



## M I N U T E S

A regular meeting of the Sunrise Water Authority Board of Commissioners was held on **Wednesday, September 23, 2020 at 6:00 PM.** The meeting was held remotely, by teleconference through RingCentral.

**Board Present:** Chris Hawes, Chair; Andy Coate, Vice Chair; Gary Barth; Kevin O'Meara, Wayne Barstow

**Board Absent:** Kevin Bailey

**Staff Present:** Wade Hathhorn, General Manager; Denise Bergstrom, Finance Director; Tim Jannsen, Engineering Manager; Kim Anderson, Government Relations Manager

**Visitors Present:** Kevin Williams

### EXECUTIVE SESSION

An executive session was convened at 6:00 pm pursuant to ORS 192.660 (2)(f) and (2)(h) to consider information or records that are exempt by law from public inspection and to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. The Board left Executive session at 6:37 pm.

### CALL REGULAR MEETING TO ORDER

Hawes called the meeting to order at 6:37 p.m.

### ROLL CALL

Anderson performed roll call attendance.

### PUBLIC COMMENT

No public comment

### APPROVAL OF AGENDA

A motion to approve the agenda was made by Barth and seconded by Coate. Motion carried unanimously.

### 1. CONSENT AGENDA

O'Meara made a motion to approve the consent agenda, consisting of the items listed below, and Barth seconded. The motion carried unanimously.

- 1.1 Approval of Minutes from August 26, 2020

### 2. DISCUSSION ITEMS - NONE

### 3. STAFF REPORTS

#### 3.1 Manager's Update

##### Fire Update

About 25% of the Clackamas watershed is involved in the fire, at about 150,000 acres so far. For comparison the last fire to involve the Clackamas watershed was the Pitt fire, which burned about 5,500 acres. Increases in sediments and suspended solids should be expected, especially as winter weather comes in. When turbidity increases in winter the slow sand is shut down anyways and the membranes can handle the increased loads. There isn't an expectation for significant increases in fire retardant levels in the water since the winds prevented the extensive use. Some increases in chemicals that are attached to soils are expected. Hathhorn stated that the primary concern will be increased organics and Jannsen added that this will require more attention being given to managing chlorine residuals in the distribution system.

Hathhorn summarized the events related to the need for conservation during the fire situation. He also noted that South Fork lost power for several days during the event and that they were able to switch seamlessly to other sources during that time and that customers didn't even notice the change.

##### Reservoir 11

Hathhorn stated that the back filling is essentially done and landscaping will be getting started soon.

### 3.2 Engineering & Construction Reports

Janssen noted that there are not as many subdivisions being built. While homes starts are still ongoing, this means that the lot inventory could get drawn down.

He noted that the uptick in unaccounted for water is likely related to a time lag between when water being recorded as coming into the system and the bills being issued.

Mike Grimm joined meeting at 7:10 PM

### 3.4 Finance Report

Coate asked Bergstrom about a \$13,000 charge for a 3/4 X 4 brass nipple. She stated that was a description error since the item was part of a multi item list, but the program will only show the first item on the list in the description.

## 4. BOARD BUSINESS

### 4.1 Board Calendar

### 4.2 Liaison Reports

There were a lot of meetings cancelled.

### 4.3 Information Items

### 4.4 Future Agenda Items

## 5. ADJOURN REGULAR SESSION

Regular session adjourned at 7:25 pm.

## 6. WORK SESSION - DISCUSSION OF FINANCING THE 20 YEAR CAPITAL IMPROVEMENT PLAN, CONTINUED

Hathhorn noted that the Board had received a copy of the Sunrise CIP.

He presented a recap of the financial status of the agency 10 years ago and summarized the results of the rate schedules adopted by the board in the intervening years. The Board discussed the projects included in the CIP. Hathhorn noted the CIP is largely based on projects that we assess we have capacity to address. A conversation ensued about SDC rates. The Board discussed the options of funding the CIP by paying with cash now and anticipating loans may be required to construct Reservoir 12 or borrow funds now and defer the need for financing Reservoir 12 construction. Hawes noted that if we issued a bond rather than considering the state sponsored loan program, repayment options would be more limited. Hathhorn was asked why the administrative facility wasn't on the CIP list so that revenues based on rates could have paid for it. Hathhorn noted that the administrative facility can't be paid for with SDC funds by law, and that costs were anticipated to be considerably lower than the preliminary numbers from MWA.

Barth noted that his understanding is that the options are basically use cash now on the administrative building and finance Reservoir 12 later, or finance the building now to preserve cash for projects and Reservoir 12 construction later. There was some additional conversation about if the CIP should have included the administrative building cost and how it is determined which infrastructure projects are shown on the CIP.

Hawes summarized that his understanding is that is the consensus of the Board that the loan program should be further investigated as a financing option. Hathhorn suggested that the Board reserve the second Wednesday of October as a potential workshop date.

The meeting adjourned at 8:11 PM.

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CHRIS HAWES, CHAIR

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KEVIN BAILEY, SECRETARY