

**CANBY UTILITY**  
**REGULAR BOARD MEETING**  
**NOVEMBER 8, 2022**  
**7:00 P.M.**

**AGENDA**

I. CALL TO ORDER

II. AGENDA

- Additions, Deletions or Corrections to the Meeting Agenda

III. CONSENT AGENDA

- Approval of Agenda
- Approval of Regular Board Meeting Minutes of October 11, 2022 (pp. 1-3)
- Approval of Write-Offs
- Approval of Payment of Water and Electric Bills

IV. CITIZEN INPUT ON NON-AGENDA ITEMS *Citizen's wanting to speak virtually, please email or call the Board Secretary-Clerk by 4:30 p.m. on November 8, 2022 with your name, the topic you would like to speak on, and contact information: [bbenson@canbyutility.org](mailto:bbenson@canbyutility.org) or 503-263-4312.*

V. RESOLUTION NO. 311 Updating the Banking Services for Share the Warmth – Barbara Benson, Board Secretary (pp. 4-5)

VI. BOARD REPORT

- Chair Comments
- Board Member Comments

VII. STAFF REPORTS

Customer Service Supervisor:

- Red Flag Rules Update

Human Resources/Administration Manager:

- Four 10 Schedule Review
- Employee Recognition Event
- Board Training: Anti-Harassment & Non-Discrimination

General Manager Updates

- Fourth Quarter Financials (pp. 6-9)

VIII. EXECUTIVE SESSION The Canby Utility Board will adjourn its regular meeting to go into executive session pursuant to ORS 192.660(2)(i) to discuss performance of public employee. Upon completion of the executive session the Board will return to its regular meeting.

IX. ADJOURN

# ***CANBY UTILITY REGULAR BOARD MEETING MINUTES OCTOBER 11, 2022***

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

**Staff Present:** Carol Sullivan, General Manager; Barbara Benson, Board Secretary; Jason Berning, Operations Manager; Sue Arthur, Purchasing Agent; and Cindy Dittmar, Customer Service Supervisor

**Others Present:** Tim Gustafson; Joe Brennan; and Art Marine, City Council Liaison

Chair Thompson called the Regular Board Meeting to order at 7:02 p.m.

Chair Thompson presented the meeting agenda for consideration. She asked for additions, deletions, or corrections to the meeting agenda. Board Secretary Barbara Benson noted that there was a correction to the work session minutes to include a staff member who was present.

Chair Thompson presented the consent agenda for approval. Member Horrax made the \*MOTION to approve the consent agenda, consisting of the meeting agenda, regular meeting minutes of September 13, 2022, work session minutes of September 27, 2022 as corrected, write-offs in the amount of \$1,127.40, payment of the electric and water department bills in the amount of \$1,528,697.29. Member Hill seconded, and the motion passed unanimously.

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

Chair Thompson presented Member Gustafson with a meter lamp in appreciation for his service as a Canby Utility Board member. Member Gustafson moved outside the city limits and could not continue his service per the city's charter. Member Gustafson thanked the Board and staff. Chair Thompson thanked Member Gustafson on behalf of the Board, the employees, and the community for his dedication and service to Canby Utility.

General Manager Carol Sullivan presented a recommendation to update the master fee schedule under Resolution No 267. Sullivan stated that the proposed fee schedule adds a new fee of \$500 for a job cost estimate, with excess funds being applied to the job or refunded. The rate for water line inspections would increase to \$87 to cover current costs. Staff proposes adding a new fee for water line flushing and pressure/fire flow testing of \$87, and a new charge for water theft with a rate of \$250 for a first offense, \$500 for a second offense, and \$1,000 for any additional offenses. These new fees and charges would also include the cost of the estimated water used that would be billed at the irrigation rate. Staff also proposes adding a new fee for a pre-disconnection of \$25, increasing the reconnection and same-day service fee to \$50. Staff also updated the cost for main-to-meter  $\frac{5}{8}$ " –  $\frac{3}{4}$ ", 1", 1  $\frac{1}{2}$ ", and 2" meters and the meter installation only for the  $\frac{5}{8}$ " –  $\frac{3}{4}$ ", 1", 1  $\frac{1}{2}$ ", and 2" meters. A discussion ensued regarding the rates, water theft offenses, and

charging for job cost estimates to recover costs to the utility. Following discussion, Member Hill made the \*MOTION to adopt revised Exhibit A to Resolution No. 267, related to the Master Fee Schedule, effective November 1, 2022. Member Molamphy seconded, and the motion passed.

Operations Manager Jason Berning presented the quarterly reliability report. There was a significant increase in customer outage minutes in September due to several events. The first outage was caused by a car-hit-pole accident that interrupted power for approximately nine hours. The second outage occurred one week later, affecting our primary underground near the car-pole accident site, which was likely related to the previous event. Another outage that happened was a result of a fuse that melted. The last outage was related to a failed underground service. Discussion ensued regarding the potential cause of the fuse melting and aging infrastructure.

General Manager Carol Sullivan reported that Moss Adams completed their fieldwork during the week of September 26. Staff continues to respond to their requests for information to finalize the audit.

Sullivan reported that Customer Service Supervisor Cindy Dittmar has been creating a variety of slides for the television monitor in the customer service lobby. The messages are made in English and Spanish languages. The office also celebrated Public Power Week by giving out smart plugs and providing refreshments for visitors.

Sullivan said that she attended the monthly Chamber of Commerce luncheon.

Sullivan reported she signed a Mutual Aid Agreement with the American Public Power Association and worked on the Western Region agreement. These agreements enable Canby Utility to help or receive assistance from other agencies. Although Canby Utility has previously provided aid to other agencies, we did not have a signed mutual aid agreement. The agreement provides guidelines for assistance. Berning added that being part of a mutual aid contract makes Canby Utility eligible for FEMA funding that would not otherwise be available to pay for the services we provided to others.

Sullivan reported that employees are currently in open enrollment for health insurance benefits. Benson coordinated a staff meeting with our insurance providers City/County Insurance Services and Aflac, and held an employee lunch.

Sullivan attended the virtual Public Power Council. Sullivan invited Member Molamphy to give an update regarding the meeting. Molamphy said the topics were water, salmon runs, and generation. Molamphy shared the information about California reaching a high temperature of 116 degrees when their normal average for that time of year was 86 degrees. California used seven gigawatts of power from the Bonneville Power Administration (BPA) to meet its power needs during the extreme heat event. This demand on the system caused BPA to be stretched to its limits, and the only reason BPA was able to manage the load was due to the power generated by the Snake River dams. If BPA had been unable to meet California's power demands, the state

would have gone dark. This event further supported the need to keep the Snake River dams. Molamphy talked about the environmentalist push to remove the dams and how the information supporting the removal of the dams is inaccurate.

Sullivan reported on recruitment for the position of Finance Manager (temporary to hire). She interviewed one candidate and may have another candidate to interview.

Sullivan reported that the percent of daily water use in October was 72.81% over last year. The change in daily use is 1,175,000 gallons of water. Heavy spring rains and water flows helped to keep the taste and odor in our source water away. The cooler temperatures at night are also helpful in reducing algae.

Operations Manager Jason Berning reported that he would attend a meeting with the fire department and the Insurance Service Office (ISO), the agency that sets the insurance rates for communities. The ISO has requested information from Canby Utility on hydrants, fire flows, and maps. Canby has an excellent ISO rating.

Member Hill made the \*MOTION to adjourn the meeting. Member Molamphy seconded, and the motion passed unanimously.

There being no further business, the meeting adjourned at 7:34 p.m.

---

Melody Thompson, Chair

---

David Horrax, Member

---

Robert Hill, Member

---

John Molamphy, Member

---

Vacant

---

Barbara Benson, Board Secretary



## MEMORANDUM

November 2, 2022

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

FROM: Barbara Benson, HR/Administration Manager

SUBJECT: Resolution No. 311 Share the Warmth's Bank Account Changes

---

### **Suggested Motion:**

***I move to adopt Resolution No. 311, updating the Canby Utility Board's banking services for the Share the Warmth bill assistance program.***

### **Background:**

In June, staff presented a recommendation to the board to update Canby Utility's Share the Warmth banking services by closing the existing account and opening a new account at the same bank to conform with Wells Fargo's banking requirements. You may also recall that this was the staff's second request to the board after Wells Fargo determined that we could not change the signature authority on the existing account. Since then, Wells Fargo has continued asking for more documentation, including proof of our IRS Employer Identification Number and, more recently, information from when Canby Utility was originally formed over 50 years ago.

Due to the continued requests for additional information and difficulty opening a new business account, staff has decided to transfer this account over to Columbia Bank, the same bank Canby Utility uses for all of its other banking needs. This change will also simplify making deposits to the account from donations to the program since we only need to visit one banking institution.

Columbia Bank requires the Board of Directors to approve a resolution or provide signed minutes documenting the approval to open the account and designate signers. In the interest of expediting the process, a resolution has been drafted that the bank has reviewed. Therefore, the staff requests that the Share the Warmth account at Wells Fargo be closed and the funds transferred to Columbia Bank.

In addition to Human Resources/Administration Manager Barbara Benson and Customer Service Supervisor Cindy Dittmar being account signers, staff wants Lead Customer Service Representative Sergio Avalos to be a signer. Avalos would then be able to authorize funds from the Share the Warmth Account to pay on customer bills as approved under the program's guidelines.

## RESOLUTION NO. 311

### **A RESOLUTION UPDATING THE CANBY UTILITY BOARD'S BANKING SERVICES FOR THE SHARE THE WARMTH BILL ASSISTANCE PROGRAM.**

WHEREAS, the Canby Utility Board is an Oregon municipal utility operating in accordance with the Canby City Charter and ORS Chapter 225;

WHEREAS, the Canby Utility Board has a bill assistance program, known as the Share the Warmth, as required under ORS 757.687(11).

WHEREAS, The Share the Warmth program funds are maintained through a separate account from Canby Utility's other business banking services accounts at Columbia Bank; and

WHEREAS, the Canby Utility Board desires to transfer its Share the Warmth account from Wells Fargo Bank to Columbia Bank.

NOW, THEREFORE, the Canby Utility Board resolves as follows:

- A. An account for the Share the Warmth account funds will be opened at Columbia Bank
- B. The existing account at Wells Fargo Bank will be closed and all funds transferred to the new account at Columbia Bank.
- C. Authorize Barbara Benson, Cindy Dittmar, and Sergio Avalos to be signers on the new Canby Utility's Share the Warmth bank account.

THIS RESOLUTION IS ADOPTED BY THE CANBY UTILITY BOARD THIS  
8<sup>th</sup> DAY OF November, 2022

\_\_\_\_\_  
Melody Thompson, Chair

\_\_\_\_\_  
David Horrax, Member

\_\_\_\_\_  
Robert Hill, Member

\_\_\_\_\_  
John Molamphy, Member

\_\_\_\_\_  
Barbara Benson, Board Secretary



## **Memorandum**

November 3, 2022

**To:** Chair Thompson, Member Hill, Member Horrax, and Member Molamphy  
**From:** Carol Sullivan, General Manager  
**Subject:** Quarterly Financial Update as of June 30, 2022 Fiscal Year 2022

---

Please find attached the Executive Financial Summary through June 30, 2022, the Utility's fiscal year end 2022. The report is cumulative to date and gives a quick overview of profit and loss resulting from operations and capital contributions, a comparison to budget with notes, and cash reserves compared to the budget target and minimum. For monthly information refer to the financial packet sent via e-mail.

I will present these at the next board meeting and will be available for comments or to answer any questions.

**Canby Utility Executive Financial Summary**  
**Profit (Loss) Resulting From Operations and Capital Contributions\*\*\***  
**Year To Date (YTD) Twelve Months Ending June 30, 2022**

| Legend |            |
|--------|------------|
|        | = Electric |
|        | =Water     |

|                 |
|-----------------|
| <b>Electric</b> |
|-----------------|

**Profit (Loss) From Operations**

| Revenue |            | Expense |            | Operating Profit (Loss) |           |
|---------|------------|---------|------------|-------------------------|-----------|
| \$      | 14,369,982 | \$      | 12,985,453 | \$                      | 1,384,529 |

**Operations And Capital Contributions\*\*\***

| Operating Profit (Loss) | Capital Contributions | Net Income (Loss) |           |
|-------------------------|-----------------------|-------------------|-----------|
| \$ 1,384,529            | \$ 1,289,341          | \$                | 2,673,870 |

|              |
|--------------|
| <b>Water</b> |
|--------------|

**Profit (Loss) From Operations**

| Revenue |           | Expense |           | Operating Profit (Loss) |         |
|---------|-----------|---------|-----------|-------------------------|---------|
| \$      | 4,009,510 | \$      | 3,497,869 | \$                      | 511,641 |

**Operations And Capital Contributions \*\*\***

| Operating Profit (Loss) | Capital Contributions | Net Income (Loss) |           |
|-------------------------|-----------------------|-------------------|-----------|
| \$ 511,641              | \$ 2,454,337          | \$                | 2,965,978 |

**\*\*\*Capital Contributions** are contributions of capital, in the form of money or assets/infrastructure to Canby Utility from a customer or a vendor.



**Canby Utility Executive Financial Summary**  
**Profit (Loss) Resulting From Operations With Capital Contributions Compared To Budget**  
**Year To Date (YTD) Twelve Months Ending June 30, 2022**

**Electric**

| Net Income (Loss) |           | Budget |           | Over (Under) Budget |         |
|-------------------|-----------|--------|-----------|---------------------|---------|
| \$                | 2,673,870 | \$     | 1,954,072 | \$                  | 719,799 |

**Notes :** YTD total operating revenue is \$243,878 under budget mainly due to less residential and industrial sales.

YTD operating expenses are \$857,026 under budget mainly due to vacant positions, staff turn over, depreciation, lower BPA conservation payments, and more labor capitalized.

YTD Capital contributions are \$134,399 over budget due to more hook ups and infrastructure contributed by contractors.

YTD Change in Net Assets is \$719,799 over budget mainly due to less operating expenses.

**Water**

| Net Income (Loss) |           | Budget |           | Over (Under) Budget |         |
|-------------------|-----------|--------|-----------|---------------------|---------|
| \$                | 2,965,978 | \$     | 2,076,033 | \$                  | 889,946 |

**Notes :** YTD operating revenue is \$155,778 over budget mainly due to higher residential and multi-family sales.

YTD Operating expenses are \$154,114 under budget mainly due to vacant positions, staff turnover, and labor capitalization.

YTD Capital contributions are \$519,937 over budget mainly due to contributions of infrastructure from developers and SDC fees.

YTD Change in Net Assets is \$889,946 over budget mainly due to contributed capital, higher sales, and lower expenses.

**Canby Utility Executive Financial Summary**  
**Cash Reserves**  
**Year To Date (YTD) Twelve Months Ending June 30, 2022**

**Electric**

| <u>Budget Target 6/30/2022</u> | <b>Current Cash Reserves</b> |    | <b>June 2022 Target</b> |    | <b>Over (Under) Target</b> |
|--------------------------------|------------------------------|----|-------------------------|----|----------------------------|
|                                | \$ 8,892,598                 | \$ | 9,031,163               | \$ | (138,565)                  |

| <u>MINIMUM</u> | <b>Current Cash Reserves</b> |    | <b>Minimum</b> |    | <b>Over (Under) Minimum</b> |
|----------------|------------------------------|----|----------------|----|-----------------------------|
|                | \$ 8,892,598                 | \$ | 4,000,000      | \$ | 4,892,598                   |

**Water**

| <u>Budget Target 6/30/2022</u> | <b>Current Cash Reserves</b> |    | <b>June 2022 Target</b> |    | <b>Over (Under) Target</b> |
|--------------------------------|------------------------------|----|-------------------------|----|----------------------------|
|                                | \$ 6,272,644                 | \$ | 4,820,707               | \$ | 1,451,937                  |

| <u>MINIMUM</u> | <b>Current Cash Reserves</b> |    | <b>Minimum</b> |    | <b>Over (Under) Minimum</b> |
|----------------|------------------------------|----|----------------|----|-----------------------------|
|                | \$ 6,272,644                 | \$ | 2,000,000      | \$ | 4,272,644                   |