

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
September 8, 2016**

1
2
3
4
5
6
7 Call Regular

8 Board Meeting: Board President John Garcia called the regular board meeting to order at 4:00 p.m.,
9 Thursday, September 8, 2016.

10
11 Present: John Garcia, Board President; Glen Morris, Treasurer; Sandra Mies-Grantham,
12 Secretary; Rob Mills, Member; John Filbert, Member; Staff: Adam Denlinger, General
13 Manager; Joy S King, Office Manager. See sign in sheet for public attendance.

14
15 Excused Absences: None

16
17 Announcements: Joy King announced the agenda was revised and added the following under Consent
18 Calendar: USDA ECWAG Project Monitoring Report No. 1; Ray Wells Change Order No.
19 1; W.W. Construction Final Pay Request; and Amendment to Owner-Engineer Agreement.
20 John Filbert announced his house was sold and announced his resignation effective Sept.
21 9, 2016.

22
23 Public Comments: None

24
25 Consent
26 Calendar:

27 Items on the consent calendar are Invoice Lists for August/September 2016; minutes of
28 the Aug. 11, 2016 regular board meeting; August/Sept. 2016 Financial Report/Invoices to
29 approve; USDA Phase 3- Project Monitoring Report No 11; USDA ECWAG Project
30 Monitoring Report No.1; Mocon Corp. Schedule 1; Payment Application No. 10; Schedule
31 2 Payment Application No. 10; Ray Wells Inc. Payment Application No. 1; Ray Wells Inc.
32 Change Order No. 1; W.W. Construction Final Payment Request; Amendment to Owner-
33 Engineer Agreement; General Manager's Report. Glen Morris motioned to approve the
34 consent calendar as amended. Motion Seconded by Rob Mills. Motion carried
unanimously.

35 Discussion and
36 Information Item:
37 Emergency Pipeline
38 Replacement:
39 143rd St.:

40 The 143rd emergency waterline replacement was substantially completed at the end of
41 July. All systems are fully operational. The contractor is working on the final punch list
42 items. The contractor is completing the paving on 143rd Street.

43 Oceania Drive: The Oceania Drive Emergency waterline replacement from Marineview to Oceania Drive
44 going south to the Spit area is nearing completion. The project is going well with no
45 negative comments from the community.

46 Phase 3

47 Improvements Update: The contractor is doing all they can to complete Phase 3 project. Substantial completion
48 was scheduled for August 30. A Change Order Request to extend the time for 15 days for
49 substantial completion was approved. The new substantial completion date was
50 Sept. 1, 2016 but substantial completion hasn't been achieved as of today. Beginning
51 September 2, the contractor is now in liquidated damages for \$850 a day.
52 The District submitted a claim for the 95th St. for broken pipe caused by the contractor
53 which resulted in another boil water notice. Another claim was submitted for a damaged
54 hydrant hit by the contractor's equipment. The track hoe was parked on the hill for a long
55 time. The contractor knew the break was not working and instead of moving it using a
56 trailer, it was driven downhill and the equipment was not able to stop until it hit a fire
57 hydrant.
58 The project is over its time frame but under budget. The District staff and engineer are
59 doing everything they can to help the contractor meet substantial completion. Final
60 completion date is October 9. The contractor didn't request for an adjustment of time for
61 final completion when they requested for an additional 15 days for substantial completion.

62 Liquidated damages of \$450 a day starts on Oct 10, if the project doesn't meet final
63 completion on Oct. 9.
64 USDA interest rate now is 2% which is lower than what it was when USDA approved the
65 loan/grant application. Phase 3 projects need to be substantially completed before USDA
66 can start the process of closing the loan so the District can avail the lower interest rate.
67
68 Phase IV: Adam Denlinger, GM will have a meeting with Paul of CH2M to discuss the Draft
69 Conceptual Design Report. If the board has any questions or comments to let GM know
70 so he may discuss the comments with CH2M engineer.
71 The budget portion of the report was discussed. It includes cost of construction, supply
72 line, engineering and 25% contingency. It doesn't include construction management. The
73 estimated cost for Phase IV Beaver Creek Water Source project is around \$12 million.
74 The District has a remaining \$6.549 million G.O. Bond authority. The District needs to
75 seek additional funding from grants. Staff will ask USDA if there is left over grants from
76 Phase 3, if it could be rolled over to fund Phase IV. Part of the funding could be from
77 Revenue Bond. This bond could be funded from the cost of wholesale water the District
78 pays to the City of Toledo.

79 Refinancing Existing Debt: The possibility of refinancing existing debts was discussed. The interest rate is a lot lower
80 and it would be financially advantageous for the District to take this opportunity to
81 refinance. It was discussed to have David Ulbricht help the District with the process.
82
83
84 Board Vacancy: The Board expressed their appreciation and thanked John Filbert for the many years of
85 service to the Seal Rock community as a commissioner. It was the consensus of the
86 Board to advertise the board vacancy in the newspaper and the District's website.

87 Reports, Comments,
88 Correspondence:
89 Garage Door &
90 Road Improvement: The garage door repair has been completed. A claim will be submitted to the insurance
91 company. The paving of the road with shared cost with Seal Rock Rural Fire District
92 (SRRFD) was completed. The District will make and post signs to slow down the traffic.
93
94 GM Vacation Request: Adam Denlinger will take 2 weeks-time off in October.
95
96 SRRFD Fish Fry: On October 8, 2016 the SRRFD will have a free fish fry for the residents of Seal Rock.
97 They will have an open house to show the new facility they purchased to house their
98 equipment.
99
100 Executive Session: None
101
102 Next Board Meeting: October 6, 2016 at 4:00 p.m. Regular Board Meeting.
103
104 Adjournment: Motioned by Sandra Mies-Grantham to adjourn the meeting. Garcia adjourned the
105 meeting at 5:05 pm.
106
107
108
109
110
111
112
113
114

115 _____
Approved by Secretary

_____ Date