

**SEAL ROCK WATER DISTRICT**  
**MINUTES OF THE**  
**Regular Board Meeting By Conference Call Only**  
**April 9, 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 reduced risk of covid-19 illness in accordance with Governor Brown's Executive Order 20-12 to suspend all public gatherings. Those present in the board room were sitting at least 6 feet apart and wearing face masks to promote the social distancing guidelines currently in place at the federal and state level. 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 4:00 p.m., Thursday, April 9, 2020.

**Present:**

President Rob Mills, confirmed that all commissioners present can hear each other by doing a roll call. Present by phone were Commissioner Karen Otta, member; Commissioner Glen Morris, member; Commissioner Deanna Gravelle, Treasurer. Present in the board room were: President Rob Mills; Staff: Adam Denlinger, General Manager; Joy King, Office Manager. No public attended in person nor by conference call.

**Excused Absences:** Commissioner Sandra Mies-Grantham

**Announcements/Public Comments:**

President Rob Mills asked if there's any announcement. Commissioner Glen Morris replied NO; Commissioner Deanna Gravelle replied NO; Commissioner Karen Otta replied YES. Her plan has changed so she will be able to attend the May 14 board meeting; Office Manager Joy King replied NO; General Manager Adam Denlinger replied NO.

**Consent Calendar:**

Items on the consent calendar are Invoice List for March/April 2020; March 12, minutes of the regular board meeting; March/April 2020 Financial Report; 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 Deanna Gravelle answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Karen Otta seconded the motion. There was a discussion on the interim interest rate, if the financial advisor was able to ask the bank for the possibility of a lower rate now that the federal government has again lowered the interest rate. The GM explained what the financial advisor's reply was. The market is very volatile as a result of the pandemic and that the lending institution may even increase the interest rate. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES; President Rob Mills voted YES. Motion carried 4 – 0.

**Decision Items:**

**Mid-Coast WPP:**

The City of Newport who has served as a co-convenor and fiscal agent of the Mid-Coast Water Planning Partnership (MCWPP) is no longer able to serve in these roles. The District has been a vital partner serving in a leadership role as a co-convenor for the last three years. Oregon Water Resources has asked for SRWD to serve as a lead agency of the MCWPP to receive grant Funding of \$150,000 for funding the planning process of the MCWPP. Commissioner Glen Morris motioned to authorize the District to serve as a lead agency of the MCWPP. Commissioner Karen Otta seconded the motion. There was a discussion on how much time will the General Manager need as the fiscal agent of the MCWPP. The GM explained he has been involved as a co-convenor for the last three years and the additional responsibility will be managing the grant funding from OWRD and should not add significant time he is already spending as a co-convenor. After the discussion President Rob Mills asked for the commissioners' votes. Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES; President Rob Mills voted YES. Motion carried 4 – 0.

**FY 2020-21 Budget Calendar:**

The current condition caused by the coronavirus pandemic could potentially impact the preparation of the FY 2020-21 budget. Staff is asking to consider adopting a revised budget calendar. This changes the budget committee meeting from April 16, 2020 to May 21, 2020. Postponing the budget process for 30 days will give staff time to better understand the impacts that would affect the FY 2020-21 budget. Commissioner Glen Morris motioned to approve the revised budget

63 calendar. Commissioner Karen Otta seconded the motion. President Rob Mills asked for the commissioners' votes.  
64 Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES;  
65 President Rob Mills voted YES. Motion carried 4 – 0.  
66

67 **Discussion and Information Items:**

68 **Source Water Project Update:**

69 Staff had a meeting with USDA representative to review the construction budget. The original construction budget included  
70 the pre-purchase of the membrane which was awarded to Westech at the beginning of the design phase and the cost of  
71 that was not remove before the construction went out to bid. With the miscalculation, additional engineering costs and  
72 contingencies at 5%, there is a shortfall of \$1,801,508 in the construction budget. Working with USDA the District is  
73 requesting a sub-grant (in addition to the original approved loan and grant application) which includes an additional  
74 \$200,000 loan and \$1,601,508 grant although there is no guarantee that this will be approved.  
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76 Interim loan with Truist will close April 10, 2020. The District received the signed contract documents from the contractor on  
77 March 27, 2020. The District is waiting for authorization from USDA to issue the Notice to Proceed to the contractor. The  
78 District will set up a virtual pre-construction meeting this month.  
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80 **Rate Adjustment:**

81 The agreement with the City of Toledo will terminate on October 31, 2020. The District at this time doesn't know what the  
82 wholesale rate will be after that date. There was a discussion on the importance of having a conversation with the City of  
83 Toledo regarding wholesale water rate. The information is needed for staff to prepare the budget for FY 2020-21. It was the  
84 consensus of the board for the President of the Board, Rob Mills to write a letter addressed to the City Mayor and the City  
85 Manager to set up a date and time to discuss the wholesale rate beyond October 31, 2020.  
86

87 There was a discussion on what the District offers to those customers who are unable to pay their water bills due to  
88 unemployment as a result of the Governor's order to stay home to mitigate the spread of coronavirus. The District is  
89 implementing ways to help the customers consistent with the Executive Order by not turning off water of those who have  
90 past due bills, waiving late charges, and making it possible for customers to make arrangements for partial payments in  
91 time, depending on the amount of the past due bills.  
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93 **Budget Committee Meeting:**

94 The Budget Committee Meeting is scheduled for May 21, 2020 at 6:00 pm. It is more likely to be a remote meeting using  
95 conference call and video confere  
96 nce. Staff will look into using Microsoft Team or Zoom video conferencing to be able to see those attending and be able to  
97 share documents on the screen.  
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99 **Adjournment:** Commissioner Glen Morris motioned to adjourned the meeting. Commissioner Karen Otta seconded the  
100 motion. President Rob Mills adjourned the meeting at 4:55 p.m.  
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102 **Next Board Meeting:** May 14, 2020, at 4:00 p.m. Regular Board Meeting.  
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111 Approved by Secretary

Date: