



MAPLETON WATER DISTRICT
BOARD OF COMMISSIONERS
APPROVED REGULAR MEETING MINUTES
6:00 PM SEPTEMBER 11, 2023

Board Members Present: Vanessa West, Art Donnelly, Sharon Kelly and Julie Doran-Lee

Board Members Absent: Nancy Pettibon (excused)

Others Present: ShirleyMarie Raven, Kim Anderson (RCAC) by phone, Jordan Walker (MWD Office Administrator)

West opened the meeting at 6:06 p.m.

Safety Committee

West said the Safety Committee meeting would be postponed to a later date as Water System Operator Joe Rochon is absent. He is attending training this week.

Consent Agenda

Walker explained that prior meeting minutes were not complete and therefore not included. West asked if Walker could have them ready at the next meeting. Walker said he could.

The board reviewed a list of expenditures for the month of August and the first part of September. Members asked Walker for some clarification of several expenditures and the columns noting which are reimbursable from or using grant funding. The invoice from Tip Top Enterprise was reviewed and it was the opinion of the board was that it seemed reasonable given the circumstances. West asked about the OHA Cashier payment. Walker explained that the check was for past due fees for the State's cross connection program. This payment caught the district up. Kelly asked where the funds for the H&J Construction invoice would come from. Walker said that it will be submitted to Biz Oregon for reimbursement from grant funds. West said that the district should be grateful to H&J Construction for being able to complete the work at such a reasonable price. Kelly asked what the payment to Flansberg was for. Donnelly said that Flansberg had been assisting Rochon from time to time, but now that the district had hired an Assistant Water System Operator his assistance should no longer be necessary. West asked that Flansberg be removed from payroll. Walker said that it would be best to have that as a motion.

Motion: Remove Ronald Flansberg from the Mapleton Water District payroll.

Made by Donnelly, seconded by Kelly. Motion passed unanimously.

Donnelly said that he thought the board voted to require odometer reading for mileage at a previous meeting. Walker said that it had. The current timesheets do not have a column for it but we can use the description column in the future. Donnelly said he was just trying to tighten up board oversight.

West asked Walker for clarification on the item for board correspondence. Walker said that this is a place for items addressed to the board that do not necessarily require any board action. In this case Buckwald and Hornung wrote a letter addressed to West regarding the Oregon Treasurer's policy for unclaimed property. Walker said that he had reviewed the district unclaimed property and it includes two accounts that can easily be addressed.



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West asked if this item would be a good place for her to make a comment on the conduct of board meetings. Walker asked Anderson for clarification on the purpose of the board reports item. He had spoke with Doran-Lee earlier in the day about a good place for her to bring up an item not on the agenda. He told her that he thought board reports would be a good place for commissioners to bring up items not included for discussion on the agenda and not included in the committee reports section. Anderson concurred with that assessment. West said that it would be best for her to make this statement towards the beginning of the meeting.

West said that meetings are now being recorded and will made available to the public. This being the case commissioners should be careful about how they talk about members of the public and district contractors. The district could theoretically be held liable if board members make defamatory comments during the meeting. Any criticisms of contractors must be supported by undeniable proof.

Motion: Approve the consent agenda excluding the minutes when they become available at a later meeting.

Motion made by West, seconded by Kelly. Motion approved unanimously.

Rate Changes

West said that she wanted this item to be separate from the rate study item because they are two different subjects. This item is about the possibility of increasing the flat fees billed to customers to cover fixed operating costs in the near future. She said that Walker and Kelly were to get together the information so the board could discuss the issue. Walker said that he met with Kelly and she is currently working on analyzing the district's budget. However, he did some back of the envelope calculations and the base fee would be about \$80 per residential customer if the board decided to use it to cover the district's fixed operating expenses. West said that this is not a realistic option. Walker explained that the reason it would be so high is that the district's income is heavily dependent on charges for consumption. About three quarters of the district's annual water revenue is derived from consumption charges. Doran-Lee said that the board would need to be careful in raising the service charges so as to improve public confidence in the district. West said that the service charge needs to be increased sooner rather than later because the district is losing money every month. She said that the board has had to increase expenditures in order to catch up with past due accounts and update things like cybersecurity. The increases are generally not optional. Donnelly said that the board does not have any experience with things like a rate study and asked Anderson if she thought the board should look to other districts for examples or a range to go off of. Anderson said that the formula is fairly simple once expenditures are divided into fixed and variable categories. She did note that there is always an outside chance that revenue may vary depending on consumption levels. A particularly wet season may, for instance, would result in a shortfall and the reverse is also true. West asked if employees would be considered a variable cost. Anderson said that they would considered fixed unless the board intends to lay the off when water is not being made. Overtime would be more complicated to project and the board would need to decide how to treat that expenditure. She also said that the board may want to consider including some consumption in the service charge so customers are not charged until they use above a certain amount of water. West said that would take a bit more math and that the board may want to postpone



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something like that until a rate study is performed. It would be difficult to explain something like that to the district's customers. Walker said he considered the possibility of including some base consumption if the service fee was increased. He offered to prepare some actual figures for the board to look at if it was interested in going that direction. Donnelly said that having something to look at would be helpful. Raven compared the base fee to her electrical service charge which is like \$25. She said that a rate like that would seem reasonable to most people, especially given that many of the district's operational costs are related to producing water. Charging more for a base fee and less for consumption would make less sense to her as a customer. West raised the street lighting fee as something she would like to include in the service charge. She and other board members get a lot of questions regarding this. Anderson said that because it is a passthrough charge from the PUD it must be itemized on the customer's bill. Walker asked for clarification on the direction the board was going. For instance, is the board wanting to move towards a more 50/50 rate model? Donnelly said that, as Raven said, a 25/75 model is more what the board is moving toward. Raising the base fee to cover 50 percent of costs would be too difficult for customers. Ravens said that keeping customers informed about the rate changes would be important and used the flyer in the month's most recent bill as an example. Anderson noted that comparing service charges from the CLPUD and the water district has its limits as the electrical utility has a much larger customer base to spread fixed costs over. West asked Walker and Kelly to come up with some scenarios to present to the board at the next meeting in two weeks. Kelly noted that there had not been a treasurer's report in years and that she disagrees with how some expenditures are being categorized. Walker said that that was something the district works with our accountant on, but that ultimately it is up to the district. He and Kelly could discuss the concerns when they meet.

Rate Study

Donnelly said there are two options to proceed with the rate study. One is using the Rural Community Assistance Corporation. The other is hiring a contractor using the state's Sustainable Infrastructure Planning program. Both will require work from both the board and staff. If the district hires a contractor it will still require nearly as much staff time as the RCAC. Also, the SIP program, which is a forgivable loan program, can be used for other planning purposes. Because the district is low-income, the loan is effectively a grant. Donnelly mentioned the possibility of using those funds for a down payment on a full district engineering study by Civil West if we use the RCAC. He said the board has some time to decide which route it would like to go, but the funds will not be available forever. The sooner a decision is made by the board, the sooner a request can be submitted to the Oregon Health Authority via Biz Oregon to allocate those funds to another project. West asked for more information on what other projects the SIP loan might go towards before a decision is made regarding whether the district uses RCAC for a rate study or another contractor. Donnelly said that it just has to be planning-related and that we would need to make a proposal for OHA to make a decision. Donnelly said that using the SIP funds for a system-wide master plan would be wise because it makes the district eligible for more and larger grants from government entities. This point has been made to him by multiple contacts in multiple agencies. A master plan would cost probably somewhere between \$40,000 and \$60,000. Anderson clarified that the RCAC does not have a timeline on when they could assist the district in a rate study. One thing that the RCAC does not provide is engineering services such as a master plan. West noted that she found a feasibility grant over the weekend for up to \$500,000, but the district would need to contribute 50



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percent of the total. So if the district got that it could use the SIP grant funds for the matching contribution. West asked Anderson if volunteer hours could be used for matching funds. Anderson said she was not experienced enough to answer that but the grant guidelines usually spell things like that out. It would depend on the grant. Kelly said that Monroe recently got a \$1,000,000 grant and asked why the district could not do the same. Walker said that the district has received grants of that size in the past but just not as recently as Monroe. West said she would like more information on the what the SIP grant could be used for at the next meeting so the board could make a decision on whether to use RCAC or the SIP grant for the rate study.

Johnston Leak Damage

West explained that a couple weeks prior she and Doran-Lee received a voicemail from a customer, Jessica Johnston, that there was a leak in her yard. I did not sound like a large leak so she did not assess the leak until the following morning. In the morning she found that the leak was quite large and had turned the customer's yard into a lake. There was so much water that the customer's dogs were swimming their kennel in the backyard. She called a contractor, Tip Top Enterprise, to assist in the repairs to the leak. The leak was repaired the same day by the contractor and Rochon. The contractor brought in some rock to fill the hole and some additional rock for the customer to repair the area. The contractor placed the bushes that were above the leak back in the approximate original place. However, the customer notified the district that there was still more work to be done. Doran-Lee noted that the bushes in question are in the right-of-way and would need to be move eventually when the district replaces the mains in the future. This should be taken into account. West said that she wanted to establish a committee to include two board members and a member of the public to respond to such requests and make proposals to the full board. She said that this account has some history associated with it that she is aware of. In the past the customer was notified that she had a leak and so hired a plumber to look for it. It turned out that there was no leak. West suggested that she be part of the committee because she know more about the history of issues like this than others, then another board member and a member of the public. Donnelly said it was important that the board make clear which committee this subcommittee would fall under. West said that it would be a separate committee from the existing system of committees. Anderson said that this instance highlights the importance of establishing policy to ensure customers are treated even-handedly. In the future the district should have written policy, submitted for review to ensure legality, to handle issues like this. Donnelly asked if the customer was going to provide the district with a dollar amount of the damages. If they do we could have our insurance agent submit a claim to our carrier on the district's behalf. West said that she wanted to avoid filing a claim to keep our insurance rates lower and that she would like to be able to negotiate on the resolution of issues like this. Donnelly and Anderson re-emphasized the importance of having set policies and being very transparent about the reasoning behind exceptions to those policies. Anderson said this was the next project on her list. Walker said that he notified the district's insurance agent and was waiting for additional information from the customer. The board discussed the possible outcomes depending on the different routes the district might take. Walker asked if the board would like him to take the lead on this particular issue. West said that he should take the lead.



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Florence True Value Account

Walker explained that it would make sense for the district to establish an account for Florence True Value for a couple of reasons. One is that it is a local business with reasonable prices and the board generally would prefer local vendors where possible. The second reason is for accounting purposes. Having a single, clear, monthly statement would make keeping track of purchases much easier.

Motion: Authorize the opening an account with Florence True Value.

Motion made by Kelly, seconded by Donnelly. Motion approved unanimously.

Financial Statement

Kelly said that the board has not had a treasurer's report for years. West said that our accountant does provide the financial statement, but she agreed that she would like to see more documentation. She noted that past due rent was caught up this month so that figure should be reduced to \$350 per month in the future. Raven asked what the \$4,800 for office equipment was for. Walker said that it was new computer equipment for the office and plant in response to the cybersecurity incident earlier in the year. Doran-Lee asked why there was no bill from Westech in the month of July. Walker said the bill that would normally be paid in July was paid in June because the district received it earlier than usual. Kelly asked what the billing program was for. Walker explained that it was the monthly fee we pay for the software that calculates and prints the bills that go to customers every month. This will vary depending on how much assistance is needed from the software company but he has not had to reach out to them yet. West noted that the computers under office equipment is reimbursable from one of the grants managed by Biz Oregon. Kelly asked about management services in the statement. Walker said that it was for our Direct Responsible Charge whose certification Rochon works under. Walker asked Anderson if a motion is necessary for the financial statement. She said that there should be a motion to accept the financial statement or not.

Motion: Accept the August 2023 financial statement.

Motion made by Kelly, seconded by West. Motion approved unanimously.

Billing Report

Donnelly noted that it appears that past due customers are trying to catch up. West said that the district had made a lot of progress on past due accounts. It was not very long ago that past due accounts totaled more than \$40,000. This was after the large bills that were sent out. Walker noted that the Low Income Household Water Assistance program has wrapped up. West said she would reach out to Siuslaw Outreach Services to see if there was any other programs available for customers who need assistance.

Risk Management Report

West asked what this section was for. Walker explained that Troy DeYoung with Special District Insurance Services asked that he be provided a report on risk management every other month or so. This section would serve as that report. West said that this was the first time she had seen the report provided by DeYoung based on his recent visit and asked that it be emailed to the board and Anderson.



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Walker said that he was able to get the correct government required posters displayed in the office based on a link provided by West and that he could get that done for the plant as well. Walker noted that he did send a copy of the most recent OSHA consultation reports to DeYoung and the board.

Plant Update

West said that she had not been to the plant in a couple days but everything has been going well in the last couple weeks. The plant was cleaned up before the meeting with SDIS. There is a leak on Rice Road but Rochon was not able to fix it when it was found because the valve was parked on by a loader at the rock stockpile across Highway 126. It is not a big leak but it makes a lot of noise. Donnelly and West said that it may be necessary to make sure the valves are clearly marked so that the district has access in case of an emergency. West said Rochon is at a conference in Florence so he has been out of town for much of the day.

New Plant Update

West said that though she had been frustrated with the process, after discussing the issues with Anderson she recognized that our engineers were trying to help the district. Some of the things that did not seem right in the past made sense after they were explained. The engineer agreed to allow the Lakos separator to be purchased prior to the new skid's arrival. It will take about six weeks for it to arrive after being ordered. She spoke with H&J Construction about the possibility of them ordering the separator on the district's behalf and they sounded like they were interested. Another place wanted a mark up of 75 percent to order it, which is apparently common because they would be assuming some risk and have to ensure that it worked. West said she wanted it by the end of October. It will not be installed in the place that it will end up eventually. Donnelly said that the district needs the separator when the rain starts. West said that the engineer was including work on the settling tank up the hill in his plans, but she asked him to exclude this so it could be handled at a later date because working with Forest Service land would delay construction. The engineer agreed to do this.

West said she forwarded the bid documents from West Yost to the board. It was 250 pages so she did not expect anyone would have a chance to read the whole document. What the engineer needs is authorization to send the document to the Oregon Health Authority for review. This is not a contract, just approval to submit.

Motion: Authorize Vanessa West to approve sending West Yost's Mapleton WTP Improvements draft plans to the Oregon Health Authority for review.

Motion made by Donnelly, seconded by Kelly. Motion approved unanimously.

West said overall she is seeing movement on the new plant and she was pleased that the engineer is willing to work with the district.

West said that she is also working on addressing the slide risk above the plant. The creek is splitting of in different ways and there has been some ground movement. She was directed to Lane County Emergency Management to address this risk. The person she contacted said that it was her last day and referred her to Robert Woodward who has worked with the district in the past. Woodward said he



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would see if Civil West could take a look at the property above the plant in the near future. West said that she has been trying to contact some other agencies including the USDA regarding the Forest Service property issues. Anderson advised West that she should contact the Hazard Mitigation program within the Oregon Office of Emergency Management. West said that the assistance that Woodward was offering would likely be free to the district but would not require grant writing. The agencies would probably complete the paperwork for the district. She asked the members present if they were fine with her pursuing this and all agreed.

Grant Committee

Donnelly noted that the board had already discussed the SIP Grant. He said that he will check with Biz Oregon to see if those funds can be redirected to a master plan for the district. He explained that the \$800,000 has been budgeted for but the district still needs to applied for. One issue is that the funds were appropriated for upgrading the district's meters. Because this has already been done the district would need to find different language for the application. He has been speaking with Senator Merkley's Lane County Field Representative Sophia Roberts who is eager to help us but needs something specific from the district to approve. Donnelly proposed that the district use some of the money from the congressional grant and the SIP grant to complete a master plan for the district then use the remaining funds for the shortfall on the new skid. West said that she did not think it was necessary to change the language because it already includes system distribution. Donnelly said that he would look closer at grant stipulations. Other than that, Donnelly said that he would like one more person on the grant committee. He had been referred to Tom Hewitt who he has been told has some experience in the field. West discussed the process for preparing for grant applications, including how the board would work together while adhering to public meeting laws. Donnelly noted that a master plan would also help in the grant application process. He also noted that he has been having difficulty getting into the federal grant website. West said that it is needlessly complicated and takes an exorbitant amount of time to get registered. Donnelly said that he has been able to get the previous grant records organized for the most part and he and the grant committee have created a spreadsheet that just needs a little more fine tuning.

Emergency Committee

Doran-Lee said she has been working with the RCAC on creating an emergency response plan. She had another meeting with them the next day.

Finance Committee

Kelly said that there were no new updates, but she is getting herself acquainted with the district's books.

Operations Committee

West said there was nothing more that had not already been discussed.

Administration Committee

Pettibon was absent and therefore unable to provide a report.

Board Reports

Walker explained that this would be the place for board members bring up items not on the agenda or



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not already discussed. Anderson said they could also just note any board related activities in which they are participating.

Doran-Lee brought up the subject of the skid the casino has offered the district. The board discussed the possible placement of the skid and how to move it from the casino to a storage facility. Doran-Lee emphasized the importance of not missing out on this opportunity. It could for instance be used as an emergency back up if something took out the new skid. The board discussed the possibility of storing it at the Davidson property and noted that there is already a contractor with equipment on site. Doran-Lee said she would pursue this and just needed contact information for the casino and Davidson's.

Adjourned at 8:43 p.m.