

REGULAR MEETING OF THE BOARD OF DIRECTORS

September 20, 2017

7:00 p.m.

The meeting was called to order by Chairman Jim Hickey with Curt Lorenz, Mike Sims, Owen Nicholson and John Handler. Also present was Rob Peacock and Deb Galardi of Kennedy Jenks, and Manager Bruce Halverson, Keri Scott and Janet Lease.

WELCOME TO VISITORS

Chairman Hickey noted that Rob Peacock, Deb Galardi, and Doug Nicholson were present.

MINUTES

Director Nicholson made a motion to approve the minutes of the August 16, 2017 regular meeting as presented. The motion was seconded by Director Lorenz and passed unanimously.

FINANCIAL REPORT

Director Handler made a motion to approve the financial report for the month ending July 31, 2017 as presented. The motion was seconded by Director Sims and passed unanimously.

FINANCIAL PLAN PRESENTATION -KENNEDY JENKS

The agency hired Kennedy Jenks to update the System Development Charge(SDC) for NBWA. Rob Peacock and Deb Galardi presented the update to the Board in a four-page visual handout. The SDC is regulated by Oregon law (ORS 223.297-223.314). The components of the SDC are: reimbursement fee, improvement fee, and compliance fee. The reimbursement fee is for reserve capacity. The improvement fee is for the project list in the 20-year Master Plan (pump station improvements). The compliance fee is the cost of complying with the provisions of Oregon law, including the costs of developing system development charge methodologies and providing an annual accounting of system development charge expenditures. Kennedy Jenks determined the capacity demands by measuring existing demand and existing facilities against growth demand and new facilities to develop a cost basis. It has been projected that 656 new connections will occur over the next 20 years.

Kennedy Jenks suggested the SDC be updated to \$4,258.00 (\$1,799.00 reimbursement fee, \$2,348.00 improvement fee, \$111.00 compliance fee). The League of Oregon Cities System Development Charges Survey shows a range of comparable communities SDCs between approximately \$4,000.00(Depoe Bay) and \$8,000.00(Pacific City).

The recommendation of Kennedy Jenks is to implement the SDC change on July 1, 2018 and increase annually with the percent of inflation.

Before implementation, interested parties such as engineering firms and contractors, must be notified 90 days prior to the public hearing

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UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

Resolution 2017-13: Amending Personnel Policies

The resolution addresses the accrual policy of vacation in the NBWA Personnel Policy, capping the maximum accrual of vacation for all employees at 320 hours. Director Handler made a motion to approve the resolution as presented. The motion was seconded by Director Nicholson and passed unanimously.

Vacation Time

During the opening interview with the Audit team from Accuity, Manager Halverson asked if it would be in the agency's best interest to cap vacation accumulations at 320 hours and buyout Manager Halverson's accrued excess of 200 hours. The auditor agreed and recommended the agency buyout the 200 hours and amend the personnel policy to reflect the 320-hour cap. Director Sims made a motion to approve the payout of 200 hours to Manager Halverson. The motion was seconded by Director Nicholson and passed with Chairman Hickey, Director Sims, Director Handler, and Director Nicholson voting aye and Director Lorenz voting nay.

MANAGER'S REPORT

Projects Update

Disinfection Transition:

The project to convert the disinfection process away from chlorine and sulfur dioxide has been approved by DEQ.

Warehouse Purchase:

The Agency took official possession on September 13, 2017 of the warehouse at 35955 10th St. in Nehalem. Work to transform the space to better serve NBWA needs is underway.

Irrigation:

We are meeting the permit requirements and supplying water to the farmer.

Audit:

Accuity conducted the annual audit on August 29th with very few findings. Audit presentation to the board will occur before the end of the calendar year.

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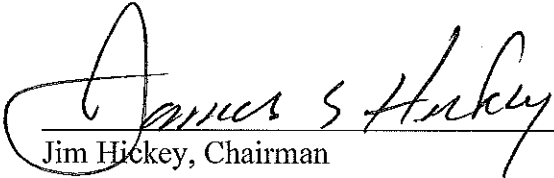
BOARD COMMENTS

The board discussed and agreed on a 2:00 pm meeting time for the October 18th meeting.

PUBLIC COMMENTS

Visitor Doug Nicholson stated that the meeting was, "Interesting and fun."

With no further business Chairmen Hickey adjourned the meeting 7:48 pm.



Jim Hickey, Chairman



Bruce Halverson, Manager