

CANBY UTILITY
REGULAR BOARD MEETING
FEBRUARY 14, 2023
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. 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 January 10, 2023 (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 February 14, 2023 with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.*
- V. RECOMMENDATION Update Columbia Bank Signature Authority – Carol Sullivan, General Manager (pg. 4)
- VI. BOARD REPORT
 - Chair Comments
 - Board Member Comments
- VII. STAFF REPORTS
General Manager Updates
- VIII. EXECUTIVE SESSION The Canby Utility Board will adjourn its regular meeting to go into executive session pursuant to ORS 192.660(2)(n) to discuss information regarding Canby Utility's security programs. Upon completion of the executive session the Board will return to its regular meeting.
- IX. ADJOURN

CANBY UTILITY REGULAR BOARD MEETING MINUTES JANUARY 10, 2023

The Board of Directors meeting was a hybrid of in-person and virtual. The public was invited to attend the meeting virtually or in person at Canby Utility's office.

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; Cindy Dittmar, Customer Service Supervisor;

Others Present: Jason Padden, City Council Liaison; Brian Hutchinson, Veolia Water; and Joe Brennan

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 any additions, deletions, or corrections to the meeting agenda, and there were none.

Chair Thompson presented the consent agenda for approval. Member Molamphy made the *MOTION to approve the consent agenda, consisting of the meeting agenda, regular meeting minutes of December 13, 2022, write-offs in the amount of \$519.78, payment of the electric and water department bills in the amount of \$1,028,001.12. 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 the annual election of the Board's Chairperson for 2023 and then opened the floor for nominations. Member Molamphy nominated Member Thompson, and she accepted the nomination. Member Horrax seconded the nomination. There were no other nominations made. Member Molamphy made the *MOTION to close nominations and appoint Melody Thompson to serve as Board Chair for the calendar year 2023. Member Hill seconded, and the motion passed with three yes votes and one abstention. Thompson abstained from the voting process.

Customer Service Supervisor Cindy Dittmar recommended the board continue donating green power to the city for another year for their parks and transit mall. Member Hill made the *MOTION to continue to make a monthly donation of Green Power on behalf of the city parks and transit mall. Member Molamphy seconded, and the motion passed 4-0.

General Manager Carol Sullivan discussed the language contained within the management team's vacation schedule policy and how the new four-ten workweek schedule affects the compensatory time provision. Sullivan shared the policy details that gave the management team

four days of compensatory time. The four days had a value of 32 hours under the 5-day workweek schedule; however, under the 4-day workweek schedule, the time is 40 hours. Sullivan wanted to share this impact with the board since the additional eight hours of compensatory time has a monetary value. Sullivan also explained that the policy has a provision that provides employees with a compensatory time of one day if they are required to work an eight-hour day on a weekend or holiday. A brief discussion ensued.

Chair Thompson introduced Canby City Council Liaison Jason Padden, who will serve as Canby Utility's liaison. Chair Thompson and Padden talked briefly about Padden's service to the city of Canby. Chair Thompson added that she anticipates interviews will be scheduled soon to fill the vacant board position.

Member Molamphy said he would attend the upcoming Public Power Council meetings.

General Manager Carol Sullivan noted that last month she reported that the Bonneville Power Administration (BPA) was planning to minimize wholesale power rate adjustments to keep rates flat; however, that was looking at rates for all utilities. The Rate Impact Model she received from BPA shows Canby Utility's Tier 1 rates are estimated to increase by 2.32% and Tier 2 rates to increase by 14.46% or \$1,085,760. This rate period would begin in October 2023 and through September 2024. Sullivan also shared that BPA will have a Power Dividend Distribution of \$1,344,295 to Canby Utility that will offset the financial impact of the wholesale rate increase for at least one year.

Sullivan reported that she participated in the Canby community development team meeting, which gathers to engage community partners in economic development policy, marketing initiatives, and business recruitment and retention efforts. After learning about Canby's future development at that meeting, she invited a group of city staff to participate in Canby Utility's Water Master Plan meeting. Sullivan highlighted some of the items discussed with our consultants, Consor Engineers. These included the city's suggestions for a different point of diversion from the Willamette River, possible alternative treatment plant locations, and their growth plans. The new water treatment plant is estimated to cost \$50-\$60 million and will impact the water rate study. Sullivan also noted that we likely need to postpone aging infrastructure repairs to focus on the new treatment plant. Sullivan stated that the meeting was a collaborative process. Member Molamphy asked Sullivan about the City of Canby's involvement in planning the new water treatment plant. He also expressed that the project decisions are to be made by Canby Utility. Sullivan replied that the city will not be involved in the project decisions but that she is engaging them in conversations about Canby Utility's ability to meet the water demands with the city's expected growth. Discussion ensued about the value gained with having the city as a partner in planning for the city's future development needs, especially with the Area J development. Sullivan noted that Canby Utility will have paid off the two existing water revenue bonds in 2024 and 2027, freeing up those funds to help with the new treatment plant project.

Sullivan noted that the new Finance Manager begins on January 16.

The Molalla River Water group applied for a grant to monitor the Molalla River for the occurrence of cyanotoxins and taste and odor compounds in the source water. The grant funds are needed to help with the cost of the program. Sullivan committed \$5,000 in funding to the project to help with shipping costs for samples. Veolia Water will also donate \$3,000 of its time to collect samples.

Sullivan noted that staff is continuing to assess security measures for our infrastructure. A brief discussion ensued about security in general and that specific security measures would not be discussed publicly.

Operations Manager Jason Berning presented the quarterly reliability report. He reviewed the calendar year 2022 outage history, noting that the outages have increased in the last quarter of the year. Berning shared the causes of the outages.

Berning also reported that staff is preparing to issue a Request for Proposals (RFP) for 10-year maintenance for the Westcott and Knights Bridge substations. The RFP should be advertised starting Thursday, with the bid opening on February 2. Discussion ensued regarding the budget, the work to be done, and Canby Utility's crew participation.

Customer Service Supervisor Cindy Dittmar presented an update on the Share the Warmth bill assistance program. She noted the yearly accounting graph shows consistency over the past four years. The program assisted more families last year compared to the previous year. Funds remained at the end of the year, ensuring no customers were denied assistance due to a lack of funds.

Member Hill made the *MOTION to adjourn the meeting. Member Horrax seconded, and the motion passed 4-0.

There being no further business, the meeting adjourned at 7:47 p.m.

Melody Thompson, Chair

David Horrax, Member

Robert Hill, Member

John Molamphy, Member

Vacant

Barbara Benson, Board Secretary



MEMORANDUM

February 11, 2023

TO: Chair Thompson, Member Hill, Member Horrax, and Member Molamphy
FROM: Carol Sullivan, General Manager
SUBJECT: Banking Update

Suggested Motions:

- 1) I move to update Columbia Bank's information to add Finance Manager Michael Schelske as a signor to the General and Payroll bank accounts, and to remove Tim Gustafson as a board member. Board member Hill will remain on the certificate as well as the existing signors, Cindy Dittmar, Barbara Benson, Susan Arthur, and Carol Sullivan.
- 2) I move to add Finance Manager Michael Schelske to the Local Government Investment Pool (LGIP) account.

Background:

Canby Utility hired Michael (Mike) Schelske for the Finance Manager position. In this role, Mike will need access to Canby Utility's bank accounts. Columbia Bank requires that specific language be recorded in the minutes to start the process of updating the accounts. This language is in the suggested motion. If the motion passes, I will also add Mike to the online banking and issue him a credit card.

In addition to the Columbia Bank account changes, I recommend adding Mike to the LGIP account and removing Barbara Benson. The LGIP has two forms that need to be completed and authorized. These forms are the Contact Registration form and a Permissions form. As the account's authorized contact, I can sign these forms; however, our auditors would like to see formal board approval. This is the purpose for the second motion.

Thank you for your consideration, and I will be available to answer any questions the Board may have.