

**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Regular Board Meeting  
by Zoom Conference Call and In Person  
December 8, 2022**

**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 2:00 p.m., Thursday, December 8, 2022.

**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 Saundra Mies-Grantham, Secretary. 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; and Legal Counsel Attorney Jeff Hollen.

**Excused Absences:** None

**Announcements/Public Comments:**

President Rob Mills asked if there are any announcements. Commissioner Karen Otta had no announcement; Commissioner Glen Morris had no announcement; Commissioner Paul Highfill had no announcement; Commissioner Saundra Mies-Grantham had no announcement. Office Manager, Joy King-Cortes announced that there is no PMR No.30 since the district didn't receive an invoice to be paid from USDA grant; 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 November/December 2022 Invoices List for approval; November 10, 2022, Regular Board Meeting minutes; November/December 2022 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 Saundra Mies-Grantham answered YES but she was not present at the November 10 regular board meeting; and President Rob Mills answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Karen Otta seconded the motion. The motion was passed with 4 YES votes and 1 abstained from voting.

**Discussion and Information Items:**

**Source Water Project Update & Raw Water Intake Instrumentation Failure:** Beginning November 1, 2022, the district started receiving calls from customers complaining that the water has a chlorine and a salty taste. After evaluating and troubleshooting the conductivity probe it was discovered that the probe was not reading correctly and is out of calibration. As a result, salinity entered into the drinking water system, requiring an isolated area of the distribution system to be flushed to correct the issue. It was determined by staff and engineers that the HACH conductivity probe at the intake location which measures salinity in the raw water malfunctioned. Working with engineers and HACH technicians the following water quality monitoring conditions have been placed in service as preventive measures. District staff with guidance from a HACH technician successfully calibrated the existing inline conductivity probe at the raw water pump station. Working with the engineers, district staff obtained two new conductivity probes and installed one at the raw water intake pump station and one at the WTP finish water system. Target conductivity limits have been reset to 250 uS/cm or 160 TDS (total dissolved solids) and will automatically shut down the pump station and alarm the operators if raw water reaches the proposed limits. District staff has developed Standard Operating Procedures, using projections provided by NOAA, for monitoring annual tide conditions and sea swells with the expectation that the raw water intake pump will be taken offline in advance of projected 9.5 ft tides. These preventive measures with Standard Operating Procedures for monitoring conditions will serve to eliminate salinity from entering the water system in the future.

61  
62 When the district was having the salinity issue, water for the customers was coming from the City of Toledo but had to  
63 switch to the City of Newport after the district was asked by the City of Toledo to shut down the pump because the City was  
64 experiencing a leak from the Mill Creek water line. The district WTP is now back online and producing water.

65  
66 The City of Newport has asked the district to supply water to the South Beach area when they will start dredging the bay.

67  
68 **Decision Items:**

69 **Certificate of Substantial Completion:** The contractor has completed several items on the punch list and the engineer  
70 has received most of the O&M, but a few still need to be submitted. The engineer provided a Certificate of Substantial  
71 Completion that needs to be executed by the district when a copy with the engineer's signature is received. Commissioner  
72 Glen Morris motioned to authorize the GM, Adam Denlinger in his discretion to sign the Certificate of Substantial  
73 Completion when a copy signed by the engineer is received. Commissioner Karen Otta seconded the motion. The motion  
74 passed 5-0.

75  
76 **Financial Audit Report:**

77 A draft audit and the representation letter were presented to the Board. Grimstad and Associates have completed their  
78 audit of the district's financial records in plenty of time to file the audit report with the Secretary of State Audit Division and  
79 to file the Single Audit with the Federal Audit Clearinghouse. The auditor is very complimentary to the staff and their work in  
80 keeping good records, making it easier to perform the audit. Everything is in order and no negative comments were  
81 mentioned in the audit report. Commissioner Glen Morris motioned to approve the FY 2021-22 Audit Report as presented.  
82 Commissioner Karen Otta seconded the motion. The motion passed 5-0.

83  
84 **Engineering Agreement Amendment No. 3:**

85 There has been an overrun of engineering services time due to the delay in completing the project. The amount of the  
86 increase included in Amendment No. 3 is \$36,585 increasing the contract to \$1,404,819. Commissioner Karen Otta  
87 motioned to approve Amendment No. 3 for engineering services provided by Jacobs Engineering and to authorize the GM,  
88 Adam Denlinger to execute the agreement. Commissioner Sandra Mies-Grantham seconded the motion. The motion was  
89 passed 5-0.

90  
91 **MCWPP Grant from OWRD:**

92 Seal Rock Water District has been a vital partner and serves as a co-convener of the Mid-Coast Water Planning  
93 Partnership. The legislature allocated additional funding in 2021 to support place-based planning including funding for  
94 MCWPP which received a grant of \$250,000. OWRD will continue to provide support to the partnership. A draft grant  
95 agreement was provided to the board for their review and approval. Commissioner Karen Otta motioned to approve the  
96 Coronavirus State Fiscal Recovery Fund Grant Agreement and to authorize the GM, Adam Denlinger to execute the  
97 document. Commissioner Glen Morris seconded the motion. The motion was passed 5-0.

98  
99 **General Manager's Annual Performance Evaluation:**

100 President Rob Mills reported to the board that he and Commissioner Karen Otta met with the GM, Adam Denlinger earlier  
101 and discussed the individual comments of the board members. The comments show the seriousness of the board's  
102 expectations and the result is the high performance of GM, Adam Denlinger. Commissioner Karen Otta reviewed the  
103 employees' evaluations and commented that the employees are performing well in response to the GM's expectations. The  
104 GM, Adam Denlinger appreciated the comments from the board that help him know if he is communicating and reporting  
105 enough. He is thankful for the board's professionalism and for the one-on-one conversation for direction. It was the  
106 consensus of the board to give the GM 80 hours of administrative leave in lieu of a salary step increase.

107  
108 **Reports, Comments, and Correspondence:**

109 Commissioner Glen Morris received a call from a former commissioner regarding a customer's comments about the  
110 plumbing cost of the District's required backflow prevention device because of the connection of the house plumbing to a  
111 well. The GM explained that when a house's plumbing is connected to a well if for any reason a negative pressure happens  
112 the well water could be sucked into the district's water system and could cause contamination without a backflow prevention  
113 device. The importance of preventing contamination now that the district has its own water treatment plant was discussed.  
114 The district's cross-connection policy needs to be reviewed and updated if needed. It was also discussed the possibility to  
115 include the cost of a backflow device with the installation fee for new meter installations.

116  
117 The office will be closed on December 26 in honor of the Christmas Day Holiday.

118 The office will be closed on January 2 in honor of the New Year's Day Holiday.

119  
120 President Rob Mills recessed the regular board meeting to go into executive session at 3:15 p.m.

122 **Executive Session: according to ORS 192.660(2), Concerning:**

123 The SRWD Board may meet in Executive Session, pursuant to ORS 192.660(2)(h); To consult with legal counsel  
124 concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.  
125 Representatives of the news media and designated staff shall be allowed to attend the executive session. All other  
126 members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to  
127 report on any of the deliberations. No final decisions shall be made in Executive Session.

128  
129 President Rob Mills adjourned the executive session and reconvened the regular board meeting at 3:44 p.m.

130  
131 Commissioner Karen Otta motioned to authorize the GM, Adam Denlinger, to assert a demand for a judgment of liquidated  
132 damages in arbitration as necessary. Commissioner Paul Highfill seconded the motion. The motion was passed 5-0.

133  
134 **Adjournment:** The meeting adjourned at 3:45 p.m.

135  
136 **Next Board Meeting:** January 12, 2023, at 4:00 p.m. Regular Board Meeting.

137  
138  
139  
140  
141  
142  
143  
144

145 \_\_\_\_\_  
Approved by Board President

\_\_\_\_\_ Date: