



**BOARD OF COMMISSIONERS
REGULAR MEETING & WORKSHOP MINUTES – 5:30 P.M.
JUNE 24, 2021**

THIS MEETING WAS CONDUCTED REMOTELY VIA TELECONFERENCE.

BOARD MEMBERS PRESENT:

Paul Gornick
Kevin Williams
Matt Tracy
Chris Hawes
Kevin Bailey

Oak Lodge Water Services
Oak Lodge Water Services
City of Gladstone
Sunrise Water Authority
Sunrise Water Authority

STAFF PRESENT:

Wade Hathhorn
Gail Stevens
Tim Janssen
Laural Casey

Sunrise Water Authority
Oak Lodge Water Services
Sunrise Water Authority
Oak Lodge Water Services

ATTENDEES:

Aleah Binkowski-Burk
Jeff Page

Oak Lodge Water Services
Oak Lodge Water Services

1. Convene Regular Meeting

Chair Williams called the Board of Commissioners meeting to order at 5:30 p.m.

2. Approve Agenda

General Manager Hathhorn asked to add additional item to the agenda.

Chair Williams called for a motion. Commissioner Gornick moved to approve the agenda with one additional item. Commissioner Tracy seconded. Commissioner Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

3. Public Comment

Chair Williams asked Recorder Casey if there were any members of the public in attendance. There were none.

4. Approval of Minutes

4.1 Approval of Minutes of the March 25, 2021 Regular Meeting (with Workshop)

Commissioner Gornick moved to approve the March 25, 2021 minutes. Commissioner Bailey seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

5. Adoption of Consent Calendar

5.1 Authorization of Checks for March, April, and May 2021

Commissioner Gornick noted the presence of more than 32 checks and asked if the checks to Sunrise Water Authority and Oak Lodge Water Services were for staffing. Finance Director Stevens confirmed.

Chair Williams called for a motion. Commissioner Tracy moved to approve the consent calendar as presented. Commissioner Bailey seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

6. Board Discussion

6.1 Direct FY 2019-20 True-Up

General Manager Hathorn explained process and reason for the annual true-up. He summarized future changes to make the process more efficient and outlined the staff recommendation to waive the true-up.

Commissioner Gornick asked for the amount of the waiver in the previous fiscal year. General Manager Hathorn and Finance Director Stevens explained the balance owed to the Commission in the previous fiscal year's true-up.

Chair Williams called for a motion. Commissioner Hawes moved to adopt Resolution 2021-2 waiving the true-up for fiscal year 2019-20. Commissioner Bailey seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

Suspend Regular Meeting

Chair Williams suspended the regular meeting at 5:40 p.m.

Convene Public Hearing on Approved Budget

Chair Williams opened the Public Hearing. General Manager Hathhorn stated the purpose of the Public Hearing.

There were no members of the public in attendance.

Chair Williams closed the Public Hearing.

Reconvene Regular Meeting

Chair Williams reconvened the regular meeting at 5:41 p.m.

6.2 Adopt FY 2021-22 Budget

General Manager Hathhorn summarized budget process and stated the staff recommendation.

Chair Williams called for a motion. Commissioner Gornick moved to adopt Resolution 2021-3 adopting the approved fiscal year 2021-22 Budget in the amount of 8,913,729.00 and authorize the stated appropriations for the fiscal year beginning July 1, 2021 as presented. Commissioner Hawes seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

6.3 Establish FY 2021-22 Wholesale Water Rate

General Manager Hathhorn explained the wholesale water rate increase of 3.1 percent based on the Adopted Budget and estimated demand.

Chair Williams called for a motion. Commissioner Gornick moved to adopt Resolution 2021-4 setting the wholesale rate for fiscal year 2021-22. Commissioner Bailey seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

6.4 Initiate FY 2020-21 Financial Audit

General Manager Hathhorn outlined the Moss Adams engagement letter and the auditor's work for the Commission on the prior two fiscal year audits.

Chair Williams asked for confirmation on whether the General Manager has historically signed the financial audit agreements. General Manager Hathhorn confirmed and explained how the auditors work for the Board and that the suggested motion would be for the Board to authorize the General Manager to sign the agreement.

Chair Williams called for a motion. Commissioner Hawes moved to authorize the General Manager to engage Moss Adams for the fiscal year 2020-21 audit. Commissioner Gornick seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

7. Monthly Items

7.1 Financial Reports

Finance Director Stevens overviewed the Financial Report.

7.2 Operations Report

General Manager Hathhorn overviewed the Operations Report highlighting rainfall and water use trends, and staffing changes.

7.3 Manager's Report

General Manager Hathhorn overviewed the Manager's Report highlighting the lack of snow pack, possible summer curtailment efforts, the apprenticeship program, and the chlorine shortage. Gail spoke to the financial impacts of the chlorine shortage.

Chair Williams asked how long it would take the chlorine manufacturer to resume normal production rates. General Manager Hathhorn did not have an estimate as the status of the plant was still unknown, and the backlog of orders continued to accrue.

7.4 Business from the Board

There was none.

8. Adjourn Regular Meeting

Chair Williams adjourned the regular meeting at 6:00 p.m.

9. Convene Workshop

Chair Williams called the Board of Commissioners workshop to order at 6:00 p.m.

9.1 Discuss Updated CRW Water Supply Agreement

General Manager Hathhorn outlined the water supply agreement with Clackamas River Water (CRW) terminating at the end of 2021. He highlighted various issues within the agreement needing to be resolved.

There was Board discussion related to available capacity, infrastructure improvement cost sharing and CRW funding options, emergency supply and minimum purchase language, the agreement review process, and the general partnership between the Commission and CRW.

General Manager Hathhorn explained the next steps in negotiations and the goal to have a final draft by the next regular meeting in September. The Board asked for consistent messaging to the partner organizations and General Manager Hathhorn agreed to deliver a presentation to each Board/Council.

Chair Williams adjourned the workshop at 6:33 p.m.