



M I N U T E S

A regular meeting of the Sunrise Water Authority Board of Commissioners was held on Wednesday, June 22, 2022 at 6:00 pm. The meeting was a hybrid meeting.

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

Board Absent: None

Staff Present: Wade Hathhorn, General Manager and Jamey Pietzold, Finance Director.

Visitors Present: Paul Gornick, Oak Lodge Water Services District

CALL MEETING TO ORDER

Hawes called the meeting to order at 6:06 p.m.

ROLL CALL - Hathhorn performed the voice roll call.

FLAG SALUTE

APPROVAL OF AGENDA –

A motion to approve the amended agenda as presented was made by Barth seconded by Helm. Motion carried unanimously.

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 Bailey. Motion carried unanimously.

1.1 Approval of Minutes of May 25, 2022 Board Meeting

1.2 Acceptance of Water Mains and Related Facilities for SE Sunnyside Road Self Storage

2. DISCUSSION ITEMS

2.1 Adoption of Resolution 2022-08, Approving the Dissolution Plan and Agreement for the Clackamas Regional Water Supply Commission

Hathhorn noted that CRW has already approved the dissolution document but the dissolution requires a unanimous vote of each of the member agencies boards. He said the plan for addressing the distribution of assets from the agency will be presented later and will be very simple, as the only shared asset is a single license for SCADA software. According to the secretary of state, an audit will need to be completed since the entity existed for the entire fiscal year. The audit will be the final cost item for the CRWSC.

A motion to adopt Resolution 2022-08, approving the dissolution plan and agreement for the Clackamas Regional Water Supply Commission was made by Coate and seconded by O'Meara. Motion carried unanimously.

2.2 Adoption of Resolution 2022-09, Approving the Intergovernmental Agreement for Services with CRW

Hathhorn explained that the general services agreement establishes agreed upon pricing for shared services currently performed under the CRWSC and, going forward, allows securing those services through simple authorization of each board.

A motion to adopt Resolution 2022-09, approving the Intergovernmental Agreement for Services By and Between Clackamas River Water and Sunrise Water Authority, as presented, was made by Helm and seconded by Chair. Motion carried unanimously.

2.3 Initiate the FY 2021-22 Audit

Hathhorn stated this is the normal procedure to comply with statute requiring disclosure that the audit process is beginning and that the Board has authorized the General Manager to engage the auditors. Helm asked how Hathhorn identified this firm. He reported that he looked at audits filed with the Secretary of State by other agencies to find names of firms that had provided the service. The challenge was that with Merina exiting the market, existing auditing firms had to absorb a large volume work for additional entities. Helm asked how the new audit firm compares in terms of price. Hathhorn didn't recall the precise cost for the most recent audit by Merina & Co. but did recall a similar conversation with the new auditors and their estimated costs. Pietzold noted that the projected price for the new audit is \$30,000 and that this was comparable to the prior cost. Hathhorn also noted that Sunrise likes to have an ongoing relationship with our auditing firm so we can use them as a resource for providing input on certain business practices. Helm asked if there is a specific timeline for completion of the audit. Pietzold responded that it had to be submitted by the end of the calendar year. Pietzold noted that he would follow up to assure that all board members received a digital copy of the documents.

A motion to authorize the General Manager to engage Grove, Mueller & Swank, P.C. for the FY 2021-22 Audit and acknowledge receipt of the Audit Engagement Letter was made by Helm and seconded by Barth. Motion carried unanimously.

3. STAFF REPORTS

3.1 Manager's Update

Hathhorn stated that value engineering is still occurring, and the contractor was scheduling work and organizing its subcontractors. He shared that through the value engineering process there were a number of changes made and design staff is working on updating the design drawings to incorporate those changes. Some issues remaining include changing a generator and resolution of a gas line conflict. The contractor was preparing the footings and scheduling concrete floor pour. He stated they are behind schedule but even if everything has gone as planned the weather would have held the contractor back in any event. Hawes asked if all of the Happy Valley permits are out. Hathhorn said those necessary to begin work have been secured. The design changes, however, will require a re-review and approval by the City. He noted that Kirby Nagelhout has been really good to work with.

Hathhorn was pleased to announce that the IT migration from CRW to Clackamas ESD went smoothly. The entire server environment is now in a private cloud network and that Pietzold provided a lot of assistance with getting that implemented. He noted that the plan is to conduct serious cyber security testing, including using a third party to do penetration testing.

Barth had asked at the last meeting if it was possible to retire the existing bond debt early. Staff reported that it is not due to provisions in the bond contract documents.

Hathhorn stated that it has been the wettest and coldest spring on record, including some late spring additional snowpack, so that provides some additional stored water, although that can change depending on the weather. He noted that he can't remember the last time he has seen the Clackamas running at over 20,000 cfs.

3.2 Engineering Report – No comments

3.3 Construction Report – No comments

3.4 Operational Report

Hawes asked if the 97th/118th project is about the class 50 pipe that is concerning. Hathhorn said yes, but it is less than a mile of the 15 miles that are in the ground, however this particular section has experienced some breakage. Barth asked if a new agreement had been reached in regards to Sieben Park. Hathhorn reported that staff is working on design concepts to present to NCPRD and plan to have those discussions in the near future. The idea is to move the well electrical panel and controls out of existing subgrade vaults and relocate to a new small above-ground building in the park.

3.5 Finance Report

Pietzold noted it was sort of a slow month for meter sales. Staff's assumption is that due to the SDC increase, those who were approaching the need for a meter pre-bought in March, so there was a temporary lull in sales through April. In May they started to come back up.

On the last page of revenue versus expense he added a couple of notes just to explain the summary totals at the end, since he feels they could be a little misleading. He stated that we are coming in pretty much on target.

4. BOARD REPORTS

4.1 Board Calendar (see meeting packet)

4.2 Liaison Reports (Meeting Attendance)

Commissioner	Meetings Travel (T) or Remote (R)
Chris Hawes	Boring Water – Nothing going on, CRW – Dissolution of the CRWSC Reminder that election of officers is typically in July.
Kevin Bailey	6/7 HV work session – Design issues in response to HB 2007, sizing in design standards and setting a heritage tree preservation project. Sunrise corridor project is on-hold and City is looking at studies to address capacity issues at the intersection of Hwy 212/224 and 172 nd /212 intersection, both inclusive and exclusive of ODOT participation. 6/7 City Council – Extreme fire prohibition, annexation acceptance 6/21 HV Work session – Discussion of urban growth boundary changes, Tigard area exchange and term limits. No resolution on it, it may appear in the next May ballot. City Council – Had to adjust the budget due to receiving additional funds from the American Rescue Plan. Tolling – ODOT did preliminary study that indicates that there is going to more congestion than anticipated due to tolling. They are reconstituting a 2018 committee to look at it further.
Andy Coate	None
Gary Barth	None
Kevin O'Meara	None
Diana Helm	(R) North Clackamas Chamber Public Policy – Metro presentation on Tigard land swap. Moving 350 acres of included land from Damascus eastern boundary and reassign it to the Tigard area.
Tim Chairet	None

Hathhorn mentioned that as follow up to previous discussions on smart leak detection, an article was submitted to the Happy Valley Times which will have a links back to the website where there will be additional information available.

5. ADJOURN

The meeting adjourned at 6:48 p.m.

DocuSigned by:

Chris Hawes

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CHRIS HAWES, CHAIR

DocuSigned by:

Kevin Bailey

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KEVIN BAILEY, SECRETARY