

Heceta Water People's Utility District

87845 Hwy 101

Florence, OR 97439

June 18, 2024

Board of Directors' Meeting

1. CALL TO ORDER

President Rohner called the meeting of the Board of Directors of the Heceta Water People's Utility District to order at 4:00 pm on June 18, 2024.

2. ROLL CALL

Directors: Wendy Rohner, Debby Todd, Vito Coviello and Dave Goss; Secretary of Record Brittany Hornung; General Manager Carl Neville, Administrative Assistant Cindy Spinner, all present. Director Frank Spencer was absent.

3. PUBLIC COMMENT

Public comment was open for Budget FY 2024-2025. Secretary Hornung reported on the issue regarding publication of this Budget Hearing notice. She stated the notice, although provided timely to the local paper and receiving an email confirmation failed to print the notice timely. She contacted the State to clarify the rules and found that as a PUD the District is not subject to local budget laws but the District chooses to follow for transparency with the public. She went on to say that in reviewing the State statutes found that it requires a good faith effort to publish the notice, so we posted the materials on the District website, posted the notice in the office, and posted in the Registrar Guard, which printed this morning. Director Todd mentioned posting with the local radio station as an alternative option. Secretary Hornung stated the future publication of the budget notice will be in both papers.

4. APPROVAL OF MINUTES

ACTION: Director Todd made a motion to accept the minutes of the HWPUD Board of Director's meeting of April 16, 2024, as presented. Director Coviello seconded the motion. Directors Rohner, Todd, Coviello and Goss voted aye. There were no nay votes.

5. PRESIDENT'S REPORT

No President's report.

6. FINANCIAL REPORT

Secretary Hornung reported that with one month to go in this fiscal period, the District is in excellent financial condition with revenues coming as expected. She went on to say the District is not in any danger of over expenditure in any category or fund.

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

7. STAFF REPORT

GM Neville mentioned that there was paving needed in various spots for road work that staff completed. He went on to say the paving took longer than expected as our local contractor is no longer providing paving services. He stated we reached out to an out of area contractor, who came and paved the areas in June. He feels the job completed by the new contractor was great and we will use them again in the future. GM Neville provided an update for the Enchanted Valley project stating that Oregon Health Authority (OHA) has requested an email from our engineers before approving the project. President Rohner inquired if we are waiting on paperwork before the project can move forward. GM Neville stated we can go out to bid but unable to start construction until OHA approves the project. GM Neville pointed out that the District is now

able to complete lead and copper testing once every three years and the annual generator testing showed no suggested repairs. Director Todd inquired if the service line moved on Ocean View was the same one as previously moved. GM Neville stated it was in the same col-de-sac but a different property.

8. UNFINISHED BUSINESS

No unfinished business.

9. NEW BUSINESS

a) General Manager Evaluation – President Rohner spoke regarding the positive evaluation for GM Neville. She went on to state that GM Neville qualifies for the merit bonus policy. Director Todd inquired if the bonus is based on monthly or annual salary. President Rohner stated it was a one-time payment with calculation based on annual salary.

ACTION: Director Todd made a motion to approve the merit bonus for GM Neville as presented. Director Coviello seconded the motion. Directors Rohner, Todd, Coviello and Goss voted aye. There were no nay votes.

b) Cyber Security – GM Neville introduced a document prepared by the District’s IT support, Emerald Technology Group. He redacted proprietary information with Emerald’s approval, to ensure security protections for the District. Director Todd inquired if GM Neville feels comfortable that the steps Emerald outlined are efficient. GM Neville is working with Emerald and Olsson Controls to tighten up controls to provide more protection. The Board asked that they have time to review the document and will discuss it at the next Board meeting.

c) Approve Resolution 2024-01 – Abolish Equipment Replacement Fund – Secretary Hornung discussed that reserve funds do not exist more than 10 years without the Board approving extension or demolish. She and GM Neville are recommending eliminating the replacement fund as presented in the budget starting July 1st, and the funds will transfer to the general fund and used for operational purposes. Director Coviello inquired if there is Board action required regarding the use of these transferred funds. Secretary Hornung stated it does require Board approval of the resolution to abolish the fund and the funds are reallocated when the Board adopts the budget.

ACTION: Director Todd made a motion to approve Resolution 2024-01 to abolish the equipment replacement fund, as presented. Director Goss seconded the motion. Directors Rohner, Todd, Coviello and Goss voted aye. There were no nay votes.

d) Resolution 2024-02 – HWPUD FY 2024-25 Adopting Budget and Making Appropriations

ACTION: Director Todd made a motion to approve Resolution 2024-02 to adopt the FY 2024-25 Budget, as presented. Director Goss seconded the motion. Directors Rohner, Todd, Coviello and Goss voted aye. There were no nay votes.

10. ITEMS NOT ON THE AGENDA

a) Medical Benefits – GM Neville presented the Board with liability costs associated with employee benefits including what the District currently pays along with various scenarios if the Board adjusts the benefits. Director Goss stated that the cost of this benefit increase is a small price to pay to keep employees, which benefits the District. Director Todd pointed out that the District is mindful of the potential increases that may occur in the future, and if the Board approves 100% coverage for employees and family now that the Board may need to reduce the benefit coverage if the cost gets too high. Secretary Hornung noted that the Board will be able to monitor any increases each year during the Budget period. The Board asked GM Neville to update the personnel policies to address benefits, outlining the rights of the Board to adjust if the cost is detrimental to the District.

ACTION: Director Goss made a motion to authorize GM Neville to update the language in the personnel policies and procedures with the District’s Attorney. Director Todd seconded the motion. Directors Rohner, Todd, Coviello and Goss voted aye. There were no nay votes.

11. AGENDA SUGGESTIONS FOR FUTURE MEETINGS

- a) HWPUD Personnel Policies & Procedures (Action Item)
- b) Medical Benefits (Action Item)
- c) Cyber Security (Discussion Item)
- d) HWPUD Rules and Policies (Action Item)

12. ADJOURNMENT

The meeting adjourned at 5:05 pm