draft **MEETING MINUTES**
(Pending Board Approval on October 15, 2019)
Board Meeting -September 10, 2019

A. Call to Order:

A Board Meeting of the Otter Rock Water District was held on September 10, 2019. The meeting convened at 6:02 p.m., with Commissioner Boston presiding.

B. Roll Call:

- Members In Attendance: Commissioners P. Anderson, Backenstow, Boston, Bradley and Gleason
- Staff Members Present: Office Manager Erskine, Superintendent Osburn (arrived late due to a leak in district)
- Public Attendance: Rebecca Lutz, Lisa Hall, Dale and Cheryl Powers, Joknee DeMott, Cheryl and Steve Hall, Jered Mangini (Oregon State Parks) and Gary Bowman

C. Consent Agenda:

• **Approval of Board and Budget Approval Meeting Minutes:**

- **MOTION:** Motion to approve the 8/13/19 and 9/4/19 meeting minutes of the Board was made by Commissioner Backenstow and seconded by Commissioner Gleason.

▪ Anderson	Yes	No	Abstain
▪ Backenstow	Yes	No	Abstain
▪ Boston	Yes	No	Abstain
▪ Bradley	Yes	No	Abstain
▪ Gleason	Yes	No	Abstain

D. Reports and announcements:

- **Superintendent's report**
- Chair Boston read Superintendent Osburn's report.
- Water tests for the month of August 2019 showed no bacteria (total Coliforms and E. Coli).
- More overflow than last year at this time.
- The community used 96,000 less water for the year ending in August 2019 than in August, 2018.
- New locking lids were fabricated and installed on both tanks and Spring 3.
- The district has not had to use spring 3 yet this season, still online
- On Jim's agenda for November is the state walk through for the required state survey of our whole system. A representative of the Oregon Health Department will be conducting the walk through.

- Last month Heath Cokely from S.D.A.O. did a preliminary walk through last month to help Osburn know what to update, Osburn is almost done with that. The district is hoping to get “excellent” status.
- Boston would like to wait to approve the Superintendents Report until Osburn is here to answer any questions or add any further information.
- Osburn came to meeting, read the report highlights again.
- **MOTION:** Commissioner Gleason made motion to approve, Commissioner Anderson seconded. Vote to accept Superintendents report:

▪ Anderson	Yes	No	Abstain
▪ Backenstow	Yes	No	Abstain
▪ Boston	Yes	No	Abstain
▪ Bradley	Yes	No	Abstain
▪ Gleason	Yes	No	Abstain

- **Office Management and Bookkeeping Report:**

- Regular work (accounts payable and receivable, customer communication etc.) for the month of August was normal.
- During the month of August, OM Erskine and Commissioner P. Anderson have been continuing the updating and streamlining of O.R.W.D.’s bookkeeping system.
- The internet was down for several days, this causes issues as only Quickbooks is accessible. Google drive is all online, the printer is wireless so cannot be used during that time.
- **MOTION:** Commissioner Gleason moved to approve Office Management and Bookkeeping report, Commissioner Backenstow seconded.

▪ Backenstow	Yes	No	Abstain
▪ Boston	Yes	No	Abstain
▪ Bradley	Yes	No	Abstain
▪ Gleason	Yes	No	Abstain
▪ Anderson	Yes	No	Abstain

 - Commissioner Anderson voted abstain as reconciliations were not completed (Anderson: this was due to the banks website change and Erskine not being able to get on their site and not receiving statements until today).

- **Treasurer Report:**

- Commissioner Anderson revised the previous Monthly Budget Report template.
- Budget report “unreconcilable” because she hasn’t seen the bank reconciliation yet.
- Columbia Bank has changed their website, so printing the “normal looking” bank statement format was not possible, but she presented 8/31/19 balances printed from their website.
- Aging A/R report. September billing should not have been included on list. The third column is closer to an accurate aged amount due, but this list is still being audited, there are more corrections to be made.
- Anderson has spoken to the Oregon Treasury LGIP Savings Account, she has a document for Commissioner Bradley to sign to remove former board president Zawalski and to add current commissioner Anderson.

- Issues found: RE: properties in Otter Rock that have changed hands between neighbors and don't go on the market. We have had some accounts slip through the cracks. Anderson would like to put a message on the website reminding water customers including those that have water service on currently undeveloped lots to let us know when there is a change of hands on the property, as they would with any other utility. Also, a note can be put on the bottom of each bill.
- Additionally, Anderson wants to have a consultant come in and fine tune Quickbooks. One issue is adding the budget to it. The QB budget report will not work until budget figures can be entered. The consultant should be able to help with the A/R aging report format. The consultant has agreed to come in from 4-6 hours over two weeks.
- **MOTION:** Commissioner Bradley wanted to thank O/M Erskine and Anderson for the complete report. He knows how many hours it takes. That said, he wanted to make the motion to approve Treasurer's Report, Seconded by Gleason:

▪ Anderson	Yes	No	Abstain
▪ Backenstow	Yes	No	Abstain
▪ Boston	Yes	No	Abstain
▪ Bradley	Yes	No	Abstain
▪ Gleason	Yes	No	Abstain
- Chair Boston announced that Commissioner Bradley has handed in his letter of resignation. Thank you to Bradley for so many years of service. We will be putting notices out to community to find interested prospective board members, then the Board will hold interviews, and narrow prospects down to four individuals then make decision in November. Gleason is preparing a statement to post on the website and public media.

E. Meter installation project:

The board should discuss the prioritizing installing meters on vacation rentals. The board also needs to establish the priority meters to be installed. Many people have approached board members to ask about water usage in vacation rentals, questioning if they are using inordinate amounts of water and if they should have a separate rate structure. The board will continue discussion about whether to prioritize meters on rental properties.

Appicello: Chair Boston has a potential conflict of interest. Per ORS Chapter 244, Government Ethics he needs to make a public statement that he currently owns a vacation rental and will abstain from the vote but will facilitate and participate in the discussions. Chair Boston made public statement. Backenstow also spoke up that he also has a rental and will abstain. However, the Backenstow rental meets criteria of long-term rental and is exempt. With remaining members, there would still be a quorum if a decision needs to be made. Boston feels we should look to Osburn for his expertise on how to proceed.

First, the goal of the board after the completion of the meter project would be to look at determining a base rate for a single-family dwelling (SFD), then decide to whether to proceed with a flat rate or metered rate for all categories of users.

Gleason: Usage over the base rate would be a fair way to bill. Boston noted that rates haven't been discussed yet. Gleason asked Osburn, what would be most cost-effective plan to install meters?

Osburn: Clusters of properties have been the most effective way to get the maximum cost effectiveness in terms of having an excavator rental etc.

Bradley: pointed out that having meters could determine that vacation rentals use less water as they are not used all month.

Anderson: She and Volunteer Demott created a list of rentals over the last year and could determine where rentals may be clustered. They have found that there are several scenarios for rentals in our area, accessory dwelling units, duplex etc. The master map of district could be helpful to use to locate rentals. Demott volunteered to put red dots on the master map to show rental properties. Erskine suggested perhaps using color codes on map, IE blue is homeowner, pink short-term rental etc. to make property lines easier to distinguish.

Boston: The we have already installed are revealing properties where usage is extremely higher than normal residential usage. Finding clusters is a priority and the cluster priority: 1 Leaks 2. Vacation rentals. Boston made motion to prioritize however:

Backenstow: Wanted to make comment before motion. Stated that 9 months out of the year water usage at the rentals is not an issue. Its only 3 months, why are we considering charging more? It doesn't make sense to him.

Boston: Stated infrastructure costs are constantly increasing. There probably needs to be additional revenue. Backenstow: Either get a loan or increase the base rate. Don't try to finance on a monthly rate.

Boston: Either way the customer is paying more. We just need more data by metering vacation rentals first to note if usage is excessive. Any more discussion of short-term rentals? Gleason "it should be something for us all to think about".

Anderson: if we need a loan/grant having meters is usually a requirement to apply. What are our options? We just need to think though and be prepared. Meters aren't an excuse to charge more.

Boston: I am tabling this discussion for another time.

Gladys St Repair: Previously Superintendent Osburn found the blow-off was leaking, and he replaced parts. It still needs a saddle, but he couldn't get one. He has been watching the corp-stops and they have all but dried out in the last couple of weeks noting that there may not be a leak. Repairs are currently holding; we do have another issue that may supersede Gladys street repair. He feels the other properties are a bigger priority as there are multiple issues. Boston: Wants a motion to suspend working on Gladys Street and work on vacated 2nd Street project.

Motion: Gleason moved to suspend work on Gladys Avenue and instead work on vacated 2nd Street Project; Bradley seconded.

DISCUSSION:

Commissioner Anderson: Would like to take a pause on suspending until we get the cost estimate of new 2nd St. project from Superintendent Osburn. What happens if we use all the funds and there is an emergent situation on Gladys.

Gleason: Appicello had mentioned applying to the Local Improvement District (LID) and that it could take a couple of months to establish. There are four meters to install in the 2nd street area. Osburn needs a direction for him to get estimated cost going.

Osburn: The blow-off is the only new cost, as the meters have already had money set aside. If he can just shut the line off once and do all the work, it may be easier for all involved.

MOTION: Commissioner Gleason moved to approve suspending work on Gladys Avenue and instead work on vacated 2nd Street project, Commissioner Bradley seconded.

- Backenstow **Yes** No Abstain
- Boston **Yes** No Abstain
- Bradley **Yes** No Abstain
- Gleason **Yes** No Abstain
- Anderson Yes No **Abstain**

F. Public Comments:

Gary Bowman: Concerns about the vacated second street. His first concern was extending water line to end of 2nd street right of way being so close to unstable ground. We have static pressure, but when everyone is using at the same time the pressure drops significantly. Is concerned about a drop. He would like this looked at carefully for the flow. When flushing hydrants, it pulls water from their hot water heater. They can't run multiple items (dishwasher, sprinkler etc.) Osburn agrees in terms of extending the line. Replacing-existing lines and valves would be cheaper, and not need a plan review. However, he has found that "Like for like" isn't an issue.

Steve Hall: He is concerned about a pipe that is close to the surface, it goes to neighbor's house, Osburn has spoken to the contractor, is unsure if it is sleeved, but it needs to be. This would be checked or fixed under the second street project

Bowman: What are the requirements for backflow preventers? Any state requirement? Osburn. We do have a cross connection plan. As of now, the only one he knows of is at Mo's. If there is another cross connection, he needs to know. We are having a low flow problem, people notice low pressure and don't realize it is a flow issue, not pressure. Nobody is supposed to have an irrigation well/system, ordinance says no irrigation or wells due to proximity to septic drain fields throughout

the district. This is unclear if he meant wells hooked up to system or just no wells for irrigation period.

Hall: Aren't landscapers supposed to put in a backflow.

Osburn: Will locate the ordinance regarding irrigation and get back to the Hall's next month.

G. Special Order of Business

- **Adjourned to executive session.** Appicello read the legally required script. Boston: we will now meet to discuss: (i) (employee performance evaluation) at 7:26pm

- **Reconvened in open session 7:56**
 - Discussed Osburn's employment agreement.

- **MOTION:** Motion to approve the revised employment agreement for Superintendent Osburn was made by Commissioner Anderson and seconded by Commissioner Gleason.

▪ Anderson	Yes	No	Abstain
▪ Backenstow	Yes	No	Abstain
▪ Boston	Yes	No	Abstain
▪ Bradley	Yes	No	Abstain
▪ Gleason	Yes	No	Abstain

- Osburn introduced Jered Mangini from Oregon Parks. Osburn brought up idea they discussed putting a meter on the shower line so we know how much actual water it uses. Surfers are going inside bathrooms and rinsing off, but this is resulting in blocking the drains requiring park employees to use high pressure washers which may use more water than the outside shower itself. He realizes we ask to shut off shower for conservation reasons, but it would be nice to know usage for future planning. The state park is wanting to be a good neighbor.

Boston: Has the State Parks considered charging for water use? Have coin use toilets and showers?

Backenstow: What are park users doing? Using sinks to rinse their wetsuits etc. off.

Anderson: Mangini and Zawalski had spoken about looking at installing a new shower valve, what was the cost? \$1,100.00 Mangini will review the email with specs he had from Zawalski regarding a valve.

Gleason: The data would be great for the community to see how little water they use if left on. Turning off the water probably causes the park personnel to use more water for cleaning drains out.

Boston: We will direct Jim to put a meter on the shower to collect the data.

Bradley: Are we turning the shower back on while we accumulate the data?

Demott: Is Jered okay with us putting the conservation signs at the bathrooms. Anderson gave him copies of both the conservation signs. He doesn't see a problem with putting them down at the bathrooms.

H. Action Item Checklist

- In order to conserve time, Boston would like to hold off on the AIC until next board meeting.

I. Legal Counsel's Report: None

J. Ordinances: None

K. Resolutions: None

L. Board Member Comments:

- Boston: None
- P. Anderson - Thank you to Bradley for all his service. Also, she forgot the accounts payable report and will pass checks out now for signatures.
- Gleason- None
- Backenstow - None
- Bradley-None

M. Adjournment: The next regular Water Board Meeting is scheduled for October 15, at 6:00 p.m. in the Otter Rock Community Center.

The meeting was adjourned at 8:15p.m.

Respectfully Submitted by Office Manager Whitney Erskine

Date of Approval: _____

Date Draft Minutes were posted on website: September 23, 2019