

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
May 13, 2010

Board Members Present: Alice Norris, Oregon City Mayor, Chair
John Kovash, West Linn Mayor, Vice-Chair
Scott Burgess, West Linn Councilor
Rocky Smith, Oregon City Commissioner
Jody Carson, West Linn Councilor

Board Members Absent: Daphne Wuest, Oregon City Commissioner

Staff Present: John Collins, SFWB General Manager
William Kabeisman Oregon City Legal counsel

Others Present: Alice Richmond, West Linn Resident
Janelle Sisson, Gladstone Resident
Doug Neeley, Oregon City Commissioner

General Board Meeting

(1) Call to Order

Chair Norris called the meeting of the South Fork Water Board to order at 7:08 p.m.

(2) Public Comments

No public comments.

(3) Consent Agenda

a. Approval of the Minutes of the March 11, 2010 Board Meeting

Board Member Burgess moved to approve the March 11, 2010 SFWB meeting minutes as presented. Board Member Carson seconded, passed unanimously.

(4) Public Hearing—Resolution 10-02 Adoption of Fiscal Year 2010/11 Approved Budget

John Collins, SFWB General Manager, stated that Resolution 10-02 would adopt the 2010/11 budget, which included a 10% rate increase. The Budget Committee unanimously passed the proposed budget with that rate increase on April 8, 2010. He noted that South Fork was running a tight fiscal ship and would continue through these hard economic times with the proposed budget.

Chair Norris opened the public hearing for Resolution 10-02 at 7:10 p.m. and called for public comment. Seeing none, she closed the public hearing.

Board Member Burgess moved approval of Resolution 10-02. Board Member Carson seconded the motion.

Board Member Burgess commended staff, including Finance Director David Wimmer, the Cities' Managers, and the Oregon City Commission for making the budget a possibility. He appreciated that Staff recognized the difficult situation and current challenges faced by South Fork in developing this budget. The budget reflected that South Fork has had a tough year legally that involved two major issues: water rights and the collection of fees owed to South Fork. Citizens do not always hear about such difficulties or the amount of extra work that does not necessarily involve making water. He appreciated that Mr. Wimmer was receptive from Oregon City's side and for his work with Mr. Collins. He wished West Linn could have participated as well, but the City did not have as many tools to bring to the table. He believed that Staff's creative budget solution would benefit both Oregon City and West Linn citizens.

Board Member Carson thanked Staff for the creative way in which they addressed the issue and appreciated the Oregon City Commission for supporting the solution.

Chair Norris said it was good feeling to have the stable finances and therefore, the resources to do so. She also commended the creativity of South Fork's two professionals in working through the challenges and making the budget balance.

The motion passed unanimously.

The order of the agenda was changed. The Board continued to Item (7) Business from the Manager and Item (8) Business from the Board, prior to recessing for the Executive Session.

(7) Business from the Manager

This item was addressed following Item (4) Public Hearing.

1) Election of SFWB Vice-Chair

John Collins, General Manager, noted the resignation of former West Linn Mayor Patti Galle and welcomed new West Linn Mayor John Kovash, who was to be officially sworn in as SFWB Vice-Chair.

Board Member Carson nominated Mayor John Kovash as the SFWB 2010 Vice-Chair. Board Member Smith seconded the nomination, which passed unanimously.

2) Loan IGA – Oregon City to SFWB

John Collins, General Manager presented his report regarding the Loan IGA, both of which were distributed to the Board. He requested the Board's approval of the IGA in order to present it for approval by the Oregon City Commission on May 19, 2010. He explained that he had hoped to obtain a 2.5% interest rate, but 3.5% was negotiated, which he believed was fair and equitable for both parties.

Board Member Burgess moved approval of the Loan IGA. Vice-Chair Kovash seconded the motion, which passed unanimously.

3) SFWB General Manager's Annual Performance Review

John Collins, General Manager, noted his upcoming Annual Performance Review, stating he would send the evaluation forms within the 7 to 10 days in an electronic format, along with

a list of his accomplishments of the past year and future goals, which the Board could adjust. Mr. Collins asked the Board to please forward their completed evaluations to Mayor Norris.

Vice-Chair Kovash stated that since he was new to the South Fork Water Board he would only comment on Mr. Collins' future goals.

(8) Business from the Board

There was none.

(5) EXECUTION SESSION—Recess Regular Meeting and Convene Executive Session.

- i. To consider information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f).
- ii. To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed pursuant to ORS 192.660 (2)(h).

Chair Norris recessed the regular meeting to convene the Executive Session at 7:22 p.m.

(6) Reconvene Regular meeting to take any action necessary as determined in Executive Session.

Chair Norris reconvened the regular meeting at 8:02 p.m.

Board Member Carson moved to adopt the settlement agreement and mutual release with CRW. **Board Member Smith** seconded the motion, which passed unanimously.

(9) Adjourn Meeting

The May 13, 2010 regular meeting of the South Fork Water Board adjourned at 8:03 p.m.

Respectfully Submitted,

By Paula Pinyerd, ABC Transcription Services, Inc.
for John Collins, SFWB General Manager