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## **M I N U T E S**

A regular meeting of the Sunrise Water Authority Board of Commissioners was held on Wednesday, August 22, 2012 at 6:00 PM at Sunrise Water Authority, 10602 SE 129th Avenue, Happy Valley, Oregon, 97086.

Board Present: Ernie Platt, Chair; Ron Blake, Vice Chair; Terry Roskey, Secretary; Bob Garbarino, Judy Grycko, and Keith Miller.

Staff Present: Wade Hathorn, General Manager; Lin Rigutto, Finance Director; Christin House, Customer Service Supervisor; Dan Fraijo, Operations Supervisor; and Kim Anderson, Government Relations Manager.

Visitors Present: Barbara Kemper, CRW and Timothy Paul, rate payer.

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

Call to order at 6:02 PM.

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

### **3. FLAG SALUTE**

### **4. PUBLIC COMMENT**

Timothy Paul explained to the Board that he had a very large bill last year of about \$3,000 due to an in ground leak that was discovered in February of 2011, which he subsequently repaired. He thought that as part of the leak adjustment process Sunrise would send someone to his property to verify that the repair was made in order to be eligible for the leak adjustment. Paul waited for the inspection from Sunrise and thus missed the deadline for the Leak Adjustment Request to be returned; consequently it was declined by staff. He told the Board that he has been making payments and the balance on his account is still around \$1,600. He requested that the Board void the remaining balance on the account.

House asked Paul for acknowledgement that he had received a \$1,700 leak adjustment for the previous leak that occurred in August of 2010. Paul commented that the adjustment was for the first leak and the balance left is due to the second leak and he didn't get an adjustment for the second leak.

House advised the Board that at the time Paul requested a modification to his payment arrangement in August of 2011, he had been informed that although he had not provided proof of repair in a timely manner for the second leak she would authorize the adjustment if he provided the proof, which he did not do.

Platt commented that the Board has a structured policy that covers leak adjustments and that Paul had received an adjustment for one leak under that policy and a pretty liberal payment plan for the other. He commented that Paul's request would place the Board in the uncomfortable position of making exceptions to their own policy when the customer was fully aware of the information requirements and did not follow through. Paul commented that the consumption for the next billing period went back down, so in his view there was evidence of repair.

Blake commented that he would be willing to see staff work with Paul to provide an additional leak adjustment, provided that he provide documentation within a week, but that the terms of the payment arrangement should be maintained. The Board concurred with that direction.

## **5. APPROVAL OF AGENDA**

### **6. CONSENT CALENDAR**

Roskey pulled Agenda Item 6.2, Approval of Expense Report for July 2012, for individual consideration.

A motion to approve the Consent Calendar consisting of the following items was made by Blake and seconded by Roskey. Motion carried unanimously.

- 6.1 Approval of Minutes of July 25, 2012 Meeting
- 6.3 Approval of Selection of Painting Contractor
- 6.4 Approval of Selection of Roofing Contractor
- 6.5 Approval of Resolution 2012-06, Disposal of Surplus Property.

### **6.2 Approval of Expense Report for July 2012**

Roskey inquired as to why Sunrise would purchase lunch for staff members during safety inspections since they were in District. Hathorn commented that he made the administrative decision to authorize the lunch purchase because the group of employees is in the field all day and it is outside of their normal scope of work.

Roskey asked how many meters are being read by Meter Readers Inc. Hathorn replied that it was around 11,000. He went on to say that their error rates have been low and that this has made it possible to commit more staff resources to deferred maintenance and other necessary tasks that have been delayed.

Blake asked if the \$6,400 to Metro Presort was a monthly expenditure. Hathhorn commented that there is a recurring cost for printing and mailing, however, this particular payment also included some special mailings so was not indicative of the average monthly expenditure.

A motion to approve Agenda Item 6.2, Approval of Expense Report for July 2012 was made by Blake and seconded by Garbarino. Motion carried unanimously.

## **7. DISCUSSION**

### **7.1 Replacement Process for Retiring Board Member**

Platt asked for feedback on the proposed process for replacing Garbarino. Blake commented that it tracks with what has occurred before. Platt suggested that the committee members be selected at the next meeting. Grycko stated that the map be more readily identified as being of zone one only and Platt suggested that the document identify earlier that the posting is for zone one. Board concurred with process.

### **7.2 Rebranding Process**

Hathhorn summarized the process that led to the proposal before the Board for adoption of a new logo. Anderson explained more fully the time frames associated with the design contest option that dictated the timing of the proposal and the options available in moving forward from this point. She elaborated on the design standards and requirements that Staff had developed for the process of logo selection and the committee review process that was used to arrive at the proposed option before the Board.

The Board discussed their reaction to the proposed logo and suggested minor modifications to consider. Grycko commented that while it is slightly off topic but related to community recognition, she would like to see our vehicles be more readily identifiable by commuters. She stated that she sometimes has difficulty recognizing our fleet vehicles if she doesn't have a full view of the side of the vehicle. A discussion ensued on how increased recognition of fleet vehicles might be achieved.

A motion to approve the proposed logo was made by Grycko and seconded by Roskey. Motion carried with Blake voting in opposition

### **7.3 Key Performance Indicators**

Hathhorn commented that he had gotten two sets of homework on key performance indicators back from Board members and that several of them were turned in at the meeting. He commented that he will assemble the composite of all of the proposals and bring it back for next meeting. Platt commented that he had no issue with thinking up criteria but found it more difficult to determine an appropriate measure of success.

### **7.4 Data Management Plan**

Hathhorn discussed the known issues with Enquesta and how using a legacy system such as this constrains users to pulling information from a data pool defined by

someone else. The alternative is to create a data platform and then create programs or require software providers that we may select to modify or create software to use that data platform. Since all of our customer accounts are geographically linked to an address or site location it lends itself to a Geographical Information System (GIS) based data platform.

Grycko asked if this option would be able to grow with our needs as growth within the Sunrise service area increases again. Hathhorn commented that he believes so, but that the experts should be given the opportunity to make an assessment themselves. Grycko asked how funds within the current budget would be reallocated to accommodate this assessment. Hathhorn commented that funds that had been set aside for contracting with a Human Resources consultant have been made available due to bringing that work back in-house and could be applied to this project instead.

Miller arrived at 7:00 pm

Platt inquired about costs associated with acquiring a different billing system. Hathhorn commented that it could be in the \$250,000 to \$350,000 range. Platt commented that it could mean a substantial expenditure next year to move forward with obtaining a new billing system. Hathhorn pointed out that there would be some stranded investment cost to be accounted for if Sunrise moves to a new billing system.

Blake stated that he would prefer to see Sunrise proceed with finding a solution since there are so many significant failings in the current system, but that he would really prefer to see consideration of a solution that would potentially include CRW in order to take advantage of any efficiencies that might be realized. Miller commented that while considering the options, Sunrise needs to be mindful of the needs of the future as well as finding solutions for the problems that we have today. Hathhorn stated that it is extremely important to define very clearly what the needs of the organization are and to make sure that those are consistently applied to any decision process.

Hathhorn described a scenario Sunrise has encountered where the Computerized Maintenance Management System, a legacy software, required annual support fees be paid to keep it current and operational, but that upon resignation of the person that was the champion of the software, the knowledge of how to operate and utilize it was lost and it simply sat on a shelf. In attempting to bring a program back into use that is not linked in any way to the billing and customer service software platform, the software company has demanded payment of the support fees for all of the years since the program was last in active use. The data contained in that proprietary system is not available for use without the access provided by the software and is not necessarily available in a form that is useful with other programs.

A motion to approve a not-to-exceed budget of \$20,000 to fund the creation of a strategic data management plan for Sunrise by ESRI was made by Grycko and seconded by Garbarino. Motion carried unanimously.

Roskey asked if there was a need for a separate action to approve the reassignment of funds from one use to another. Staff clarified that within the budget the Board had approved the line item for materials and services and that since both of the HR

consultant and the ESRI consultant would fall within that category there would be no need for the Board to take formal action on it.

## **8. BUSINESS FROM THE BOARD**

### **8.1 Calendar of Meetings**

Grycko indicated that the NCCWC has a meeting on August 25.

Platt commented that the Damascus meeting is normally held from 6:00 to 9:00 p.m.

### **8.2 Liaison Reports**

Roskey reported that Boring is planning to change out all of their water meters.

Blake commented that the CRBC is hosting their annual down the river clean up in September.

Miller stated that the CRW Board is looking to review water rates and wholesale rates and they are considering a bidding process to select a firm to provide that rate study. He commented that the CRW Board agreed that there wasn't going to be a lot of action on the 190 agreement until they fill their vacant position.

Platt commented that Damascus continues to slog along with no real decision about anything. He commented that if all of the candidates associated with the mayor were to win it would create a majority block on the city council.

### **8.3 Future Agenda Items**

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

### **9.1 Financial Reports**

A motion to approve the financial report as submitted was made by Blake and seconded by Garbarino. Motion carried unanimously.

### **9.2 Cash Flow Projections**

Hathhorn stated that based on his review, Sunrise is on course to meet the revenue projections shown in the budget.

Hathhorn commented that Sunrise had received a small windfall due to the closure of the general obligation bond and the transfer of the remainder being held in reserves for that bond issue. The Board was informed that Legal counsel has confirmed that those reserve funds can be rolled into the general fund. The Board concluded that the funds should be identified as undesignated reserves in the general fund and that they could be potentially used in the purchase of a new billing system or to advance some of the capital projects.

### **9.3 Audit of Top 25 Customers**

This item was provided for informational purposes only.

### **9.4 Manager Updates**

Hathhorn commented that Gentry is current on his billing.

Hathhorn stated that he had offered Emmert a 20% discount on his bill and hasn't received any response as of yet. He is anticipating that Sunrise will need to submit a formal written offer with a short period for response in order to force a resolution. On the other side of the issue, the refund has been paid to the bankruptcy trustee, who is now determining which homeowners are due a refund from these monies.

Hathhorn informed the Board that two new employees, Gary Ferlan and Don Calkins are on board and two have agreed to become employees beginning in October. Hathhorn commented that with these additions the agency will be fully staffed.

## **10. MONTHLY REPORTS**

### **10.1 Operational Reports**

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

Platt asked if all the pipe is in the ground on 145<sup>th</sup> and King Road. Fraijo commented Sunrise has completed all of their in-ground work and is just waiting for the crews to finish the sidewalk work before we can finish up.

## **11. INFORMATIONAL ITEMS**

### **11.1 National Night Out**

Anderson informed the Board that she and Fraijo had participated in National Night Out by visiting three block parties held in the vicinity of our reservoirs. She stated that the customer response had been quite positive with only one person expressing any substantial concerns about his rates, although he changed his point of view after conversation. She indicated that one account holder had expressed a concern about his bill and that in following up, there was an issue with his meter head that has subsequently been resolved. The customer questions most often related to the water source, delivery, and infrastructure, water quality and governance issues. She indicated that personal contact was made with approximately 35 residents.

### **11.2 Clackamas County Adopt-A-Road**

Anderson reported that Sunrise Water Authority had received confirmation that they would be participating in the Clackamas County Adopt-A-Road program on a stretch of Sunnyside Road running from 122<sup>nd</sup> Avenue to 147<sup>th</sup> Avenue. She stated that work was underway to organize the first clean up some time in late September or early October and that more information would be provided to the Commissioners as plans were

solidified. She commented that this stretch of road is on the border between the representation zones for Miller and Blake.

A motion to adjourn was made by Grycko and seconded by Roskey.

The meeting was adjourned at 7:32 PM.

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ERNIE PLATT, CHAIR

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TERRY ROSKEY, SECRETARY