



**BOARD OF DIRECTORS
[REMOTE] REGULAR MEETING MINUTES – 6:00 P.M.
SEPTEMBER 15, 2020**

Board of Directors – Members Present via Zoom:

Kevin Williams	President
Paul Gornick	Secretary/Vice President
Mark Knudson	Treasurer
Susan Keil	Director
Ginny Van Loo	Director

Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
David Mendenhall	Plant Operations Manager
Todd Knapp	Field Operations Manager
Gail Stevens	Finance Director
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder
Haakon Ogbeide	Water Services Engineer

Consultants & Presenters – Present via Zoom:

Laura Westmeyer	Cable Huston, LLP
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1. Call to Order & Meeting Facilitation Protocols

President Williams called the meeting to order at 6:04 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Board members, staff, and consultants.

General Manager Chaplen introduced guests visiting in an official capacity: Chris Hawes, Chair of the Sunrise Water Authority Board of Commissioners, and Sherry French, President of the Clackamas River Water Board of Commissioners.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Call for Public Comment

President Williams asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

President Williams asked District Recorder Casey if there were any members of the public in

OAK LODGE WATER SERVICES

Board of Directors Regular Meeting Minutes for September 15, 2020

Page 2 of 7

attendance. District Recorder Casey stated there was one.

The member of the public remained muted.

3. Consent Agenda

Secretary/Vice President Gornick asked what Budget line the Biosolids Hauling Contract was budgeted in. Plant Operations Manager Mendenhall clarified the Solid Waste Disposal line was for Madison Farms and that the Contracted Services line is for the current contract.

Treasurer Knudson asked about the nine expired Time-Payment Agreements (TPAs) and what the plan was moving forward. Finance Director Stevens stated the Billing team will be following up with every TPA each month, including phone calls to customers who are delinquent.

Treasurer Knudson noted the need for a plan of how to approach non-responsive delinquent customers.

Treasurer Knudson asked what special powers the State of Emergency allowed the District to exercise and if there was a point at which the continued extensions would not be necessary. General Manager Chaplen explained the State of Emergency enabled the District to conduct emergency procurement of goods and services, as well as allowed the District to remain eligible for future federal and state grants related to the pandemic. Director Van Loo asked if the declaration could be extended until the end of the year. Director Keil stated she was more comfortable approving the extension month by month.

In regard to the short-term storage of biosolids at the Plant, Treasurer Knudson asked what the duration of storage would be. Plant Operations Manager Mendenhall explained the biosolids would be hauled away twice a week meaning there would be storage of biosolid materials for three to four days at a time. Secretary/Vice President Gornick remembered winter closures of Interstate 84 had caused problems when hauling the biosolids to Madison Farms. Plant Operations Manager Mendenhall stated there is room at the plant to accommodate seasonal anomalies. Treasurer Knudson asked if odors would be an issue. Plant Operations Manager Mendenhall stated odor suppression was part of the District's agreement with the Department of Environmental Quality and explained the various ways staff would be ensuring odors did not cause problems for the surrounding residents. Secretary/Vice President Gornick asked if the temporary storage facility was different than the decant facility. Plant Operations Manager Mendenhall confirmed they were different facilities with the biggest difference being the temporary storage facility was covered.

Director Keil complimented Finance Director Stevens on the Monthly Financial Report including the highlight of revenue and expenditure lines.

Director Keil asked if the District's water purchase was higher due to customer demand. Finance Director Stevens confirmed customer consumption was high, even higher than 2019, but that it was common for the time of year.

Director Keil noted the workers' compensation percentage of budget were high. Finance

OAK LODGE WATER SERVICES

Board of Directors Regular Meeting Minutes for September 15, 2020

Page 3 of 7

Director Stevens explained workers' compensation insurance is paid once a year.

Director Keil asked why the solids piping project winning bid was so low in comparison to the engineer's estimate. Water Services Engineer Ogbeide explained he had the same question and speculated that the large contracting firm was simply looking for a small filler project.

Director Keil asked why the biosolids hauling contract was not awarded to the lowest bidder. Plant Operations Manager Mendenhall explained the scoring structure used and that the approach and equipment used by the lowest bidder were not acceptable for the District's standards.

Director Keil asked when the failing ductile iron pipe had been installed on Partridge Circle. Field Operations Manager Knapp answered with approximately the mid-1970s, which means the pipe had only lasted fifty of the anticipated one hundred years. He explained it was an electrolysis issue. Secretary/Vice President Gornick asked if there were underground utilities in the neighborhood. Field Operations Manager Knapp confirmed.

Finance Director Stevens pointed out the grant money received through the CARES Act as outlined in the Monthly Financial Report. Treasurer Knudson noted he had seen more opportunities for reimbursement money and encouraged staff to continue to apply.

Secretary/Vice President Gornick moved to adopt the Consent Agenda. Treasurer Knudson seconded. President Williams asked District Recorder Casey to conduct a roll call vote. Voting Aye: President Williams; Secretary/Vice President Gornick; Treasurer Knudson; Directors Keil and Van Loo.

MOTION CARRIED

There was discussion on what types of items should be included on the Consent Agenda. It was confirmed that any item included could be removed from the Consent Agenda for further discussion and modification.

4. Consideration of Resolution No. 2020-14 Approving a Budget Transfer for the FY 2021 Adopted Budget

Finance Director Stevens explained the purpose and actions of the proposed transfer resolution.

Treasurer Knudson asked if the workers' compensation allocations discussed during the August 18, 2020 meeting had been addressed. Finance Director Stevens stated that item was missed in the creation of the proposed transfer resolution and would be included in the next budgetary true-up.

President Williams called for a motion. Director Keil moved to approve Resolution No. 2020-14 Approving a Budget Transfer for the FY 2021 Adopted Budget. Secretary/Vice President Gornick seconded. President Williams asked District Recorder Casey to conduct a roll call vote. Voting Aye: President Williams; Secretary/Vice President Gornick; Treasurer Knudson; Directors Keil and Van Loo.

OAK LODGE WATER SERVICES

Board of Directors Regular Meeting Minutes for September 15, 2020

Page 4 of 7

MOTION CARRIED

5. Protective Footwear Policy Workshop

Human Resources/Payroll Manager Binkowski-Burk reviewed the proposed Protective Footwear Policy related to the current Collective Bargaining Agreement.

Treasurer Knudson acknowledged some of his most difficult employee conversations in his own work had been regarding boots. He expressed support of the proposed policy.

President Williams stated three hundred dollars was a generous boot allowance.

Secretary/Vice President Gornick noted the policy did not address boot height. Human Resources/Payroll Manager Binkowski-Burk stated boot height is addressed in the national standards that are part of the policy requirements.

6. Departments Reports

• **Human Resources/Payroll Report**

Human Resources/Payroll Manager Binkowski-Burk highlighted changes to the payroll process that have improved efficiency and accuracy. She noted the District would now be able to move towards electronic timekeeping using the District's financial software. Human Resources/Payroll Manager Binkowski-Burk overviewed the District's temporary mask policy, upgrades made to the HVAC systems, and the open Outreach and Education Coordinator employment position.

Secretary/Vice President Gornick asked if the District had any difficulty sourcing the masks provided to staff during the pandemic. Human Resources/Payroll Manager Binkowski-Burk summarized early difficulty finding personal protective equipment for staff and the partnerships the District had entered to obtain adequate masks and disinfecting supplies. She reported that Field Operations Supervisor Lyon had acquired extra N95 masks for use during the wildfires when air quality was poor. General Manager Chaplen commended staff for their dedication during the rapid succession of disasters; the pandemic, windstorms, electrical outages, and wildfire evacuations.

Treasurer Knudson asked how well the upgraded HVAC system filtered wildfire smoke. Human Resources/Payroll Manager Binkowski-Burk stated the office air was pretty good.

• **Finance Report**

Finance Director Stevens overviewed revenue, which was slightly down compared to the previous year, and the 2019-2020 fiscal year audit, which was almost complete. She reported on the work orders that have been entered into the Lucity software and the upcoming work on workflows and reporting. Finance Director Stevens gave an update on the purchase order project being completed by consultants from Merina + Co. She also discussed water meter testing and verification work with Field Operations Supervisor Lyon.

OAK LODGE WATER SERVICES

Board of Directors Regular Meeting Minutes for September 15, 2020

Page 5 of 7

Finance Director Stevens detailed the recent Finance Sub-Committee Meeting regarding accounts receivable tracking and verified the Board's commitment to District Code regarding owner-tenant financial responsibility. President Williams stated he favored the District's Code and property owner responsibility model. Secretary/Vice President Gornick agreed. Director Van Loo worried it would only cause owners to raise rent and asked what services the owners would be responsible for. Finance Director Stevens stated they would be responsible for all three: drinking water, wastewater, and watershed protection. Director Van Loo asked why the District would allow any account to be delinquent for three years. Finance Director Stevens replied that she would not. Director Keil and Treasurer Knudson stated the issue had been previously unchecked, noting the best way to fix the issue was to move forward. Finance Director Stevens confirmed following District Code would make the collection process easier.

Director Keil asked if the capital asset inventory to be completed in September include surface water assets and what size assets would be counted. Finance Director Stevens stated she needed to clarify the level at which the auditors had suggested an annual inventory. She speculated that large, fixed assets such as vehicles would be counted. There was discussion on the size of assets most commonly accounted for and the use of District asset management software.

Secretary/Vice President Gornick asked whether the sixty-day delinquent accounts with larger balances were commercial or residential accounts. Finance Director Stevens explained the delinquent accounts were a mix and that most had not made payments in a long time. She discussed the need for express policies regarding managing delinquent accounts.

- **Technical Services Report**

District Engineer Rice reported the MS4 permit issuance has been delayed. He highlighted staff work on copper and lead sampling and inspections. District Engineer Rice gave an update on the Risk and Resiliency Analysis and the Water System Development Charge notification process for feedback. He thanked the Board for supporting the projects approved earlier in the meeting.

Director Van Loo asked if storm water work would resume. District Engineer Rice confirmed work on a request for proposals (RFP). Director Van Loo expressed concern about not having a plan and asked when the Storm Water Committee would meet again. District Engineer Rice stated the RFP needed to be finalized first and summarized the unique needs that would need to be analyzed by a consultant. There was discussion regarding if the Storm Water Committee should focus on the identified levels of storm water service as the framework for the consultant's study. District Engineer Rice discussed the relation of fees to increased services. There was discussion on how to calculate the rate impacts of a storm water program. Director Keil stated customers would need to decide if the cost of providing storm water service was worth it. Director Van Loo believed many customers did not know what they are currently paying for. President Williams reported on the time it has taken to educate the leadership of the Jennings Lodge Community Planning Organization that the District is responsible for the quality of water, not the quantity. He asked for clarification on the RFP. District Engineer Rice stated it would be for some level of financial analysis and a plan for the cost of various levels of service. He asked

OAK LODGE WATER SERVICES

Board of Directors Regular Meeting Minutes for September 15, 2020

Page 6 of 7

if rate increases due to increased services would be considered by the Board. Director Van Loo stated customers would want to know what services they would be provided and how much it would cost. District Engineer Rice discussed the swale construction and maintenance agreement underway with Clackamas County. General Manager Chaplen spoke to the difficulty of establishing new assets with no rate increase to fund maintenance. Director Keil stated the entire Board would need to meet with the Storm Water Committee to address the issues. There was discussion regarding the most recent Storm Water Committee meeting and plans to move forward.

- **Field Operations Report**

Field Operations Manager Knapp highlighted the second annual source meter testing results and reservoir maintenance needs. He reported Field Operations Supervisor Lyon had removed several large meters and test results were expected back soon. Field Operations Manager Knapp detailed the work of the water and collections teams.

President Williams asked about the work by Brix Paving. Field Operations Supervisor Lyon stated the completed work was temporary and would be replaced according to the new County standards. General Manager Chaplen added a discussion regarding costs to meet new standards would be needed during the next fiscal year budget. District Engineer Rice stated he had discussions regarding the new County standards with other water partners noting the feedback had been concern regarding the removal of old assets. President Williams asked why the standards had been changed. Field Operations Manager Knapp stated the County had adopted Oregon Department of Transportation standards.

- **Plant Operations Report**

Plant Operations Manager Mendenhall reported on the new biosolids storage. He highlighted two electrical outages: one in August and one in September. In August two aeration basins lost power possibly due to a crushed conduit under the aeration basins and faulty breakers. He spoke to the September electrical outage at Pump Station 2 that would be covered in more detail during the next regular meeting.

Treasurer Knudson asked if there was a structural issue in or under the basin that had been missed. Plant Operations Manager Mendenhall speculated there could have been settling. Treasurer Knudson agreed the issue would need to be investigated to avoid future structural impacts. There was discussion regarding the identified structural and electrical issues.

Plant Operations Manager Mendenhall reported the coliform violation from March 2020 had been resolved. He detailed the pump station spill that had resulted from the electrical outage and Department of Environmental Quality notification.

7. Call for Public Comment

President Williams asked District Recorder Casey if there were any members of the public still in attendance. District Recorder Casey confirmed there was one that remained muted.

OAK LODGE WATER SERVICES
Board of Directors Regular Meeting Minutes for September 15, 2020
Page 7 of 7

8. Business from the Board

Secretary/Vice President Gornick reported on the Sunrise Water Authority meeting highlighting property and reservoir purchases. He attended the C4 meeting that covered HB 2001 draft ORS rules and an Executive Committee letter regarding the Interstate tolling.

Treasurer Knudson reported on a Water Research Foundation presentation regarding a utility data maturity model. He attended the Oak Grove Community Council meeting that provided an update on the County’s response to COVID-19, a proposed children’s safety levy, and a Clackamas County resolution condemning racism. Treasurer Knudson reported on the Regional Water Providers Consortium meeting highlighting how reduced Consortium spending will reduce membership rates. He summarized a conversation with Joseph Edge regarding the METRO/incorporation study and River Forest Lake. Treasurer Knudson stated he had been approached to participate on a Clackamas County Business Alliance panel and asked for Board support which he received.

President Williams noted the Clackamas Review newspaper article written by Director Keil.

Director Van Loo reported North Clackamas Chamber of Commerce meeting that covered the METRO bond. Directors Van Loo and Keil discussed the bond lobbyists and changing nature of the bond messaging.

President Williams reported on the Jennings Lodge Community Planning Organization meeting where Jennings Avenue improvement plans were reviewed, and MAP-IT conducted a 20-year vision exercise for the McLoughlin Boulevard area.

9. Adjourn Meeting

President Williams adjourned the meeting at 8:44 p.m.

Respectfully submitted,

DocuSigned by:
Kevin Williams
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Kevin Williams
President, Board of Directors

Date: 10/22/2020

DocuSigned by:
Paul Gornick
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Paul Gornick
Secretary/Vice President, Board of Directors

Date: 10/21/2020