CANBY UTILITY REGULAR BOARD MEETING OCTOBER 11, 2022 7:00 P.M.

AGENDA

The Board of Directors and staff have resumed in-person meetings. The public is invited to attend the meeting virtually or in person at Canby Utility's office.

- I. <u>CALL TO ORDER</u>
- II. AGENDA
 - Additions, Deletions or Corrections to the Meeting Agenda
- III. CONSENT AGENDA
 - Approval of Agenda
 - Approval of Regular Board Meeting Minutes of September 13, 2022, and Work Session Minutes of September 27, 2022 (pp. 1-10)
 - Approval of Write-Offs
 - Approval of Payment of Water and Electric Bills
- IV. <u>CITIZEN INPUT ON NON-AGENDA ITEMS</u> Citizen's wanting to speak virtually, please email or call the Board Secretary-Clerk by 4:30 p.m. on October 11, 2022 with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.
- V. SPECIAL PRESENTATION
- VI. <u>RECOMMENDATION</u> Revise Exhibit A to Resolution No. 267, Related to the Master Fee Schedule Carol Sullivan, General Manager (pp. 11-14)
- VII. BOARD REPORT
 - Chair Comments
 - Board Member Comments

VIII. STAFF REPORTS

Operations Manager:

Quarterly Reliability Report (pp. 15-16)

General Manager Updates

IX. ADJOURN

CANBY UTILITY REGULAR BOARD MEETING MINUTES SEPTEMBER 13, 2022

Board Present: Chair Thompson; Members Hill, Gustafson, Horrax, and Molamphy

Staff Present: Carol Sullivan, General Manager; Barbara Benson, Board Secretary; Jason

Berning, Operations Manager; Sue Arthur, Purchasing Agent; Cindy Dittmar, Customer Service Supervisor; and Jason Peterson, Operations

Field Supervisor

Others Present: Joe Brennan, Jerry Nelzen, and Jeff Snyder

Chair Thompson called the Regular Board Meeting to order at 7:00 p.m.

Chair Thompson presented the meeting agenda for consideration. She asked for additions, deletions, or corrections to the meeting agenda. Board Secretary noted the agenda was amended to include a discussion about the proposed city dog park's power and water service.

Chair Thompson presented the consent agenda for approval. Member Molamphy made the *MOTION to approve the consent agenda, consisting of the amended meeting agenda, regular meeting minutes of August 9, 2022, write-offs in the amount of \$797.07, payment of the electric and water department bills in the amount of \$1,412,414.54. Member Hill seconded, and the motion passed unanimously.

Chair Thompson asked for citizen input on non-agenda items, and there was none.

General Manager Carol Sullivan said that the city asked Canby Utility staff about serving power and water to the proposed dog park because a portion of the land for the project is outside the city limits and urban growth boundary (UGB).

The board attorney's office stated that Canby Utility may extend water to the dog park even though it is outside city limits and the UGB, subject to conditions. These conditions are ultimately related to land use and include 1) The extension of water cannot allow the property being served or any adjacent properties to develop to "urban" densities. Because it is a dog park, this should not be an issue, and 2) The city will need to coordinate the extension with Clackamas County, as it did in 2002 for the Dutch Vista homeowner's request for water service.

Sullivan said that for Canby Utility to serve the dog park with electricity, Portland General Electric (PGE) would need to agree. Then both agencies would present the Public Utilities Commission (PUC) with an allocation agreement to revise the service territory. At most, the commission itself would have to approve it on a consent agenda, though it may be something that PUC staff can approve administratively. Another option is to have the city apply for electric service through PGE directly.

Canby Utility Regular Board Meeting Minutes September 13, 2022 Page 2 of 3

Operations Manager Jason Berning said Canby Utility's policies do not specifically address serving properties outside the UGB. Furthermore, the policy in place creates confusion on authority due to language within the policy stating that requests to serve outside the city limits are subject to Canby Utility Board approval.

City of Canby's Public Works Director Jerry Nelzen added that the project has gone through the pre-application process with Clackamas County and the City of Canby. The city is currently waiting for the County's assessment for Canby Utility to serve water to the park. The water service needed for the portion of the site outside the UGB is for irrigation. Nelzen said that the project design changed so that most utility infrastructure will be inside the city limits. Berning added that if the city needs lighting outside the UGB, they will need to contact PGE to discuss options. A brief discussion ensued regarding the property's RRFF-5 (Rural Residential Farm/Forest) zoning, the next steps, and the city covering all the costs.

General Manager Carol Sullivan presented the proposed inflationary adjustment to the water system development charges (SDC). The SDC methodology allows for an annual inflationary adjustment to the charges based on the Engineering News Records Construction Cost Index. The fiscal year 2023 inflation factor increase is 8.85% for one dwelling unit equivalent or \$377. The fiscal year 2022 inflation factor increase was 3.82% or \$157. Letters were mailed to contractors on record to notify them of the proposed change, and some contractors have requested to pay for SDCs early to avoid the increase. Chair Thompson asked Sullivan to explain the purpose of SDCs. Sullivan stated the SDCs are a fee to "buy into" the water system to reimburse and improve infrastructure. After discussion, Member Hill made the *MOTION to adopt Resolution No. 310, adjusting Canby Utility's Water System Development Charges by the prescribed inflationary amount, effective October 1, 2022, and repealing Resolution No. 308. Member Horrax seconded, and the motion passed 5-0.

Chair Thompson noted that the Board had a target date of six months for the general manager's review. Last week, Sullivan and Thompson discussed postponing her review until a date later in September or at the regular board meeting in October. The Board agreed to delay the evaluation until the October 11 meeting.

Member Molamphy asked about the process for claims when a vehicle hits one of our power poles and causes damages. Operations Manager Jason Berning stated that at the time of an accident, the staff collects photographs, the police report, and any other information needed about the driver. That information is then turned over to Human Resources/Administration Manager Barbara Benson to handle the claim. Benson then works with the insurance company to submit claims for payment. A brief discussion ensued regarding a recent accident where a car damaged a power pole.

Board Secretary Barbara Benson discussed two upcoming trainings for the board. One training is related to board governance, and the other is about anti-harassment/non-discrimination. Board Attorney Ashley Driscoll will present the governance training, and City/County Insurance Services will provide the additional training. The first training is scheduled for September 27 and will be held virtually. Benson stated that the boardroom would be open to the public. The second

Canby Utility Regular Board Meeting Minutes September 13, 2022 Page 3 of 3

training will be held at a later date yet to be determined, and the board approved a virtual setting for that training. A brief discussion ensued regarding the board attorney's office analysis of the Board's legal authority in relation to the City's Charter. Benson stated that the document is still in draft format.

General Manager Carol Sullivan reported that she, Member Molamphy, and Barbara Benson attended the Special Districts Duties and Liabilities Comprehensive Overview for Board Members and Staff training. Sullivan reviewed the training topics.

Sullivan also reported that staff met with Murraysmith engineering virtually to discuss the Water Master Plan project. The topics discussed in the meeting included the Clearwell reservoir painting project, the addition of a fifth pump, rust appearing on the seismically-retrofitted 13th Avenue concrete reservoir, water storage, water treatment, and point of diversion on the Willamette River. The new water treatment plant will be Canby Utility's most expensive project. Chair Thompson asked about the status of the Request for Proposals for the water rate study, and a discussion ensued.

Sullivan reported that Canby Utility was ready for the wildfire red flag warning weather. She noted that staff received calls from concerned customers but were assured that Canby Utility had no plans for public safety power shut-offs. With recent tree-trimming efforts, the crew has mitigated Canby's wildfire areas of concern, and most of our power lines are underground. Operations Manager Jason Berning shared that a car-hit-pole accident during the red flag warning weather had caused a power outage.

Sullivan said that she attended the Chamber luncheon today. Canby Utility received good reviews from city officials on working as a team and our responsiveness to the outage.

Member Molamphy made the *MOTION to adjourn the meeting. Member Gustafson seconded, and the motion passed 5-0.

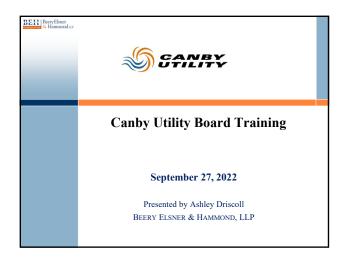
There being no further business, the meeting adjourned at 7:44 p.m.

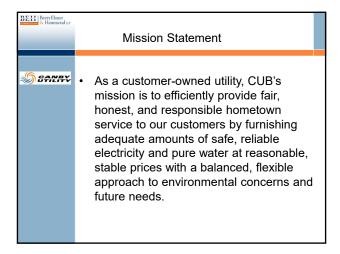
Melody Thompson, Chair	David Horrax, Member			
Resigned from Board 9/27/22				
Tim Gustafson, Member	Robert Hill, Member			
John Molamphy, Member	Barbara Benson, Board Secretary			

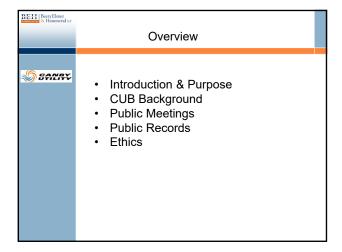
CANBY UTILITY BOARD WORK SESSION MINUTES SEPTEMBER 27, 2022

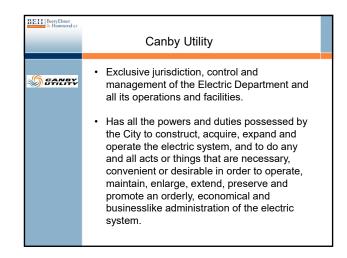
Due to COVID-19 Pandemic, the Board of Directors work session was held virtually. The public was invited to attend the meeting virtually or in-person at Canby Utility's office.

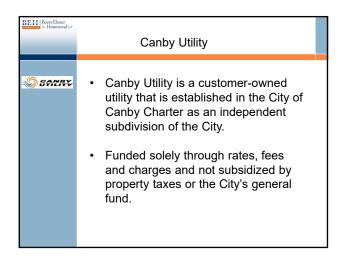
Board Present:	Present: Chair Thompson; Members Hill, Horrax, and Molamphy				
Staff Present:	ff Present: Carol Sullivan, General Manager; and Barbara Benson, Board Secretar				
Others Present: Ashley Driscoll, Board Attorney, Beery Elsner & Hammond					
Chair Thompson ca	alled the Work Se	ssion to order at 7:03 p.m.			
members that inclu	ded an introduction	th Beery Elsner & Hammond provided training for the board on and purpose for the training, the Canby Utility Board's records, and ethics.			
The work session a	djourned at 8:15 _l	p.m.			
A copy of the prese	entation is attache	d for reference.			
Melody Thompson, Chair		David Horrax, Member			
Robert Hill, Member		John Molamphy, Member			
	oard Secretary	_			
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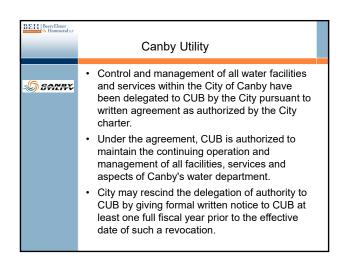


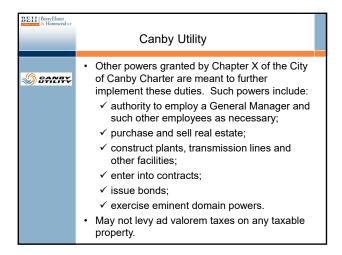


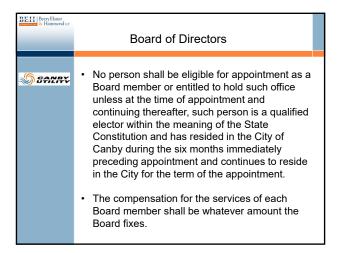


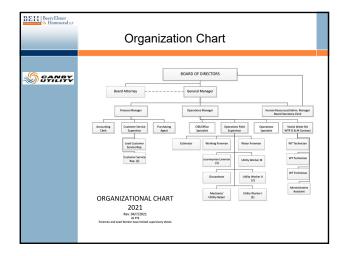


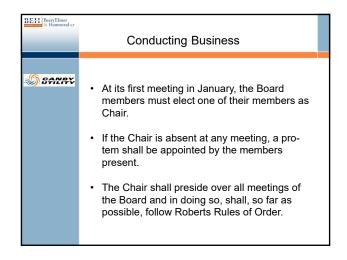


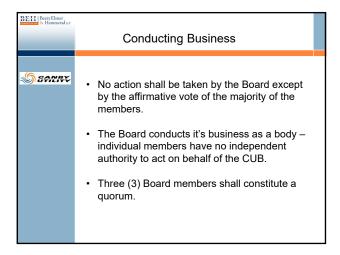


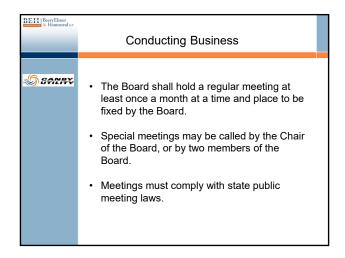




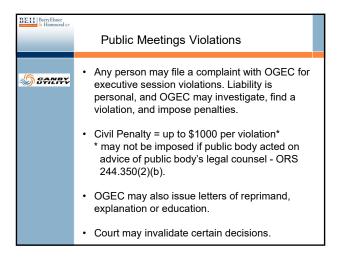


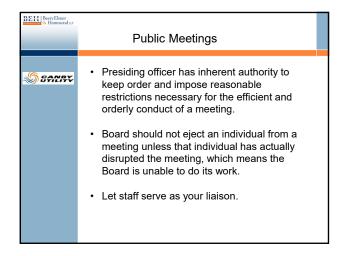


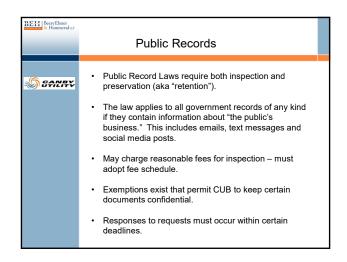


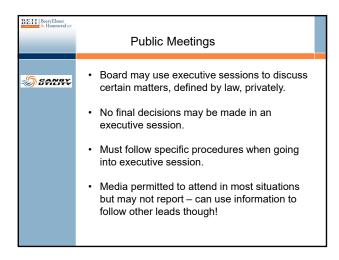


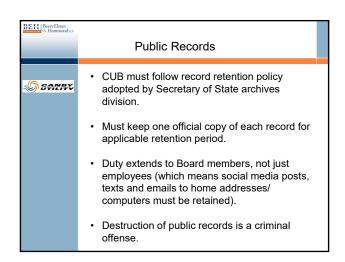
BEH Beery Elsner & Hammond ur	Public Meetings				
SATE.	 The Oregon form of government requires an informed public that is aware of the deliberations and decisions of governing bodies. 				
	Deliberations and decisions by a quorum of the Board must be done in public. Beware of electronic meetings (e. mail and				
	 Beware of electronic meetings (e-mail and social media) as well as serial meetings. Purely social gatherings are not covered – but don't discuss CUB business at social gatherings. 				



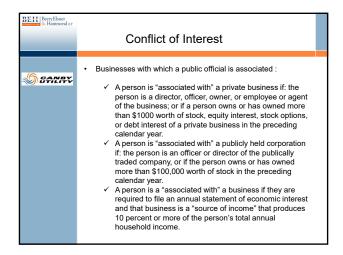


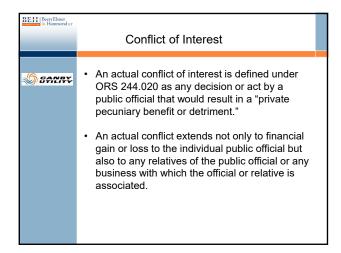


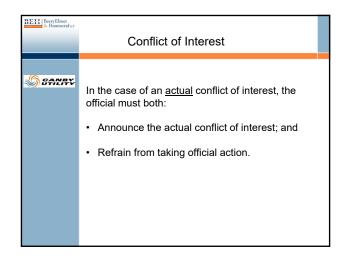


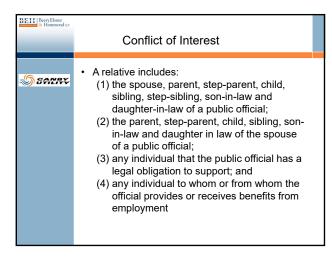


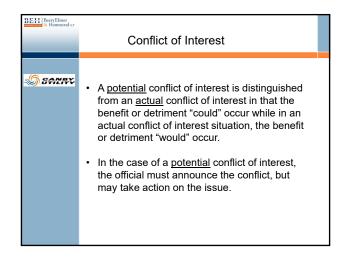


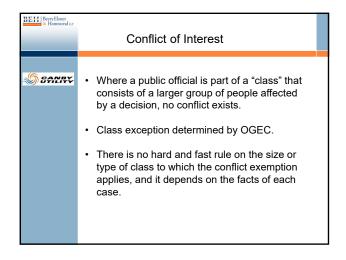


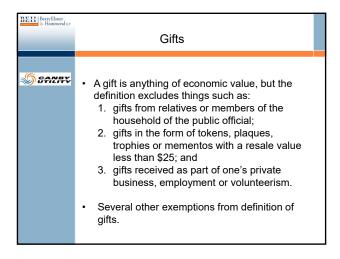


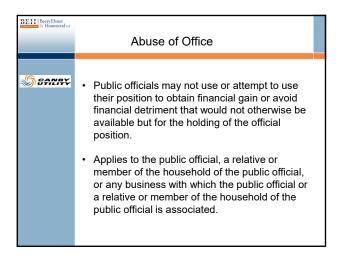


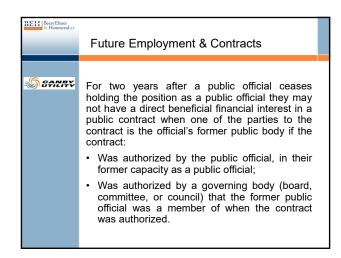


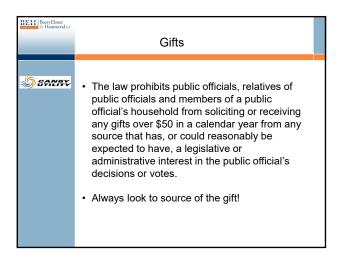


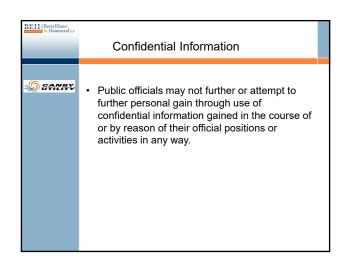


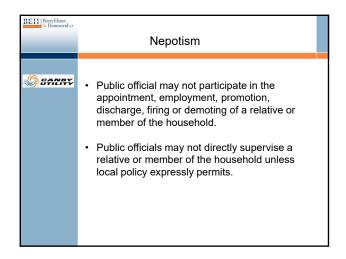




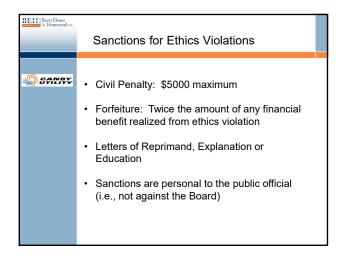


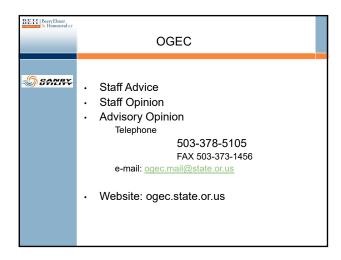














MEMORANDUM

October 6, 2022

TO: Chair Thompson, Member Hill, Member Horrax, and Member Molamphy

FROM: Carol Sullivan, General Manager

SUBJECT: Master Fee Schedule Update

<u>RECOMMENDATION</u>: Adopt Revised Exhibit A to Resolution No. 267, Related to the Master Fee Schedule effective November 1, 2022.

<u>BACKGROUND</u>: On September 24, 2013, the Board adopted Resolution No. 267, establishing a master fee schedule for Canby Utility's water, electric, and customer services, and allowing for an annual review of and update to the exhibit of fees.

Staff proposes the following revisions to Exhibit A to reflect current costs:

- Adding a fee for a job cost estimate of \$500. Excess funds would be applied to the job or refunded. Additional costs would be billed. Currently, we don't charge this fee. Canby Utility has completed many job cost estimates that never develop.
- Water line inspection fee increase from \$74 to \$87 per hour.
- Adding a fee for water line flushing of \$87 per hour, and charge for the estimated water use at the current irrigation rate. Newly constructed water lines require flushing, sometimes more than once, and the cost for water consumption have not been recouped. This can result in substantial water loss depending on the size of the development.
- Adding a fee for water pressure and fire flow tests of \$87 per hour, and charge for the estimated water use at the current irrigation rate.
- Adding a charge for water theft. First offense is \$250, second offense is \$500, and additional offenses are \$1,000. The estimated water use will also be charged at the current irrigation rate.
- Adding a fee for pre-disconnect of \$25. An employee goes to a service address for a nonpayment disconnect, and we give the customer additional time to pay that day to avoid service interruption. Currently there is no charge for our costs. If the customer's service were to be shut off, they would pay a reconnect fee to cover the cost of the disconnection and reconnection. This fee is half of the proposed reconnection fee.

- Reconnection fee increase from \$40 to \$50.
- Same day service fee increase from \$40 to \$50.
- Water hook-up charge for meter installation only, updated as follows:
 - 5/8" 3/4" Increase from \$375 to \$440
 1" Increase from \$500 to \$700
 1 1/2" Increase from \$1,036 to \$1,200
 2" Increase from \$919 to \$950

Staff will answer any questions the Board may have.

CANBY UTILITY MASTER FEE SCHEDULE

RESOLUTION 267 EXHIBIT A

OTHER SERVICES	FEE			
JOB COST ESTIMATE	\$500			
WATER LINE INSPECTION	\$87 per hour plus estimated water use at Irrigation rate			
WATER LINE FLUSHING	\$87 per hour plus estimated water use at Irrigation rate			
WATER PRESSURE / FIRE FLOW TEST	\$87 per hour plus estimated water use at Irrigation rate			
WATER THEFT CHARGE	\$250 (1 ST offense), \$500 (2 nd offense), \$1,000			
	(additional offenses) plus estimated water use at			
	Irrigation rate			
DOORHANGER FEE	\$25			
DISCONNECT NOTICE FEE	\$25			
FAILED PAYMENT ARRANGEMENT	\$25			
NSF CHECK	\$33			
PRE-DISCONNECTION	<mark>\$25</mark>			
RECONNECTION	<mark>\$50</mark>			
SAME DAY SERVICE FEE	<mark>\$50</mark>			
AFTER-HOURS RECONNECTION	\$250			
ACCOUNT SET UP FEE	\$25			
PUBLIC RECORDS	Staff time and benefits, and material costs (first 30			
	minutes no charge).			
PUBLIC RECORDS (Mailing Costs)	Actual cost plus \$1 handling			
PUBLIC RECORDS (Faxing Costs)	\$0.50 per page			
PHOTOCOPIES (Single/Double Sided)	\$0.25			
PHOTOCOPIES (Color or Printouts)	\$0.75			

STREET LIGHTING FIXTURE RENTAL	MONTHLY FEE
100 WATT	\$4.00
150 WATT	\$4.10
200 WATT	\$6.75
250 WATT	\$6.90
400 WATT	\$7.25

STREET LIGHTING POLE RENTAL	MONTHLY FEE
24' ALUMINUM POLE	\$3.00
30' WOOD POLE	\$1.50
35' WOOD POLE	\$1.75
40' WOOD POLE	\$2.75

WATER HOOK-UP MAIN TO METER SERVICE LATERAL INCLUDING METER			
METER SIZE	CHARGE		
5/8" – 1"	\$9,885		
1-1/2"- 2"	\$10,949		
Above 2"	Job Cost Estimate		

WATER HOOK-UP METER INSTALLATION ONLY			
METER SIZE	CHARGE		
5/8" – 3/4"	<mark>\$440</mark>		
1"	<mark>\$700</mark>		
1-1/2"	\$1,200		
<mark>2"</mark>	<mark>\$950</mark>		
Above 2"	Job Cost Estimate		

Source Documents:

Customer Service Policies & Procedures: Resolution No. 288

Electric Service Conditions: Resolution No. 254

Water Service Policies and Procedures: Resolution No. 259

Public Records Request Procedures: Procedure 402

Page 2 of 2 Updated: November 2022

OUTAGE AVERAGES Oct 2021 THROUGH Sep 2022

MONTH	YEAR	NUMBER OF OUTAGES	NUMBER OF CUSTOMERS AFFECTED	TOTAL CUSTOMER MINUTES OFF	MONTHLY NUMBER OF CUSTOMERS IN THE SYSTEM	NUMBER OF MOMENTARY INTERRUPTIONS
Oct	2021	1	2	272	7908	3
Nov	2021	0	0	0	7928	0
Dec	2021	0	0	0	7950	1
Jan	2022	2	10	1980	7950	2
Feb	2022	1	1	90	7947	2
March	2022	0	0	0	7947	1
April	2022	0	0	0	7960	0
May	2022	1	3	270	7971	2
June	2022	0	0	0	7978	1
July	2022	2	14	498	8005	1
Aug	2022	0	0	0	8023	1
Sep	2022	4	715	370102	8061	5
12 MONTH TOTA		11	745	373,212	95,628	19
12 MONTH AVE	RAGE	0.92	62	31,101	7,969	1.6
					C.U.	Industry Typical Value
SAIDI = Sum o	of all customer interruption minutes			= 373,212 =	46.8330	87.0
	Total number of customers			7,969		
SAIFI = Total	number of customer interruptions			= 745 =	0.09	0.93
	Total number of customers			7,969		
	nber of cust. momentary interruptions			= <u>19</u> = 7,969	0.002	0.96
	nterruption minutes for 12 months		_	= 501 =	83	107.25
Tota	al number of interruptions			6		

System Average Interruption Duration Index (SAIDI)

SAIDI indicates the total sustained interruption duration for the average customer during a predefined period of time. It is commonly measured in minutes or hours of interruption.

System Average Interruption Frequency Index (SAIFI)

SAIFI indicates how often the average customer experiences a sustained interruption during a predefined period of time.

Momentary Average Interruption Frequency Index (MAIFI)

MAIFI is a reliability indicator used by electric power utilities. MAIFI is the average number of momentary interruptions that a customer would experience during a given period (typically a year).

Customer Average Interruption Duration Index (CAIDI)

CAIDI gives the average outage duration that any given customer would experience. CAIDI can also be viewed as the average restoration time.