



## MINUTES

A SPECIAL MEETING of the Sunrise Water Authority Board of Commissioners was held on **Wednesday, May 9, 2018 at 6:00 p.m.** at Sunrise Water Authority 10602 SE 129<sup>th</sup> Avenue, Happy Valley, Oregon 97086.

**Board Present:** Ernie Platt, Chair; Ron Blake, Vice Chair; Kevin Bailey, Secretary; Chris Hawes; Ron Henson; Eric Hofeld

**Board Absent:** None

**Staff Present:** Wade Hathhorn, General Manager; Cindy Wolff, Administrative Assistant; Denise Bergstrom, Finance Director

**Visitors Present:** Bill Blanas, CRW Board; Stan Tempchin, Commissioner Candidate; Gary Barth, Commissioner Candidate

### CALL REGULAR MEETING TO ORDER

Platt called the meeting to order at 6:02 p.m.

### APPROVAL OF THE AGENDA

A motion to approve the agenda as presented was made by Hofeld and seconded by Bailey. The motion carried unanimously.

### PUBLIC COMMENT

None.

## 1. DISCUSSION ITEMS

### 1.1 Board Candidate Interviews: Gary Barth & Stan Tempchin

Platt explained that the main items on tonight's agenda is a second interview with the two remaining Board candidates. He noted that the interviews are technically held in public meeting, so we can't disallow attendance by the public, but it may be appropriate if each candidate excused themselves from the other candidate's interview. Tempchin and Barth agreed that was the appropriate action. Platt explained that the expectation would be that the Board would interview each candidate, deliberate and make a decision during this meeting. He intended to call each candidate after the meeting and inform them of the decision. The appointed commissioner will be sworn in at the next regular meeting on May 23, and can begin participating at that meeting.

Platt explained that this appointment is for the remainder of the term so it will run through June 30, 2019 and the appointed commissioner would need to file for the May 2019 special district elections, should they choose to continue on the Board for a full four-year term.

Hawes commented that since he and Hofeld were involved in the initial interviews, he thought it would be best if they observe the interviews tonight and allow the rest of the Board to ask the questions. Platt agreed and added that they were welcome to bring up anything from their interviews if needed. Barth won the coin toss and chose to let Tempchin interview first. Barth exited the Board room for the duration of Tempchin's interview.

Ernie explained that the interview isn't formal, it's just a conversation.

Tempchin's interview began at 6:10 p.m. and ended at 6:35 p.m. He exited after the interview.

Prior to Barth's interview, Platt disclosed that he has known Barth for about ten years.

Barth began his interview at 6:37 p.m.

Bergstrom entered at 7:00 p.m.

Barth's interview concluded at 7:04 p.m. Barth exited at the conclusion of his interview. The Board discussed each of the candidates, noting that either candidate would be a good fit for the Board. The group agreed to write each of their names and corresponding votes on a piece of paper and asked Bergstrom to read the votes. Bergstrom read the votes out loud. The Board voted unanimously for Tempchin. Platt said he would call Tempchin and ask him to be present at the May 23 Board meeting to be sworn in and participate in the meeting. He added that he won't be present at that meeting so Blake will serve as Chair.

## **1.2 NCCWC Water Rights**

Hathhorn stated that he's General Manager of both Sunrise and the NCCWC and he'll be speaking on this item under each of those hats. Hathhorn summarized that there are more water rights permitted on paper for the NCCWC than will ever be used by that plant, but those generally only come into play should the NCCWC ever choose to dissolve. He explained that dissolution means specifically that all agencies would exit the NCCWC, not just one. He described the difficulty and unlikelihood of that occurring; however, as the attorneys are working on the final revision to the NCCWC IGA, one item of interest has been the language regarding the dissolution.

The Board discussed potentially removing the dissolution statement from the IGA. Platt commented that after months of ongoing work we're close to coming to an agreement between the three parties so he would hate to see anything get in the way of an agreement.

A motion to direct the General Manager to leave the dissolution statement out of the NCCWC IGA was made by Blake and seconded by Bailey. The motion carried 5:1 with Platt voting in opposition. Platt shared his preference for leaving the IGA as is.

Hawes suggested the Sunrise Board share its preference for removing the dissolution language completely but it would be agreeable to leaving it in. Hawes made a motion to share the Sunrise Board's preference for removing the dissolution language but absent that agreement among the member agencies then the Sunrise Board would accept it as written. Bailey seconded the motion. The modified motion carried unanimously.

## **1.3 Financial Guarantee Required by City of Happy Valley for Reservoir 11 Project**

Hathhorn explained that he was looking for Board approval to set aside \$475,763 to fund a performance guarantee required by the City of Happy Valley for the Reservoir 11 project and stockpiling. Platt shared that from his experience, developers operate with a development loan from a lender and get a letter of credit from that lender.

Hathhorn explained that the City is asking for items that are already in the performance bond and the bond issuers are saying the project is already bonded. Bailey asked what makes this project different than any project we've done in the past. Hathhorn answered that the City hasn't dealt with a public improvement project of this size before so they're treating a public agency like a private developer.

Platt suggested that the commissioners make a presentation to the City Council or let the attorneys discuss it.

Blake made a motion to attempt discussions with the City of Happy Valley and if a resolution isn't reached the commissioners will make a presentation to the City Council. Platt asked for clarification

that Blake meant for the attorneys to talk. Blake said yes, to include Sunrise's attorney talking to the City's. The motion was seconded by Bailey.

Hofeld asked if any language should be added to the motion regarding the payment. Platt said it wasn't necessary. There was a brief discussion about the upcoming City Council meetings and the timeline for continued discussions.

Platt summarized that the motion on the table is to have Sunrise's attorney pursue the City's attorney and without resolution from that action, we will go to the first available City Council meeting. Platt asked for a vote on that motion. The motion carried unanimously.

## **2. STAFF REPORTS**

### **2.1 Manager's Update**

## **3. BOARD BUSINESS**

### **3.1 Board Business**

Platt stated that the Board needs to contemplate the timeline for filling the vacancy that will be left by Henson's departure after the May 23 regular meeting. He suggested following the same process as was used for Tempchin's position. He outlined what that might look like beginning with notices being sent out to that zone after the May 23 meeting. He noted that the process worked well this time.

Platt adjourned the meeting at 8:37 p.m.

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ERNIE PLATT, CHAIR

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KEVIN BAILEY, SECRETARY