

# Heceta Water People's Utility District

87845 Hwy 101

Florence, OR 97439

February 20, 2024

Board of Directors' Meeting

## 1. CALL TO ORDER

Vice-President Farnsworth called the meeting of the Board of Directors of the Heceta Water People's Utility District to order at 4:00 pm on February 20, 2024.

## 2. ROLL CALL

Directors: Crystal Farnsworth, Debby Todd, Vito Coviello and Frank Spencer; Secretary of Record Brittany Hornung; General Manager Carl Neville, Administrative Assistant Cindy Spinner, Operators Rick Mason and Kyle Paselk, all present. President Wendy Rohner was absent.

## 3. PUBLIC COMMENT

No public comment.

## 4. APPROVAL OF MINUTES

As there is no quorum of Board members present at January's meeting, minutes are being held over for approval at the next Board meeting.

## 5. PRESIDENT'S REPORT

No president's report.

## 6. FINANCIAL REPORT

Secretary Hornung reported that the District is in good financial condition with revenues coming in little more than expected at 67% collected and 80% of all revenue collected, not including the construction loan. She stated the District is not in danger of over expenditure in any category expect capital outlay in the general fund is 90% expended. Director Spencer inquired as to the double payments to Dyer Partnership. GM Neville stated the payments were for services provided for two separate projects.

ACTION: Director Coviello made a motion to accept the financial report of January 2024, as presented. Director Todd seconded the motion. Directors Farnsworth, Todd, Coviello and Spencer voted aye. There were no nay votes.

## 7. STAFF REPORT

GM Neville mentioned today was the first of five days of tie-ins for the new water line, with the construction crew working to connect services and fire hydrants and there will be additional tie-ins over the next two weeks. He stated the project is going well and it is nice having new valves to run. He stated that Director Coviello has provided comments on the new office and shop buildings and GM Neville is collaborating with the engineers to make changes including Director Coviello's input. GM Neville did mention that the cost is higher than when we started. He mentioned that they are looking at how the bids will be coming in for other projects. Director Spencer inquired if there are any specific concerns. GM Neville stated there was not a specific concern he is just making sure we are anticipating everything. Director Coviello mentioned a couple of his constituents reported low pressure with sand in the water today. GM Neville asked that the constituents contact him directly so staff can evaluate and run tests on water for any reported issues. He went on to state that the contractors are working on a valve cluster, so pressure was reduced by approximately 50% for safety for the entire beach area. Director Spencer asked if the District must reduce pressure often, this project aside. GM Neville stated we have had to reduce pressure 6 times in the past 15 years. Director Spencer inquired if the amount of water quality complaints are typical or just due to the

water line replacement project. GM Neville stated it may be due to high usage. Director Spencer inquired if the ice storm caused all the callouts to the plant. GM Neville stated as we lose power it triggers the failsafe to the off position and call outs to the on call operator. Director Farnsworth inquired about the WesTech repair man having to come and make the repairs and what is the cause of the screen shavings. GM Neville stated the screens sent back last month may have been replaced with new screens with the same issue. He stated the screens are under warranty and the repair man anticipates being able to fix the issue onsite. Director Spencer inquired as to what the recommendations for the reservoirs are and will it be at an excessive cost. GM Neville will work with District engineers to determine if recommendations are necessary and if so, determine the cost to implement.

#### 8. UNFINISHED BUSINESS

Director Spencer inquired about the outstanding items discussed in January's Board meeting. GM Neville stated that the information was provided by email. Director Todd asked how much of the budget is from grants as opposed to water revenue. GM Neville stated that most District operations is covered by water revenue. He stated that our current loan of \$6.7 million with \$530 thousand to be forgivable in the end. Director Todd inquired if we have ever analyzed water revenue and other sources such as grants each year. GM Neville stated he has not officially analyzed but grants received have been at a low percentage.

#### 9. NEW BUSINESS

##### a) Appoint Budget Officer –

ACTION: Director Todd nominated GM Neville to be appointed Budget Officer for FY 2024-25. Director Spencer second the motion. Directors Farnsworth, Todd, Coviello and Spencer voted aye. There were no nay votes.

##### b) 2024 COLA – GM Neville presented the 2023 CPI for Urban Consumers that the District based the cost-of-living adjustments on, at 4.3 percent effective July 1, 2024. Director Todd inquired if the District is using the same criteria to calculate COLA each year. GM Neville stated yes, the District uses the previous year's annual value to calculate COLA for the current budget year.

ACTION: Director Todd made a motion to approve the 2024 COLA, as presented. Director Coviello second the motion. Directors Farnsworth, Todd, Coviello and Spencer voted aye. There were no nay votes.

#### 10. ITEMS NOT ON THE AGENDA

Vice-President Farnsworth present her resignation submitted by email effective March 15, 2024, as she is moving out of the District.

#### 11. AGENDA SUGGESTIONS FOR FUTURE MEETINGS

##### a) HWPUD Rules and Policies

##### b) Appoint Budget Committee Members (Action Item)

#### 12. ADJOURNMENT

The meeting adjourned at 4:28 pm.