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MINUTES

A regular meeting of the Sunrise Water Authority Board of Commissioners, was held immediately following the Budget Committee meeting on Wednesday, May 25, 2011 at Sunrise Water Authority, 10602 SE 129th Avenue, Happy Valley, Oregon, 97086.

Board present: Ron Blake, Vice Chair; Jeanne Anspach, Secretary; Judy Grycko; Bob Garbarino; Terry Roskey; and Ernie Platt; Bob Frentress joined the meeting at 8:50 PM.

Staff present: Wade Hathhorn, General Manager; Lin Rigutto, Finance Director; Dan Fraijo, Operations Supervisor; Tim Jannsen, Staff Engineer; Christin House, Customer Service Supervisor; and Kim Anderson, Government Relations Manager.

Visitors present: Barbara Kemper, CRW and Myron Martwick, Oak Lodge Water

1. CALL MEETING TO ORDER

The meeting was called to order at 7:06 PM.

2. INTRODUCTIONS & WELCOME OF VISITORS

3. FLAG SALUTE

4. PUBLIC COMMENT

5. CONSENT CALENDAR

A motion to approve the Consent Calendar consisting of the items listed below was made by Anspach and seconded by Platt. Motion carried unanimously.

5.1 Approval of Meeting Minutes of:

5.1.1 April 13, 2011

5.1.2 April 27, 2011

5.2 Approval of Expense Report for April 2011

5.3 Acceptance of Water Mains and Related Facilities for Roth Place Subdivision

6. DISCUSSION ITEMS

6.1 Complete Review of Personnel Policy Manual

The Board discussed provisions in the personnel policy manual.

7. BUSINESS FROM THE BOARD

7.1 Calendar of Meetings

7.2 Liaison Reports

Platt commented that the City of Damascus vote on the comprehensive plan vote went down. He stated that there will be a joint meeting of the Development Code Committee and the City Council. The City Staff is of the opinion is that they will press forward with the DLCD process in spite of the fact that the decision to approve the plan has been rescinded.

Blake commented that CRBC has had a pre-application meeting on moving the manufactured home from the Oak Lodge site to the CRW site to house the CRBC offices. The general outcome was that the County will be working with CRBC to get this done.

The Board and Staff discussed the intent to finalize policy work at the June 8th work session.

8. BUSINESS FROM THE MANAGER

8.1 Financial Reports

A motion to accept the financial reports as presented was made by Anspach and seconded by Grycko. Motion carried unanimously.

8.2 Cash Flow Report

Rigutto reported that there have been 14 meters sold this month to date.

8.3 SDC Projections

Janssen commented that Hathhorn had previously informed the Board that Staff is taking a look at SDC's, debt and infrastructure in a more systematic manner. He discussed the information presented which shows buildable lots and the infrastructure from which they would draw supply. This indicates where it will be necessary to install additional infrastructure to support growth.

The work completed to date illustrates that there will be issues related to storage in the currently developed area as new connections begin to draw water, specifically during peak demand periods. This work will also help to focus on how much SDC's can be collected based the sale of meters on existing capacity.

Platt asked how much additional developable land is located in the 610 zone. Jannsen stated that there is a lot, since most of the 172nd corridor would naturally be served by 610. Jannsen stated that the limiting factor in that area is storage although transmission is sufficient for a while.

Hathhorn pointed out that this also illustrates why the project to connect reservoir 6 and 10 is essential. He pointed out that if the SDC charge is multiplied by the number of available ERU's, it generates about \$11 million but the debt service is around \$22 million. Hathhorn discussed the handout showing the ERU projections from the master plan and how it compares to the actual sales. He stated that one of the next steps is to sit down with the City planners and compare the ERU map and the zoning map to see how they align.

Hathhorn thanked Jannsen for his work to put this together in a short time frame.

8.4 Draft Proposed Rate Increase Letters

Hathhorn discussed the draft letter with the Board and asked for suggestions as to what should be included. Hathhorn proposed that the chart be modified to focus on quantity of use that is representative of the average users. Grycko suggested that the commercial letter should highlight that their rates are being lowered to match residential rates. Anspach suggested that content be added highlighting the fact that even with the increase Sunrise is still in the lower third of all providers in the Portland Metro area. There was conversation about reducing the amount of numbers shown on the letter by perhaps focusing on the average for each customer class. Hathhorn commented that similar changes will be made in all of the letters. Platt commented that he conversed with many people due to his recent campaign. He commented that he had two conversations that were very positive and one where the customer wanted to know if there was a way to reduce the service charge.

There was a general discussion about the public perception about Sunrise that Board members have heard.

9. MONTHLY REPORTS

9.1 Operational Reports

9.2 Engineering and Construction Reports

9.3 Government Relations Report

The Board engaged in a general discussion about the results of the Board elections.

11. EXECUTIVE SESSION

House departed at 8:05 PM

The Board Entered Executive Session at 8:07 pm.

An Executive Session of the Sunrise Water Authority Board of Commissioners to be held per ORS 192.502 (1) Communications within a public body or between public bodies of an advisory nature.

The Board left Executive Session at 8:39 PM

The Board engaged in a general discussion about a send off dinner for Bob Frentress.

The Board asked for an overview of the program that Hathhorn attended in Washington D.C. for training as an examiner for the Malcolm Baldrige award, which is a national level award for performance excellence in business. Hathhorn stated that he had become curious about the award program and decided the best way to learn about the best practices that top companies engage in is to get inside the program, which led him to apply to become an examiner. He was selected by the program to be trained as an examiner. He stated that this is an in depth process.

Frentress joined the meeting at 8:50 and Blake turned the meeting over to Frentress.

A motion to adjourn at was made by Grycko and seconded by Anspach. Motion carried.

The meeting adjourned at 8:52 PM.

ROBERT FRENTRESS, CHAIR

JEANNE ANSPACH, SECRETARY