



**BOARD OF COMMISSIONERS  
REGULAR MEETING MINUTES – 5:30 P.M.  
JANUARY 23, 2020**

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**MEMBERS PRESENT:**

Paul Gornick	NCCWC	Oak Lodge Water Services
Kevin Williams	NCCWC	Oak Lodge Water Services
Matt Tracy	NCCWC	City of Gladstone
Chris Hawes	NCCWC Alternate	Sunrise Water Authority

**MEMBERS ABSENT:**

Ernie Platt	NCCWC	Sunrise Water Authority
Kevin Bailey	NCCWC	Sunrise Water Authority

**STAFF PRESENT:**

Wade Hathhorn	NCCWC	Sunrise Water Authority
Joe Rogers	NCCWC	Treatment Plant Operator
Rob Moody	NCCWC	OLWS Ind. Finance Consultant

**ATTENDEES:**

Jim Whynot		City of Gladstone
Todd Heidgarken		Clackamas River Water
Laural Casey		Oak Lodge Water Services

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**1. Call Meeting to Order (Flag Salute)**

Director Tracy called the meeting to order at 5:31 p.m. and provided an overview of the agenda including additional items 6.6, 6.7, 6.8, 6.9.

Director Gornick moved to add the additional items to the agenda, Director Williams seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTIONED CARRIED

Director Tracy led the Pledge of Allegiance.

**2. Welcome Visitors – Public**

Director Tracy welcomed visitors and asked that they introduce themselves.

### **3. Public Comment**

#### 3.1 Public Comment

There was none.

### **4. Approval of Minutes**

#### 4.1 Approval of Minutes of the September 26, 2019 Regular Meeting

Director Gornick moved to approve the meeting minutes of the September 26, 2019 meeting, Director Hawes seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

### **5. Adoption of Consent Calendar**

#### 5.1 Authorization of Checks for September, October, November, and December 2019

Director Williams moved to adopt the Consent Calendar, Director Gornick seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

### **6. Board Discussion**

#### 6.1 Appoint Budget Officer (FY 2020-21)

General Manager Hathhorn outlined the approved budget timeline and need to appoint a budget officer.

Director Gornick moved to appoint General Manager Hathhorn as Budget Officer FY 2020-2021, Director Williams seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

#### 6.2 Adopt Budget Calendar (FY 2020-21)

General Manager Hathhorn overviewed the Budget Calendar with advanced budget hearing on March 26, 2020.

Director Hawes moved to adopt the proposed fiscal year 2020-2021 Budget Calendar, Gornick second. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

#### 6.3 Present FY 2018-19 Audit

Rob Moody summarized the audit of which the Board did not have a written copy. Mr. Moody outlined the work of Moss Adams, the new audit firm. He denoted the higher audit costs than budgeted due to the first-year audit. He requested the Board read the MDNA summary written by management.

General Manager Hathhorn stated he will send the audit to the board via electronic distribution.

Director Tracy asked that a placeholder be made on the agenda of the next meeting to revisit the 2018-2019 Audit.

6.4 Adopt Resolution 2020-01 Approving Policy 7 Preventing Workplace Harassment and Discrimination (per State Law)

Director Hathhorn outlined the 2019 legislative requirement to update workplace harassment and discrimination policies making this Resolution necessary.

Director Gornick moved to adopt Resolution 2020-01 Approving Policy 7 Preventing Workplace Harassment and Discrimination. Director Hawes seconded the motion. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

6.5 Authorize Renegotiation of Long-Term Water Supply Contract with Clackamas River Water

General Manager Hathhorn explained the need for long-term water supply planning and outlined the necessary changes to the provisions of the expiring intergovernmental agreement between the Commission and Clackamas River Water.

Director Williams moved to authorize renegotiation of the long-term water supply contract with Clackamas River Water with amendment to authorize General Manager Hathhorn to be the Commission representative. Director Hawes seconded the motion. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

6.6 Authorize Registered Contacts for the Local Government Investment Pool (LGIP)

Director Hathhorn described the need to register contacts with the Local Government Investment Pool in the absence of the Commission Finance Director and outlined the associated permissions related to the registered contacts.

Director Tracy inquired about controls relating to access of these accounts. Rob Moody explained the transfer process between Oak Lodge Water Services Accountant, Jeff Voreis and General Manager Hathhorn.

Director Hawes moved to adopt Resolution 2020-02 authorizing registered contacts for the LGIP and granting related permissions, Director Williams seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

6.7 Appoint Authorized Signers for the NCCWC Bank Account(s)

General Manager Hathhorn outlined the need to appoint authorized signers for the Commission bank accounts in the absence of the Finance Director. He recommended the Board appoint the District General Manager, District Engineer, and the Oak Lodge Water Services General Manager as authorized signers.

Director Gornick moved to adopt Resolution 2020-03 appointing authorized signers to the NCCWC bank accounts, Director Hawes seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

6.8 Authorize Transfer in the General Fund of the FY 2019-20 Budget

General Manager Hathhorn highlighted the Capital Improvement Plan considering the recent unanticipated equipment failures. He outlined the need for additional capital of \$50,000 from the general fund contingency.

Director Williams moved to adopt Resolution 2020-04 authorizing a transfer within the General Fund from Contingency to Capital Outlay as part of the FY 2019-20 Budget, Director Gornick seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTIONED CARRIED

6.9 Adopt Resolution 2020-05 Granting the General Manager Authority to Award Sole Source Procurements

Director Tracy suspended the Regular Meeting and reconvened as the Local Contract Review Board at 6:04 p.m.

General Manager Hathhorn outlined State statutes surrounding sole-source procurement. He explained the need for the Board to grant authority to the General Manager to allow for expeditious repair of key systems.

Director Gornick moved to adopt Resolution 2020-05 granting the General Manager authority to award sole source procurements, Director Hawes seconded. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

Director Tracy reconvened the Regular Meeting at 6:09 p.m.

## 7. Monthly Items

7.1 Financial Reports

Rob Moody provided budget to actual reports for October through December. He highlighted the over budget lines in audit services and legal counsel. He noted that capital outlay has sufficient budget for anticipated expenditures. He referenced the recently approved transfer of \$50,000 for unanticipated costs.

Director Gornick verified the Commission's fiscal year starting on July 1<sup>st</sup>.

Director Tracy inquired as to whether the anomalies would be accounted for by the auditors. Rob confirmed a pending meeting with the auditors to verify costs and set expectations.

Director Gornick asked about electricity usage. General Manager Hathhorn and Treatment Plant Operator Rogers verified its consistency with the time of year and other conditions.

Director Tracy acknowledged receipt of the Financial Report.

## 7.2 Operations Reports

Treatment Plant Operator Rogers stated that during the months of September, October, November, and December no water was purchased from or sold to South Fork. He updated the Board on the monthly production of water for those months.

He reported on the new fiber optic installation as well as the roof replacement which has been quoted under budget. He updated the Board on the new operating procedures regarding the amount of sand removed from the sand filters that has increased run times.

## 7.3 Manager's Reports

General Manager Hathhorn updated the Board regarding the hiring process for the third full-time plant operator. Director Williams inquired about the required certification level of the position. General Manager Hathhorn replied that while no certification is needed, level two certification. He announced that Treatment Plant Operator Rogers has recently obtained level four certification.

General Manager Hathhorn outlined the contracting process for a new Commission Finance Director after Oak Lodge Water Services has filled the position.

General Manager Hathhorn overviewed his report of the current snowpack levels and the importance of the current soil water content on summer months.

General Manager Hathhorn reported the SCADA feedback system failure on January 3, 2020 involving the chlorine pumps. He cited the failure of the fiber optic cables as the issue, which reported false numbers. The event lasted several hours and there were concerns surrounding the distribution of unchlorinated water. Aggressive sampling was conducted and reported no service of unchlorinated water to customers. Director Williams inquired to the Oregon Health Authority reporting process. General Manager Hathhorn verified the process and outcome. Director Hawes asked about future prevention of such failures. General Manager Hathhorn outlined the system redundancies that are in currently in place and Treatment Plan Operator Joe Rogers outlined technical specifications.

General Manager Hathhorn summarized current production numbers.

General Manager Hathhorn reported on his work regarding policy updates to the Personnel Manual and Procurement Rules.

General Manager Hathhorn acknowledged Oak Lodge Water Services' Human Resources and Payroll Director, Aleah Binkowski-Burk, for her outstanding assistance in the recent employment matters.

General Manager Hathhorn requested that the Board approve all future Commission meetings to be held in the Oak Lodge Water Services Board Room citing better access for the public.

#### 7.4 Business from the Board

There was none.

### **8. Convene Executive Session**

Director Tracy called to suspend the regular Board meeting at 6:34 p.m.

Director Tracy convened the Executive Session at 6:35 p.m. under ORS 192.660(f) to consider information or records that are except by law from public inspection.

General Manager Hathhorn informed the Board of the resolution of a Staff resignation.

The Board acknowledged the remaining Plant Operators' great work during the time of change.

### **9. Reconvene Regular Meeting**

Director Tracy adjourned the Executive Session and reconvened the Regular Board Meeting at 6:47 p.m.

Director Tracy called for action as discussed in the executive session.

Director Williams moved to grant the General Manager authority to retain Chris Duckworth as legal counsel (for special matters of employment law), Director Hawes seconded the motion. Director Tracy called for a vote. Voting Aye: Directors Gornick, Williams, Tracy, and Hawes.

MOTION CARRIED

#### 9.1 Adjourn

Director Tracy adjourned the regular Commission meeting at 6:49 p.m.