

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
by Zoom Conference Call and In Person
January 12, 2023**

Introduction to Remote Meeting:

Denlinger, General Manager, explained that this board meeting is being conducted remotely and in person. Due to the limited capacity for in-person meetings, the public is invited to attend this meeting electronically. He further explained that the Board President will call each name to confirm those who are present by zoom conference. After each person hears their name, they need to reply. For each decision item on the agenda that needs to be approved, after discussion and deliberation, the Board President will call each name of the commissioner for their vote. After the commissioners hear their names, he or she will give the vote in the affirmative by saying YES or negative by saying NO.

Call Regular Meeting to Order:

President Rob Mills called the regular board meeting to order at 4:02 p.m., Thursday, January 12, 2023.

Present:

President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. Present by Zoom Conference Call was Commissioner Sandra Mies-Grantham, Secretary; and Atty Jeff Hollen, Legal Counsel. Present in person in the Board room were Commissioner Rob Mills, Board President; Commissioner Karen Otta, Treasurer; Commissioner Glen Morris, Member; and Commissioner Paul Highfill, Member. Staff: Adam Denlinger, General Manager; Joy King-Cortes, Office Manager.

Excused Absences: None

Announcements/Public Comments:

President Rob Mills asked if there are any announcements. Commissioner Karen Otta had no announcement; Commissioner Glen Morris announced he will not be able to attend the February Regular Board Meeting; Commissioner Paul Highfill had no announcement; Commissioner Sandra Mies-Grantham had no announcement. Office Manager, Joy King-Cortes had no announcement; General Manager, Adam Denlinger had no announcement. Atty. Jeff Hollen had no announcement. President Rob Mills had no announcement.

Consent Calendar:

Items on the consent calendar are December 2022/January 2023 Invoices List for approval; December 8, 2022, Regular Board Meeting minutes; December 2022/January 2023 Financial Report; and General Manager's Monthly Report. President Rob Mills asked if each commissioner reviewed the consent calendar items. Commissioner Karen Otta answered YES; Commissioner Glen Morris answered YES; Commissioner Paul Highfill answered YES; Commissioner Sandra Mies-Grantham answered YES; and President Rob Mills answered YES. Commissioner Karen Otta motioned to approve the consent calendar. Commissioner Paul Highfill seconded the motion. The motion was passed 5-0.

Discussion and Information Items:

Primary Source Water Project Update: The engineer provided the district with a Certificate of Substantial Completion with a date of August 18, 2022. It has been reviewed by Adam Denlinger, General Manager, and legal counsel, Jeff Hollen.

There was a discussion about running the new water treatment plant (WTP). At the beginning of the project, it was the recommendation of the engineer that the WTP could be run by ½ FTE, but now that the WTP is operational it is the experience of the district that 2 operators with staggered shifts are needed. The district is able to provide water to customers but the District staff are in the learning phase of making water and there are many procedures and steps involved in making water, like monitoring water quality at the intake and how the membranes work. In December and January because of king tides, salinity was present at the intake site from 12 to 24 hours. WTP operators continue to adjust runtimes making water due to water quality conditions. Power outages for a few minutes to several hours were also experienced at the intake site because of bad weather conditions. After power is restored, putting the intake and WTP in operation takes time because the different instruments need to be adjusted. The importance of having a backup generator at the intake site was discussed. As a condition of the easement, the property owner of the intake site did not want a permanent generator at the site to prevent the noise a running generator would create. A portable generator for the intake site and another Clearwell at the water treatment site were part of the bid alternatives but when the bid came in very high both of the bid alternatives were pulled out with a plan of purchasing the portable generator for \$250,000 after the project is completed and there are available leftover grant funds. It was discussed to look into a battery-operated backup generator to keep the power going when CPI has a power outage, so the instrumentations do not need to be restarted.

63 Availability of water quality and power outages were discussed. The district's water tanks hold 10 days to serve the
64 customers. Maintaining a high water level in the water tanks will also cause residual issues.
65 The district's WT operators are working with Westech to fine-tune the instruments. Right now the WTP is run by 2 full-time
66 operators with staggered schedules of 10 hours M-Th for the senior operator and 10 hours T-F for the junior operator to
67 meet the daily demand. The City of Newport has a WTP with similar instrumentations as the District's WTP and according
68 to their engineer, it took a year to fine-tune.

69 Update by Atty Jeff Hollen on arbitration: Substantial completion will trigger the arbitration. A Certificate of Substantial
70 Completion has been issued but there is no date for arbitration, yet. Completion is 30 days after Substantial Completion.
71 There is still work that needs to be done by the contractor. All O & M have been submitted and reviewed.

72
73 **Update on Cross Connection and Backflow Prevention:** The GM, Adam Denlinger, reviewed the district's resolution
74 for the control of cross-connections approved by the State, and found that the district followed the policy in working with
75 Mrs. Loeffel to bring her well connection into the water system in compliance with the Cross Connection Policy. It was
76 discussed that the Resolution needs to be updated to increase the fee. Staff will work on updating the Cross Connection
77 Policy.

78
79 **Decision Items:**

80 **FY 2023-24 Budget Calendar:** Joy King, Office Manager explained that the budget calendar was prepared following
81 Local Budget Law that set dates of publication of meetings and hearings. Commissioner Glen Morris motioned to approve
82 the budget calendar. Commissioner Karen Otta seconded the motion. The motion passed 5-0.

83
84 **Budget Officer for FY 2023-24:**

85 Commissioner Glen Morris motioned to appoint Adam Denlinger as the budget officer for FY 2023-24 Budget Process.
86 Commissioner Karen Otta seconded the motion. The motion passed 5-0.

87
88 **Presentation:**

89 Adam Denlinger did a presentation for board information on items that would impact the budget for FY 2023-24 as follows:

90 **Personnel Cost:**

91 The result of the salary survey performed by HR Answers demonstrates that some employees are underpaid and some
92 are comparable. There's a need to hire a full-time employee for distribution maintenance and operations. One water
93 distribution employee is now working at the WTP.

94 **Secondary Source Water Cost:**

95 At times the district will be unable to use the Beaver Creek Intake due to water quality, routine maintenance, and potential
96 equipment failure. The district needs to budget for the purchase of water for 2 or 3 months from the City of Newport or the
97 City of Toledo.

98 **WTP Operation and Maintenance Expenses:**

99 These include power cost, chemical cost, regulatory cost, and analytical cost.

100 **Distribution O&M Cost:**

101 The district has aged infrastructure to include pipes, pumps, master meters, ARVs, instrumentation, SCADA, and Leak
102 Detection.

103 **Investment in Technology:**

104 These include Smart Water Grid System AMI, Customer Portal, Pressure Profile, Annual User Conference, SCADA, and
105 program integration.

106 **Administration and Succession Planning:**

107 There are employees who are eligible for retirement in the next 2 to 5 years. How should the district plan to fill the
108 vacancies in the future?

109 **Consultant:**

110 The district needs to hire a consultant who would help to certify the district's water rights necessary to perfect the district's
111 water rights.

112
113 **Mid-Coast Water Planning Partnership:**

114 GSI Water Solutions, Inc. submitted a Scope and Fee Estimate for Mid-Coast Water Planning Partnership Water Action
115 Plan Prioritization and Early Implementation Steps Support for \$222,000. Commissioner Glen Morris motioned to approve
116 the Scope of Work and Fee Estimate submitted by GSI, Inc. Commissioner Karen Otta seconded the motion. The motion
117 passed 5-0.

118
119 **Reports, Comments, and Correspondence:**

120 The district office will be closed on January 16 in observance of the Martin Luther King, Jr. holiday.

121 A letter was sent to Bayshore HOA regarding Unpaved Utility Cut at Convoy and Corvette Streets.

122 HB-5006 State Supported Regional Water Planning & Management Final Report.

123 Annual SDAO Annual Conference Feb 9-12.

124 It was the consensus of the Board to have the regular board meeting on February 16, 2023.

125

126 **Executive Session: NONE**

127

128 **Adjournment:** Motioned by commissioner Karen Otta to adjourn the meeting. The motion was seconded by Paul Highfill.
129 The meeting was adjourned at 5:20 p.m.

130

131 **Next Board Meeting:** February 16, 2023, at 4:00 p.m. Regular Board Meeting.

132

133

134

135

136

137

138

139

140

141 _____
Approved by Board President

_____ Date: