



M I N U T E S

A regular meeting of the Sunrise Water Authority Board of Commissioners was held on **Wednesday, October 27, 2021 at 6:00 pm.** The meeting was held remotely via RingCentral.

Board Present: Chris Hawes, Chair; Andy Coate, Vice Chair; Kevin Bailey, Secretary; Kevin O'Meara, Diana Helm, Tim Chairet, Gary Barth

Board Absent: None

Staff Present: Wade Hathhorn, General Manager; Kim Anderson, Government Relations Manager; Tim Janssen, Technical Services Manager; Cindy Wolff, Administrative Services Manager; and Tyler Wubbena, Staff Engineer.

Visitors Present via remote: Sherry French, CRW; Paul Gornick, Oak Lodge Water Services; Michael Walters and Sally Curran, City of Happy Valley; Ann Marie Tosoni, Epic Land Solutions; Dan Houff and Bobby Jacobson, HHPR.

CALL MEETING TO ORDER

Hawes called the meeting to order at 6:00 p.m.

APPROVAL OF AGENDA

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

ROLL CALL - Anderson performed the voice roll call.

PUBLIC COMMENT - None

1. CONSENT AGENDA

A motion to approve the consent agenda, consisting of the items listed below was made by Helm and seconded by Coate. Motion carried unanimously.

- 1.1 Approval of Minutes of September 22, 2021 Regular Meeting
- 1.2 Approval of a Waterline Easement for Happy Valley Crossroads East
- 1.3 Acceptance of Water Mains and Related Facilities for Happy Valley Crossroads East

2. DISCUSSION ITEMS

2.1 Happy Valley Roundabout

Walters presented the Happy Valley team and offered to answer any questions regarding the City's revised proposal involving the construction of a new roundabout at the corner of SE 129th Avenue and SE King Road. The new roundabout will require both temporary and permanent easements, along with a small withdrawal of Sunrise property. Hathhorn noted the City's revised proposal appeared to meet the requested demands of the Sunrise Board, asking to place several of the compensated items onto the City's obligation to repair or restore during construction (at City's expense). The changes reduced the City's offer from \$53,400 to \$38,549. Hawes also asked if the language in paragraph 4 needed to be changed to reflect the new agreements. Tosoni stated that was

an oversight on her part and would be changed in final docs for signing. Curran noted that construction of the project is slated for summer of 2022 (at the earliest).

A motion to approve the revised offer for compensation related to the City's request for dedication of land and permanent and temporary easements associated with the City's plans for a new roundabout, with amendment of language in paragraph 4 of the permanent utility easement, was made by Barth and seconded by Helm. Motion carried unanimously.

2.2 Leak Adjustment Policy Discussion

Staff summarized that the leak adjustment policy provides for an appeal process, though the Board has denied all appeals for adjustments granted in compliance with policy. This presents the question of there is any utility in the appeal process. The Board largely agreed that in most circumstances the policy was sufficient to address leak adjustment requests and discussed if the appeal process was necessary to address extremely unique situations. Bailey stated he believes there should be some defined appeal process, although with tougher standards. Other Board members noted that a variance to any policy is within the purview of the Board. Helm noted that the website still references a leak adjustment form that is no longer used and asked if there were devices that could help a homeowner with awareness of leaks. Hathhorn stated that he would get information for the Board on availability of devices.

A motion to amend the current Leak Adjustment Policy (9-03), to eliminate the appeal process, was made by Helm and seconded by Chairret. Motion carried with Bailey voting nay.

2.3 Adopt Resolution 2021-14, Variance from Rules and Regulations for Water Service

Jannsen explained the unique circumstances related to water service at 19127 and 19191 SE Highway 212. Historically, the two properties appeared to have been served by a single 2-inch meter located at 19127 SE Highway 212. The service to the adjacent property at 19191 SE Highway 212 was probably authorized on a temporary basis but remained in place until present day (this type of "spider-connection" is not formally allowed under Sunrise's Rules). The error was discovered only after the adjacent property was recently sold and the new property owner looked to establish formal service. To resolve the issue, the property owner of 19127 SE Highway 212 agreed to downsize the existing 2-inch service to a 1 1/2-inch meter, reducing the assigned capacity from 8 to 5 ERU's. One of the three reduced ERU's will be assigned to the installation (by Sunrise) of a new 5/8 X 3/4 service connection at 19191 SE Highway 212, and the two remaining ERU's will be retained by Sunrise. As a condition of the variance, Sunrise is released from any further claims or liability by all parties in relation to water service or equipment addressed in this negotiated solution.

A motion to Adopt Resolution 2021-14, authorizing a variance from Sunrise's Rules and Regulations for Water Service, as presented, was made by O'Meara and seconded by Coate. Motion carried unanimously.

2.4 Low Income Assistance Program

Anderson explained that the original agreement with Clackamas County Social Services (CCSS) is expiring and needs to be renewed. She noted that a funds from a federal block grant for water bill assistance are tentatively anticipated to become available in January of 2022. The question is whether to enter a new agreement with CCSS under the existing program terms, or modify the contract to modify the program when these new funds become available for low income patrons. After discussion it was determined that due to the uncertainty of when the new funding would be accessible to low income patrons, the contract should be renewed for the existing program and the cancellation provision enacted and a new contract established if changes are required if and when the new funds become available.

A motion to approve the IGA with Clackamas County Social Services for administration of a low income assistance program for Sunrise Water Authority was made by Helm and seconded by Chairret. Motion carried unanimously.

2.5 Approve Resolution 2021-15, Adopting a Cybersecurity Policy

For the benefit of the new commissioners, Hathhorn explained the insurance discounts available through participation in the SDIS Best Practices program. He discussed the principles behind the policy presented to the Board and the need for additional work on cybersecurity for Sunrise going forward. O'Meara inquired if this was related to the cybersecurity assessment by SDAO that had been discussed. Hathhorn noted that the initial plan was to utilize the firm that SDAO had contracted with to provide consulting, but the contract between the consultant and SDAO did not include cooperative contracting language. Due to the cost level, the cybersecurity assessment will need to be handled as a new procurement. O'Meara suggested that the Board may need to discuss this issue further in executive session later in the year.

A motion to approve Resolution 2021-15, Adopting Cybersecurity Policy, as presented was made by Barth and seconded by O'Meara. Motion carried unanimously.

3. STAFF REPORTS

3.1 Manager's Update

Hathhorn noted the status of earthwork at the Armstrong Circle property, plans to return to normal operations at the office, and that the search for a finance director has been expanded to include the use of a professional employment search firm.

3.2 Engineering & Construction Reports – No comments

3.3 Operational Reports – No comments

3.4 Finance Report – No comments

4. BOARD BUSINESS

4.2 Meeting Attendance and Liaison Reports

Commissioner Hawes – Hawes reported attendance at CRW, OLWSD and Boring Water District. He noted that Boring is still exploring obtaining an easement for siting an additional reservoir and are now in a position to start looking at doing proactive maintenance.

Commissioner Bailey – Regional Water Providers Consortium

Commissioner Coate – Coate noted that he had attended a meeting between the NW Utility Contractors Association and the Portland Water Bureau. The PWB is experiencing a big backlog of projects to be done because they are having a hard time getting their projects through their internal design process.

Commissioner Barth – None

Commissioner O'Meara – Happy Valley City Council

Commissioner Helm – None

Commissioner Chairet – None, but noted the Sunnyside United CPO will be next Monday.

Hawes noted that the November and December board meetings will be in close proximity to holidays and are typically moved one week sooner to avoid conflicts. The Board agreed with moving the meetings up.

4.4 Future Agenda Items

Commissioner Coate asked the General Manager to prepare (and schedule) a review of the agency's cybersecurity elements for Board review (under executive session) sometime in the next couple of months.

5. CONVENE CONTRACT REVIEW BOARD

The Contract Review Board Convened at 7:13 pm.

5.1 Authorize a series of change orders to Kerr Contractors for additional work on the Operations Facility project

Hathhorn described the circumstances on the ground that have led to the need for the proposed change orders, primarily extensive wet weather when the bid assumed for predominantly drier weather.

A motion for the LCRB to authorize the four change orders, as presented, was made by Coate and seconded by Bailey. Motion carried unanimously.

5.2 Award Sole Source Contract to Aurora Landscaping, LLC for Additional Site Improvements at Reservoir 11.

Hathhorn provided back ground on the project for the benefit of new board members and discussed the erosion issues identified over the past year, the solutions proposed, and the findings that support a sole source contract.

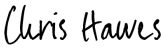
A motion for the Board to acknowledge the General Manager's findings and authorize the Sole Source exemption to Aurora Landscape, as presented, was made by O'Meara and seconded by Barth. Motion carried unanimously.

The contract review board adjourned at 7:09 pm.

The Board congratulated Hathhorn on his appointment to the Clackamas Community College Board of Education.

6. ADJOURN

The meeting adjourned at 7:11 pm.

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CHRIS HAWES, CHAIR

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KEVIN BAILEY, SECRETARY