



M I N U T E S

A regular meeting of the Sunrise Water Authority Board of Commissioners was held on **Wednesday, December 14, 2021 at 6:00 pm**. The meeting was held remotely via Zoom.

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

Board Absent: None

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

Visitors Present via remote: Sherry French, CRW; Paul Gornick, Oak Lodge Water Services

CALL MEETING TO ORDER

Hawes called the meeting to order at 6:01 p.m.

APPROVAL OF AGENDA

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

- 1.1 Approval of Minutes of November 17, 2021 Regular Meeting
- 1.2 Adoption of Resolution 2021-17, Amending Policy 9-03, Leak Adjustments

2. DISCUSSION ITEMS

2.1 Discussion of Representation Zone Redistricting

Anderson provided the Board with some background on how the original representation zones were established at formation of the Authority and how they have been changed since 2000. Hathhorn discussed the legal requirements in relation to establishing representation zones and led the Board in a discussion related to practical or political reasons to look at broader changes to the representation zone boundaries. The Board consensus was that they would like to revisit this discussion after PSU has taken a look at the census results for the Sunrise area and created a first draft of how that population is redistributed into zones.

2.2 Purchase of Happy Valley Transportation SDC Credits

Anderson described the sequence of events which led to the proposed Agreement to purchase Happy Valley transportation SDC credits from Gramor Development before the Board for consideration. She noted that purchasing the SDC credits from Gramor rather than originating new SDC's with the City of Happy Valley will save Sunrise \$38,033.80. Hathhorn described some of the various factors that are considered in calculating transportation SDC's.

A motion to authorize the execution of the agreement for the purchase of transportation SDC credits from Gramor Development in the amount of \$216,091.58 plus a \$100 transfer fee was made by Barth and seconded by Helm. Motion carried unanimously.

2.3 Approval of Scheduled Rate Increase

Hathhorn summarized the three-year rate increase plan approved by the Board in April, which allows for the Board to set an amount of rate increase somewhere between 0-5% on January of each year from 2022 through 2024. Hathhorn and the Board discussed the volatility and price increases in construction materials and the likelihood of Sunrise falling behind on the revenue to expense curve if the Board chooses any rate below the 5% increase recommended by Staff. Hathhorn pointed out that service charge increases will include standby fire service charges as well. Board members noted that while they recognize that rate increases impact our customers it is necessary to keep up with the cost increases that Sunrise faces in order to maintain the fiscal health of the agency.

A motion to approve Resolution 2021-18 Adopting a Planned Rate Increase of 5% for both water rates and service charges was made by Coate and seconded by Bailey. Motion carried unanimously.

2.4 Resume Enforcement of Shut Off Policy

Hathhorn summarized the actions that have been taken to move the agency back to collecting on past due accounts after suspending shut offs during the COVID emergency period. He noted that the majority of accounts are back to paying fully and on-time, consequently staff is proposing that Sunrise return to the pre-Covid policy of initiating shut-offs for accounts with past due balances in excess of \$100. Account holders with high balances have been contacted by customer service staff over the past several months and staff has worked with them to provide repayment plans or referred them to the low income assistance program where appropriate. Coate asked if the \$100 past due amount to trigger the shut off process predates the transition to monthly billing and rate increases. Hathhorn confirmed it did and noted that the average monthly bill is around \$50 so the \$100 amount generally represents two billing cycles unpaid.

The Board consensus was to direct staff to return to the pre-COVID policy establishing \$100 as the unpaid balance that will trigger application of the shut off process.

3. STAFF REPORTS

3.1 Manager's Update

Hathhorn shared a graph illustrating the impact of the July rate increase on revenue. He noted that the hot summer added about 15% to consumption over normal for that period and that revenues are up about 19%. He stated that removal of the first tier was another major driver in the increase in revenue.

He reported the voluntary departure of the GIS and IT staff members, both to relocate out of state. He discussed the efforts underway to replace those resources both on an interim basis and permanently. He informed the Board of the hiring of a staff accountant, with a start date the week before Christmas. He updated the Board on the process for hiring a finance director. He noted that 10 resumes have been received and, although he hasn't fully vetted all of them at this point, two appear qualified and two are closely qualified so far. The first round of phone interviews is being scheduled. Hathhorn commented on what a great resource Lin Rigutto has been.

3.2 Engineering & Construction Reports – No comments

3.3 Operational Reports – No comments

3.4 Finance Report – No comments

4. BOARD BUSINESS

4.1 Board Calendar

Anderson noted that the announcement for the SDAO annual conference had just been received and that it will occur in Eugene in February in a remote/in person hybrid model.

4.2 Meeting Attendance and Liaison Reports

Commissioner	Meetings Travel (T) or Remote (R)
Chris Hawes	(R) CRW – Insurance presentation from WHA, Equipment sharing IGA, approved exemption to the meter installation policy, CFO will be retiring in January, Heidgerken is reviewing new water supply agreement provided by Hathhorn.
Kevin Bailey	No meetings
Andy Coate	No meetings
Gary Barth	No meetings, RWPC annual report is available and Anderson will distribute that to the Commissioners.
Kevin O'Meara	(T) Happy Valley – Armstrong Circle is now Armstrong Ct., there is a rumor that 3 warehouses will be going in on the east end of Armstrong Ct. and 20 members of the public showed up to comment, Cities are positioning themselves to get a chunk of the federal funding that was passed in November and he was interested in how funds were going to be allocated to water from those funds.
Diana Helm	No meetings
Tim Chairet	(R) CPO on November 1 st featured NCPRD update on the Master and Capital Improvement plans.

4.4 Future Agenda Items

Barth commented that it would be useful for the board to receive periodic updates on the watershed or snowpack levels.

Helm thanked Hathhorn for the information on the home leak detection devices. Hathhorn commented that the CRWP offers a rebate on only one type of device because it was the only one on the market at the time the rebate program was established. He suggested to Kim Swan that CRWP may want to revisit their rebate program on that device, since agencies should not be advocating for a particular product. There was a brief discussion of providing some public information on the devices in the spring.

5. CONVENE CONTRACT REVIEW BOARD

The Contract Review Board convened at 6:54 pm.

5.1 Authorize a change order to Kerr Contractors for additional work on the Operations Facility project

Hathhorn stated that this is largely related to unanticipated costs for substantial rock removal in excess of the volume budgeted. He noted that in addition to the excessive quantity some of the boulders were extremely large.

Hawes stated that he has been on site and believes Kerr has done a good job and has addressed stormwater and erosion issues as much as possible, given conditions. Hathhorn stated that Sunrise elected not to have the rock removed, as we intend to use some rock onsite for slope stabilization. Coate commented that the credit received for electing not to have Kerr remove rocks from the site was fairly small. Hathhorn stated that staff had pushed back on that number but since Kerr normally has a landscape contractor remove the rocks for no charge in exchange for keeping the rocks, there are typically very limited charges for rock removal included in their bids to begin with.

A motion to authorize the change order totaling \$102,964 to Kerr Contractors, as presented, was made by Barth and seconded by Bailey. Motion carried with Helm voting in opposition.

5.2 Authorization to purchase and install a new acoustic enclosure for the generator at pump station 15

Tyler Wubbena discussed the options considered for sound enclosures and described the option proposed for Board approval. The proposed sound enclosure will have a fairly high sound attenuation that meets the criteria of no more than 70 decibels. Coates asked if removal of the existing enclosure was included in quote. Wubbena stated that it was. Hawes asked if this cost could be shared with PGE in some manner. Hathhorn stated that this generator is not part of the PGE cogeneration projects.

A motion to approve the purchase and installation of an acoustic enclosure for the emergency generator at Pump Station 15 through Peterson Cat for an amount not to exceed \$100,000, as presented, was made by Helm and seconded by Chair. Motion carried with O'Meara abstaining due to potential conflict of interest as a direct beneficiary of the project.

Adjourn Local Contract Review Board 7:09 pm.

6. EXECUTIVE SESSION

The Board entered executive session pursuant to ORS 192.660(2)(e), to conduct deliberations with persons designated by the governing body to negotiate real property transactions, at 7:10 pm.

The roll was called for the executive session. All Commissioners, Hathhorn and Anderson were present.

The Board returned to regular session at 7:50 pm.


6. ADJOURN

The meeting adjourned at 7:50 pm.

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CHRIS HAWES, CHAIR

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KEVIN BAILEY, SECRETARY