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## MINUTES

A regular meeting of the Sunrise Water Authority Board of Commissioners was held on Wednesday, September 26, 2012 at Sunrise Water Authority, 10602 SE 129th Avenue, Happy Valley, Oregon, 97086.

Board Present: Ernie Platt, Chair; Ron Blake, Vice Chair; Keith Miller; Judy Grycko; Bob Garbarino; Mike Kuenzi.

Staff Present: Wade Hathhorn, General Manager; Lin Rigutto, Finance Director; Dan Fraijo, Operations Supervisor; Tim Jannsen, District Engineer; Cindy Richards, Administrative Assistant.

Visitors Present: Myron Martwick, Oak Lodge and Barbara Kemper, CRW.

### **1. CALL MEETING TO ORDER**

Called to order at 6:02 PM.

### **2. INTRODUCTIONS & WELCOME OF VISITORS**

### **3. FLAG SALUTE**

### **4. PUBLIC COMMENT**

Kemper reported that CRW had received a 90-day cancellation notice from their SDAO insurance provider. She added that she would resign as commissioner if all other commissioners agreed to resign. Additionally, she noted that Commissioner Kehoe had moved out of district and it had not been determined whether or not she could still serve the remainder of her term on the Board.

Hathhorn discussed an email from an upset customer who had repeatedly received late notices and fees; most recently his water was disconnected for non-payment, despite a long-standing payment arrangement with Customer Service that was established due to a previous error processing the customer's ACH payments. Hathhorn stated that he had responded to the customer via email as well as with a personal phone call. He made the recommendation to the Board that the balance on the account be written off. A motion to have staff contact the customer and express sincere apologies and express sincere apologies in addition to writing off the balance still remaining as a result of the

ACH issue was made by Blake and seconded by Miller. The motion carried unanimously.

Hathhorn distributed an email from David Blair regarding the 190 Agreement between Sunrise and CRW.

## **5. APPROVAL OF AGENDA**

Blake noted that he would like to make comments regarding the NCCWC at some point during the meeting. Platt suggested that Blake make his comments under agenda item 8.2.

## **6. CONSENT CALENDAR**

A motion to approve the consent calendar consisting of the items listed below was made by Blake and seconded by Garbarino. Motion carried unanimously.

- 6.1 Approval of Minutes of August 22, 2012 Meeting
- 6.2 Approval of Expense Report for August 2012
- 6.3 Approval of Resolution 2012-07, Adoption of National Incident Management System.

## **7. DISCUSSION**

### **7.1 Performance Measures**

Hathhorn reported that he had completed job descriptions for every position at Sunrise, including matrices of core competencies for each position. He commented that the completed documents will be used for annual and informal performance evaluations throughout the year. In addition, Hathhorn stated that he had been working on a compensation matrix for employees using sources including the AWWA and information from other public agencies.

Hathhorn added that now that the agency is making money again he has been in conversations with Fraijo and Jannsen regarding rebuilding facilities including pump stations six and eight, but that he was waiting on planning numbers from the City of Damascus.

Hathhorn further updated that Rigutto, together with Jannsen and Elizabeth Edgar had gone through the entire asset inventory. Hathhorn stated that he would like to create an employee satisfaction survey at some point in the future. Platt asked if Sunrise has sufficient staff and if the chart reflected the recent hires. Rigutto stated that the report was compiled as of June 30 records. Hathhorn added that the staff was relatively young in terms of tenure.

Miller stated that sometimes when similar matrices are put into place, some agencies then adopt financial policies, and inquired as to whether Hathhorn intended Sunrise to

be a cash or credit business. Hathhorn replied that to run the business 50% cash and 50% debt would be nice.

Blake stated that one of the new hires [Gary Ferlan] adjusted his meter box and that he was impressed with his work. Platt summarized that the documents provided are what the Board needs to see; they want to know where Sunrise is at and what they're moving toward.

## **7.2 Board Recruitment Process**

Hathhorn informed the Board that "as of tonight we only have two applicants." He added that emails had been exchanged between Sunrise and a few individuals who had not submitted applications. Conversation ensued as to whether or not to extend the deadline. Platt suggested that Sunrise touch base with individuals who had emailed but not formally submitted applications, and remind them that the deadline is Friday at 5pm. Platt went on to say the next step would be to select three representatives from the Board to be the interview panel and come back to the next meeting with a recommendation. Miller, Kuenzi and Blake agreed to take part in the interview panel.

## **7.3 Update on Construction Projects**

Fraijo stated that the City's paving looked like it had been finished so the second phase of Sunrise's project would be starting soon. Platt stated that the paint on the buildings looked great. Fraijo added that screen doors would be installed next month and new roofs would be installed the coming Monday.

# **8. BUSINESS FROM THE BOARD**

## **8.1 Calendar of Meetings**

Blake made a correction to the calendar stating that the NCCWC meeting listed as October 23<sup>rd</sup> would not take place until January.

## **8.2 Liaison Reports**

Blake stated that the NCCWC had discussed changing the meeting time from 5:30 PM to 2:00 PM. He added that he wasn't sure there was a consensus one way or another but thought it was best to bring it up to the Board and give them time to think about it. Blake stated that the NCCWC also discussed a policy change related to employee salary. In the past a COLA increase was automatic and therefore not reviewed by the NCCWC. Martwick commented that because COLA is unknown year to year it, and could be as high as 20%, such as in 1980; he feels the NCCWC Board should look at employee raises each year. Platt suggested that since the next NCCWC meeting would not be until January, the two items presented by Blake should be added to next month's meeting for discussion by Sunrise's Board.

Blake discussed the Down River Clean up that took place on September 9<sup>th</sup>, stating that 2.4 tons of garbage was collected and 340 people participated. He went on to say that a group of artists was present and would be turning the refuse into art which would be on display when the Oregon City-West Linn Bridge reopens. Kemper added that she

believed the artwork would then go up for sale. Miller stated that he liked the idea and that it raises awareness.

Miller reported that a discussion at CRW occurred regarding approving a fifth board member. He added that CRW continued to argue about the 190-agreement but that nothing really substantive occurred as all votes were split. Miller stated that Sunrise needs to watch the situation very closely, as whatever happens there is going to affect us and we have to know what's going on.

Platt relayed that things at the City of Damascus were not much better, stating that an issue occurred potentially involving the Mayor's wife using her cell phone to capture pictures of documents left out by a City worker. Platt reported that the police were called and a work session was scheduled to take place tomorrow night, during which Platt believed there would be a resolution censoring the Mayor or a resolution in full support of the City Manager.

### **8.3 Future Agenda Items**

Blake requested that the potential NCCWC meeting time change and the consideration of COLA raises for the NCCWC should be on October's agenda.

## **9. BUSINESS FROM THE MANAGER**

### **9.1 Financial Reports**

Hathhorn stated that Sunrise was at its average for consumption with the numbers nearly identical to last year, and with a full year of rate increase the Authority is on target for revenue and sales and meeting financial targets. A motion to accept the Financial Reports as they were presented was made by Kuenzi and seconded by Garbarino. Motion passed unanimously.

### **9.2 Cash Flow Projections**

Platt commented that the situation "continues to be healthy" and that he didn't believe any further comment was necessary.

### **9.3 Manager Updates**

Hathhorn expressed that quite a bit of time had been spent on staff development, asset management and records management. He went on to say that Staff had disposed of an exorbitant amount of paper, adding that right now focus was on decluttering. Hathhorn stated that a lot of work needs to be done with the overall customer service program and that he would be shifting his energies toward that.

Blake announced that he was aware that in the past Sunrise has been in violation of proper storage space and inquired as to if fireproof storage was now available. Hathhorn replied that Sunrise would make a priority of it, but currently he wasn't sure what was on hand that might require storage in a fire vault. He added that Sunrise employs the services of Iron Mountain which offers a secured storage facility. Hathhorn concluded that Staff still has a monumental task ahead of us.

Hathhorn asked if any Board members had completed the ICS 800 training. He stated that the Engineering department is advocating that Sunrise become NIMS compliant as compliancy would make Sunrise eligible for emergency planning funds.

Hathhorn mentioned that he had seen a recent draft of the Urban Services Agreement with the City of Happy Valley which focuses on annexations in Happy Valley and the potential that Sunrise may be responsible for charging and collecting a Privilege Tax on behalf of the City. Platt asked if any action was needed from the Board on the topic, to which Hathhorn replied his intention was to make the Board aware of the possibility. Hathhorn added that he would have a draft together by the next meeting for the Board's review. Blake stated that if the City has the right to charge the tax via the Sunrise Water bills then there wasn't much Staff could do about it outside of getting customers to understand that the tax is not Sunrise's. Platt added that the fee would have to be added as a line item to the bill to distinguish it from Sunrise's own charges. Kuenzi advised that Sunrise wait until after November and approach the county asking them to "take some leadership to resolve the issue." Miller stated that along with the tax being a line item on the bill there would have to be some sort of campaign to mitigate questions. Hathhorn stated that the effort would require a fair amount of internal work. Blake commented that the logistics would need to be discussed. Platt added that the Board would talk about it more next month.

As a point of information, Hathhorn stated that since its installation the NCCWC plant has had several problems with the maintenance of its membranes, with a higher than expected breakage rate of fibers. He explained that the breakage rate of other products was in the tens to hundreds of breakages whereas the plant's are 6,000 to 7,000. Hathhorn discussed various theories for the damages including pine needles and sand. He stated that his reason for sharing the information was to make the Board aware and that Siemens had not offered a solution.

## **10. MONTHLY REPORTS**

### **10.1 Operational Reports**

Jannsen informed the Board that the Gramor Well has been up and running since late July, providing the New Seasons complex and Providence with separate irrigation service off of purple pipe. He stated that a cost of service for purple pipe water was to be determined.

### **10.2 Engineering and Construction Reports**

Hathhorn commended Staff for their service during Sunrise's Adopt-A-Road clean-up the previous weekend, stating that the event took place on Sunnyside between 122<sup>nd</sup> and 147<sup>th</sup>.

Platt asked for an update on Leo Gentry's account. Hathhorn replied that he checks on the account twice a month and it is current.

Staff and the Board paid respects to Garbarino, as it was his final Board Meeting before moving to Mexico. Garbarino was provided a card in recognition of his services.

A motion to adjourn the meeting at 7:32 PM was made by Grycko and seconded by Garbarino. Motion carried unanimously.

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ERNIE PLATT, CHAIR

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TERRY ROSKEY, SECRETARY