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**SEAL ROCK WATER DISTRICT**  
**MINUTES OF THE**  
**Regular Board Meeting by Zoom Conference Call Only**  
**August 13, 2020**

**Introduction to Remote Meeting:**

Adam Denlinger, General Manager, explained that this board meeting is being conducted remotely in order to mitigate the transmission of the novel coronavirus and reduce the risk of COVID-19 illness in accordance with Governor Brown's Executive Order 20-12 to suspend all public gatherings. He further explained that the Board President will call each name to confirm those who are present. After each person hears their name, they need to reply. For each decision item in 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 name, he or she will give the vote to 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, August 13, 2020.

**Present:**

President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. Present by Zoom Conference Call were Commissioner Karen Otta, member; Commissioner Deanna Gravelle, Treasurer; Commissioner Glen Morris, member; Commissioner Sandra Mies-Grantham, Secretary; and President Rob Mills. Staff: Adam Denlinger, General Manager; Joy King, Office Manager; Atty. Jeff Hollen, District legal counsel.

**Excused Absences:** None

**Announcements/Public Comments:**

President Rob Mills asked if there are any announcements. Commissioner Glen Morris replied NO; Commissioner Sandra Mies-Grantham replied NO; Commissioner Karen Otta replied NO; Commissioner Deanna Gravelle replied NO; Office Manager Joy King replied NO; General Manager Adam Denlinger replied NO; President Rob Mills had NO announcement.

**Consent Calendar:**

Items on the consent calendar are Invoice List for July/August 2020; July 9, 2020 minutes of the regular board meeting; July/August 2020 Financial Report; Business Oregon IFA Disbursement Request No. 22; USDA Phase IV PMR No. 2; Contractor's Pay Request No. 2; and General Manager's Report. President Rob Mills asked if each commissioner has reviewed the items on the consent calendar. Commissioner Glen Morris answered YES, Commissioner Karen Otta answered YES; Commissioner Sandra Mies-Grantham answered YES; Commissioner Deanna Gravelle answered YES; President Rob Mills answered YES. Commissioner Karen Otta motioned to approve the consent calendar. Commissioner Glen Morris seconded the motion. Commissioner Karen Otta asked why the unaccountable water usage was a lot higher than last year. The GM explained that the difference is due to the timing of reading the meters between the District and the City of Toledo. Commissioner Glen Morris suggested giving an annual or a semi-annual report to capture the difference. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Sandra Mies-Grantham voted YES; Commissioner Deanna Gravelle voted YES, and President Rob Mills voted YES. Motion carried unanimously.

**Discussion and Information Items:**

The contractor has several activities going on at the same time in different locations. The cofferdam has been installed at the intake site to keep the water out of the work area. The pilings have been installed in place for the foundation of the intake structure and pipe gallery. The contractor ordered the needed helical piling basing on the depth found on the Geotech report, but the actual depths of some areas are deeper for the pilings to reach resistance. As a result, the contractor had to order additional pilings, and this would be submitted as a change order for additional cost. It will take an extra 3 weeks for the additional pilings to be delivered. The District needs to file an extension of the in-water work permit. The steel rebars and pump cans where the actual pump will be tied have been installed. The rebars need to be inspected first before pouring the cement foundation.

All the water pipelines from the bridge to tax lot 500 have been installed measuring 5,267 feet. This includes the 14" raw waterline, 4" fresh waterline, 3" electrical conduits, and the 3" communication conduit.

Grading at the water treatment plant site has started. The clear well and the treatment plant building will be built by the sub-contractor from San Jose, California.

The electrical power needed at the treatment plant site and the intake site will be provided by CPI. The District entered into an agreement with CPI to allow them to use the trench for the pipes to install their system for future connectivity. CPI will give the District a credit towards the cost of bringing power to the intake and treatment plant sites for the shared trenching.

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**Decision Items:**

**Closing USDA Revenue Bond Loan Update:**

District staff has been discussing with USDA representative regarding the possibility of closing the Revenue Bond portion of the interim loan to avail the current lower interest rate. When USDA approved the District's loan application the interest rate was 2.75% and this quarter the interest rate has gone down to 1.5%. The advantage of moving this item into Decision Items to make the decision now to close the \$2,547,000 Revenue Bond loan to save 1.5% in interest payment was discussed, and not wait for another month so that staff can start working on the loan closing process. Commissioner Glen Morris motioned to authorize the District to close the Revenue Bond portion of the loan to avail the lower interest rate.

Commissioner Karen Otta seconded the motion.

President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Sandra Mies-Grantham voted YES; Commissioner Deanna Gravelle voted YES, and President Rob Mills voted YES. Motion carried unanimously.

**Refinancing Existing G.O. Bonds:**

The District staff received an email from its financial advisor, David Ulbricht regarding taking advantage of the lower interest rate of 2.89% by refinancing the 2011, 2012, and 2013 G.O. Bonds. David has put together a Debt Service comparison showing the savings in interest payments. The board discussed the advantage of moving this item into Decision Items and make the decision now to authorize the District to refinance the G.O. Bond loans. Commissioner Glen Morris motioned to authorize the District to engage David Ulbricht to help process the refinancing and for the District to engage Hawkins Delafield and Woods bond counsel to help with the refinancing. Commissioner Karen Otta seconded the motion. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Sandra Mies-Grantham voted YES; Commissioner Deanna Gravelle voted YES, and President Rob Mills voted YES. Motion carried unanimously.

**Reports, Comment, and Correspondence:**

The GM will be gone for two weeks but will monitor his email and will make his cellphone available to receive calls while away from the office. Brad Wynn will respond to field and project issues while Joy King will respond to administrative issues.

The recognition plaque for John Garcia designed by Commissioner Karen Otta has been completed. It was discussed to set up a time when the board and the employees can get together to present the plaque to John Garcia in recognition of his contribution through his service to the District. It was suggested to hold the gathering in the Garden Club with food to celebrate the occasion. Staff will contact John for his availability.

The board discussed the graph prepared by Commissioner Karen Otta. It shows the history of the length of time the District started its relationship with the City of Toledo, the District's capital contribution to the City's Capital Improvements, and the annual water purchased since 1976. This could be used during the negotiation meeting to give an understanding of the continuity of the relationship between the two agencies.

**COVID 19 Update:**

The county has applied for Phase 2 reopening with the state effective Aug. 24. SRWD staff will continue to observe COVID 19 protocols. The office is open to the public by appointment only and the staff continues to daily sanitize areas that are commonly used. Staff updated the Board with the loss of revenue due to COVID 19. The total waived late charges as of July 31, 2020, was \$5,693 for 4 months. The number of customers who are 1-month delinquent were 45; 2 months delinquent were 5 and three or more-months delinquent were 11. It was the consensus of the board to continue waiving the late charges and not to Turn off delinquent customers until further notice. It was discussed the possibility of waiving the delinquent bills and be reimbursed from grant. The GM explained that he is involved with SDAO working with the state to develop a program regarding COVID cost recovery.

**Adjournment:** President Rob Mills adjourned the meeting at 5:19 p.m.

**Next Board Meeting:** September 10, 2020, at 4:00 p.m. Regular Board Meeting.

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Approved by Board President

Date: