

OAK LODGE

WATER SERVICES

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Minutes

Board of Directors – Special Meeting and Executive Session 5:30 p.m.

April 30, 2019

Board of Directors - Members Present:

Susan Keil, President/Chair
Kevin Williams, Secretary/Vice Chair
Lynn Fisher, Treasurer
Paul Gornick, Director,

Board of Directors - Members Absent:

Nancy Gibson, Director (absent),

Oak Lodge Water Services Staff Present:

Sarah Jo Chaplen, General Manager
Aleah Binkowski-Burk, Human Resources and Payroll Manager (not present)
Jason Rice, District Engineer
David Mendenhall, Plant Superintendent (not present)
Kelly Stacey, Finance Director
Todd Knapp, Field Operations Superintendent,

Visitors Present:

Gary Griff, Senior Director, Cushman & Wakefield
Tom Usher, Executive Director, Cushman & Wakefield
Paul Boundy, Managing Principal, LRS Architects.

Special Meeting of the Board of Directors

1. Call to Order and Flag Salute

Board President Susan Keil called the meeting to order at 5:35 p.m. and led the pledge of allegiance.

2. Call for Public Comment

There were no comments from the public. There was no public present.

3. A. Consolidation Facilities Project Update

President Keil turned the meeting over to General Manager Sarah Jo Chaplen, who welcomed guests to the meeting. Guests included real estate specialists Gary Griff – Senior Director and Tom Usher – Executive Director, Cushman & Wakefield, and Paul Boundy – Managing Principal, LRS Architects, and District Architect. When there are space planning conversations the meeting will be open to the public. The work of the space planners provided a much clearer analysis of the facilities. President Keil requested support from District Lawyer in maintaining appropriate Executive Session boundaries and he agreed to help.

B. Recess Special Board Meeting to Executive Session

President Keil recessed the Special Board Meeting and convened an Executive Session at 5:38 p.m. under ORS 196.660(2)(e) to deliberate with persons designated by the governing body to negotiate real property transactions, and ORS 192.660 2(h) for consultation with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed.

The General Manager provided a brief overview of the Board's prior discussion regarding the potential purchase of a property in the vicinity of the Administration Building. The District's real estate broker provided background information regarding determining a reasonable value of the property. Members of the Board participated in a general discussion with the District's attorney regarding various purchase and finance mechanisms relating to the purchase of the property.

4. Recess Executive Session

President Keil closed the Executive Session at 7:20 p.m.

5. Reconvene Public Meeting – Board may take action if necessary

President Keil reconvened the regular Board meeting at 7:20 p.m. The Board took action in the following motion.

Treasurer Fisher moved to authorize the General Manager to purchase property in the vicinity of the administration building in the amount the General Manager determines, after consultation with the District's broker, provides the best value to the District. Director Gornick seconded the motion.

Ayes: 4

Nays: None

Motion carried: 4-0

General Manager Sarah Jo Chaplen asked if there was any other business to be discussed. President Keil requested an update on the Backflow Prevention Program. G.M. Chaplen described the required annual inspection and maintenance for Backflow Prevention Devices and let the Board know a letter had been sent out to all customers in the District, and that some customers may be interested in discussing the topic with members of the Board. This topic will be added to the next Board meeting.

Treasurer Fisher mentioned customers are asking if they need to install a Backflow Prevention Device and have even tried to sign up for the program when they do not have a device, nor have a need for one. OLWS staff has been evaluating individual inquiries to determine if there is a need for installing a device, which protects public health through protection of the water system. The Board asked if OLWS is responsible for the drinking water system if contamination occurs because of the lack of a backflow prevention device and G.M. Chaplen responded she is looking into this with Tommy Brooks, District Attorney. The Board asked how the District could be responsible for knowing whether every potential user needing a device has one, and whether the District has discretionary immunity for not knowing. The Board asked which regulatory

authority is responsible for enforcing the requirement and G.M. Chaplen will be following up to learn more about the program. OLWS has not been receiving backflow testing results from new construction from the Clackamas County plumbing inspectors.

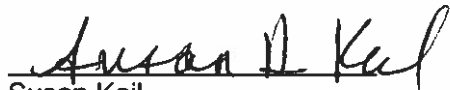
The Board continued to discuss the importance of backflow prevention devices and initial and annual inspections. Staff mentioned how ongoing education with owners is necessary with new owners. The Board discussed the relationship of the current enforcement with the prior practices of enforcement.

G.M. Chaplen summarized the issue, stating many people are thankful for the awareness of the issue, others are worried about how much money annual inspections will be, and OLWS is working out payment plans, and finally, some are reluctant to participate in the program. If a customer opts out of inspecting their device annually, OLWS could shut off their water. OLWS will consider this option if it creates hazard to the potable water system. The Board emphasized the importance of protecting the water system and stated the staff should shut water off if the program is not complied with and should not be based on "level" of hazard. State law shows annual inspections are required and implementation is left up to the District. The Board encouraged OLWS to disclose information about why the program protects public health and the potable water system. The District will not install devices. G.M. Chaplen will bring scenarios to the Board if needed as the issue develops.

6. Adjourn Special Board Meeting

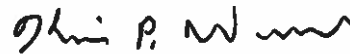
President Keil adjourned the Special Board meeting at 7:45 p.m.

Respectfully submitted,



Susan Keil
President, Board of Directors

Date: 5-21-19



Kevin Williams
Secretary, Board of Directors

Date: 05-21-19