

**PALATINE HILL WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
By Teleconference  
October 26, 2023**

The regular meeting of the Board of Commissioners convened by video-teleconference at 9:00 A.M. on Thursday October 26, 2023. This meeting was duly noticed and pushed out from the originally scheduled date of October 19. Supporting materials were provided to commissioners in advance of the meeting. Instructions for public access to the teleconference were printed on the Agenda and noticed as usual. In attendance were:

Leslie Goss	Brian Ginter
Stephen Holmes	Roberta Allen
Laura Martin	Saidee McKay
David Veverka	Matt Steidler
Maya Klein	

The Minutes of the September 21, 2023 regular meeting were read. David moved and Laura seconded approval of the Minutes. The motion passed unanimously.

The general ledger and financial statements for October 2023 were reviewed. General fund expense checks in the amount of \$92,633.76 were approved and signed. Attached is a list of the checks written. Checks written from the Systems Development Fund totaled \$44,930.08 for design work by Consor North America and Lovett Inc for the completed Vacuna Project.

Leslie had several questions about billing from Axion, Old Republic Surety and Alexin Labs. All resolved easily. There were also questions about the Lovett Inc billing on the Systems Development side. Those were tabled until District Update.

Laura asked that henceforth, the district addresses of where work is performed be included on any billing invoices from contractors/vendors.

During the General Ledger and Financial Statement Review, Maya noted that on jpeg #13 of the Board packet that the Current Month percentage column was reflecting inaccurately. Laura and Brian mentioned that this has probably been occurring on monthly statements since the July 1 new fiscal year start date. Dee said she would go back and review the inputs that generate the percentages. Dee believes this is likely related to the new reporting compliance issue that arose last May/June related to the interest in our state pool account.

**DISTRICT UPDATE:**

Leslie and Laura began by discussing anticipated Board vacancies and two strong candidates with relevant personal and professional experience to fill those vacancies when they occur. One of the candidates works for Oregon Health Authority and would need to provide a disclaimer that he/she is participating at monthly board meetings as a member of the public and not in the capacity as an employee of the OHA. The other candidate is in the large-scale construction/development business. Board members discussed the strengths of the two individuals and expressed unanimous support for either of them to join the board at the appropriate time.

David provided an overview of his findings related to receipt of customer bankruptcy notice filed on September 1. Under the Chapter 13 Plan developed for this customer, the debt is dischargeable to PHWD and Trustees will pay 100% over the next 60 months. Board members discussed application of normal Rules for payment of the water used by this customer since September 2<sup>nd</sup>. Leslie asked Ron to provide Dee with a data log from the meter to determine water use since September 2 with bill to be presented to the customer for payment on their next billing cycle in November. If payment is not made on November billing in a timely fashion, the Board proceeds according to the Rules for nonpayment.

Brian provided a review of the completed Vacuna Project including the additional work order submitted from Lovett Inc in early October. The Board approved the additional work order unanimously by e mail on October 9 and ratified the decision at this meeting. Brian explained that even though the price to complete the project doubled in cost, the value was still good. Additional design work would have cost more in time and money and likely would not have revealed the problems that were encountered.

Brian reported that design work on the fire hydrants project and all miscellaneous 2" line replacements projects have been completed and are ready to go to bid this Fall. He reported that the Breyman/Rt 43 project and Military Project are both ready to go except for ODOT sign off. Stephen suggested putting those two projects out to bid now with caveat that ODOT still needs to sign off rather than wait until 2024.

Brian mentioned that the estimates for the SCADA upgrade are back at about \$89,000 and are well within what was budgeted for the project (\$250,000) although there are some internet capability related issues at the high tank that will probably add an additional \$5,000 to the project.

Brian and Matt discussed the Kamstrup meter replacement promotion. They need to do a cost benefit analysis of doing drive by meter reading for meters with poor transmission due to difficult neighborhood topography versus the cost of installing 3-4 booster antennas to overcome the topography issues.

It was noted that Ron was responding to a slow but steadily increasing leak and working on repair at Aventine and Comus/Tryon. When he called in he reported that he might needed to work on the associated 10" main requiring interruption of service to no more than 20 residences.

Finally, Brian and Matt talked more about the Future Water Sales agreement and PWB's plan to ask the City Council to approve the new contract at their December 6<sup>th</sup> council meeting. Both relayed how this hasty push of a process that has been years-long and deliberate until now, is causing consternation among water districts, particularly two large and powerful districts. Board members discussed PHWD concerns about the future contract with Portland including 1) the 125% cap for wheeled customers, and 2) exclusions to peaking factors and why PHWD has the highest charge when we don't use water that passes though as many PWB facilities as other Districts and 3) some questions about their cost of service model. Brian asked for a sense of the Board conduct both a legal review (will contact Josh Soper at Beery Eisner & Hammond) as well as cost studies (will reach out to Raftelis). These reviews could cost about \$10k and although not included in the current year budget, could be paid for with unused funds from tabled projects. Directors discussed

the cost and benefit of doing the reviews and determined it best to practice due diligence on the contract for the benefit of rate payers, rather than sign the contract at the appropriate time without clear understanding. Brian agreed to investigate further and provide an e mail to the Board soon.

The meeting adjourned at 10:05 A.M. and the next meeting is scheduled for November 16, 2023 at 9:00 A.M.

APPROVED:

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Commissioner

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Commissioner