

**Rivergrove Water District**  
**Board of Commissioners Regular Meeting Minutes**  
**Monday, November 22, 2021, 4:30 p.m.**

A regular meeting of the Board of Commissioners was held this day via remote teleconference at 17661 Pilkington Road. Chair Roth presided over the meeting and other attendees included: Commissioners Johnson, Magura, Patterson, and Howell, and General Manager Janine Casey. Attorney Peter Hicks, from Jordan Ramis, was also in attendance.

- 1. Call to Order:** The meeting was called to order at 4:30 p.m.
  
- 2. Audit Report 2020/2021:** Mr. Russell Ries, CPA, from Jarrad, Seibert, Pollard & Company presented the results of the Annual Audit and the Single Audit for the District. All financial accounting was in good order; the District received a clean and unmodified opinion based on the cash basis of accounting. A motion was made to accept and adopt the audit reports as presented by Mr. Ries by a motion *from Commissioner Johnson, seconded by Commissioner Magura, and passed by a unanimous vote.*
  
- 3. Review and Approval of Minutes:**
  - a. The meeting minutes of October 25, 2021 were presented and approved by a motion from *Commissioner Johnson, seconded by Commissioner Magura, and passed by a unanimous vote.*
  
  - b. The Special Meeting minutes of October 25, 2021 were tabled pending legal clarification on making corrections to transcribed dialog.
  
  - c. The Special Training meeting minutes were presented and approved by a motion from *Commissioner Howell, seconded by Commissioner Patterson, and passed by Commissioners Roth, Magura, Patterson, and Howell.* Commissioner Johnson abstained due to his excused absence from the meeting.
  
- 4. Monthly District Report:** See attached.
  
- 5. Unfinished Business:** The Board priority list for fiscal year 2021-2022 was discussed without any modifications.
  
- 6. New Business:**
  - a. Censure Process Criteria: The censure criteria process was discussed by the Board for the upcoming Special Meeting to be held on December 10, 2021 to consider whether to proceed regarding the Intent to Censure Commissioner Patterson. Mr. Hicks answered procedural questions and there were no objections to the criteria.
  
  - b. The Board agreeded to hire Mr. Mark Knudson, from Special Districts Association of

Oregon, for consulting services related to Board relations training and performing the manager's formal evaluation at a cost of \$4,000. A motion was made to approve the contract by a motion from **Commissioner Magura, seconded by Commissioner Howell, and passed by a unanimous vote.**

c. Resolution 2021-08, Signing Authority for Banking, was presented and approved by a motion from **Commissioner Magura, seconded by Commissioner Johnson, and passed by a vote of 3 to 2. Aye votes: Commissioners Roth, Johnson, and Magura. Nay votes: Commissioners Patterson and Howell.**

d. Know Your Customer Diligence Form: The Board discussed the requirements for Commissioners to complete and sign the KYC Due Diligence Form from Banner Bank which is required to be a signatory on Rivergrove's financial accounts. Certain financial data is sensitive and the board agreed not all areas on the form should be completed. The form will be submitted directly to the bank and not retained by the District.

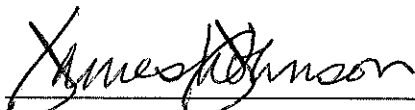
**7. Chair Report:** No report was given.

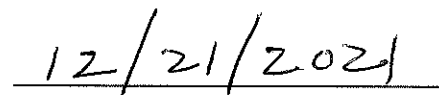
**8. Public Comments:** No public attended.


**9. Executive Session:** The regular meeting of the Board of Commissioners was adjourned at 6:25 p.m. to meet in Executive Session in accordance with ORS 192.660(2)(f)(g). The regular meeting of the Board of Commissioners reconvened at 6:35 p.m.


**10. Adjournment:** The meeting was adjourned at 6:36 p.m.

The next regular Board meeting will be held on Monday, December 20, 2021 at 4:30 p.m. via remote teleconference.

  
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James W. Johnson, Secretary

  
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Christine K. Roth, Chair

  
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Transcribed Minutes

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**Chair Roth:**

Okay. If we are ready, let's call to order the Rivergrove Water District Board meeting at 4:30 pm. All of the Commissioners are here. Hi Grant and Jim and Larry and Sherry, we don't have a picture.

**Commissioner Patterson:**

I'm here.

**Chair Roth:**

Okay, so thank you. The first thing we're going to do. Oh, everybody on the Board is here. So let the record reflect that we're going to go right into the audit report for the fiscal year 2021. Russell Reese, who is our CPA from Jarrad, Seibert, Pollard and Company will go ahead and give us his findings.

**Russell Reese:**

Perfect. Now there's a lot of information to cover. So what I thought I'd do is just make this a very generic high level overview of the results of the audit and to let the Board know that if I don't address a particular issue or question that you may have in going through this brief presentation, I'll leave some time at the end for questions. But if you would rather contact me later on to ask me some specific questions, feel free to do so. Call me, email me at your convenience. So we're always here to provide additional explanation or assistance in any areas of question that you may have.

**Russell Reese:**

What I thought I'd do is just, again, turn to the Table of Contents. This report this year is a little bit different. Last year, the District was able to avoid the process of the single audit because it had expended less than \$750,000 of Federal Assistance last year on a gap basis. So last year's audit was simply just the normal Annual Financial Statement audit conducted in accordance with generally accepted auditing standards. This year, if you look at the Table of Contents, we not only have, again, our Independent Auditors Report, the MDNA section, which again is the summary of what the reader's about to see when they go through the audit report. The basic set of financial statements again, is consistent with last year, our supplementary information, which again is consistent with the prior year, as far as providing combining schedules and then our budget to actual schedules and all of individual funds that we opine on.

**Russell Reese:**

What's new this year is looking down towards the middle of the Table of Contents, starting on page 22. We have our schedule of expenditures of federal awards again. So this is new. This is required because of the fact that the District did expend more than the \$750,000 of Federal Assistance and, therefore, that triggered the single audit under the Uniform Grant Guidance this year. So in accordance with the single audit, we have our schedule or SEFA (Schedule of Expenditure of Federal Awards). There's a very brief footnote section to the schedule. And then there are two additional auditor reports that are issued in accordance with Uniform Grant Guidance and the single audit.

**Russell Reese:**

We have our first report that starts on page 24, which is the Independent Auditor's Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with government auditing standards or yellow book, if you've heard the term yellow book. The second report is actually on the major program. In a single audit, the auditor's review the various federal programs in which dollars were spent during the year. We then identify any major programs and then those major programs are then tested.

**Russell Reese:**

So beginning on page 26, we have our Independent Auditors Report on compliance for each major program and on internal control over compliance required by the uniform guidance. Following those two reports, there's a summary schedule, it's called the Schedule of Findings and Question Costs, which I'll cover. And then after that, again is our year after year report that's required under Oregon minimum standards. So again, that's consistent with prior year.

**Russell Reese:**

So before we kind of quickly go through the reports, I want to let everyone know that the District is receiving a cleaner, unmodified opinion on, not only the Independent Auditor's Report on the financial statements, but when we get to the single audit reports, those also are clean. We're not noting any deficiencies in internal control, nor are we reporting any non-compliance issues in regards to the program, which will again be disclosed in that summary schedule of findings. And then when we get back to the Oregon minimum standard report in the back where we are required to do some additional testing in the areas of compliance and internal control over Oregon minimum standards, such as insurance, budgeting, various other areas, the District is also receiving a cleaner, unmodified opinion so there's no surprises. There are going to be no surprises as we go through this, just to let you know.

**Russell Reese:**

So quickly just turning to page two, our Independent Auditor's Report, the key area in this report is down towards the bottom on page two, where we have our opinions paragraph. "We're pleased to report that in our opinion, the financial statements referred to above present fairly in all material respects, the respect of financial position of the business type activities of the District as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with the cash basis of accounting." So again, if we had noted something during the course of our engagement, where we were unable to issue that unmodified opinion, we would then provide additional information on why we were not able to do that, but we are, thank goodness. A job well done by Janine and the Board and everyone at the District.

**Russell Reese:**

I'm just going to quickly flip the page to page three. We have a new paragraph in our Auditor's Report towards the middle of page three, "Other reporting required by government auditing standards". This additional paragraph is required because when a district is required to go through what's called a single audit, the auditor is required to perform the audit in accordance with government auditing standards or the yellow book which acquires some additional testing and getting some additional understanding over the controls of, not only the financial statement, preparation, accounting, and reporting on the financials, but also the controls over the single audit process as well. It lets the reader know that as they start to delve into the report, that this particular district is subject

to the single audit and it provides that information in this little paragraph on page three. So again, that is new this year.

**Russell Reese:**

Just quickly turning, I thought maybe I'd cover a couple of the basic financial statements. Turning to page six, we have our statement and net position, again on a cash basis. So Rivergrove Water District on the cash basis again, only reports under assets, it's unrestricted and restricted cash. So as of June 30, 2021, total current assets, which include just cash and restricted cash totaled \$1,558,008. On the cash basis of accounting, we have no accruals so there's no liabilities so our net position equals our assets which is our cash. We have net position that is restricted for system development of \$1,077,654, and then our unrestricted net position of \$480,454.

**Russell Reese:**

On page seven is the second and final basic financial statement of the District. Our statement of revenues, expenses, and changes in net position, again on a cash basis. So the District last year for the 12 months end of June 30, 2021 had total operating revenues of \$960,121. Total operating expenses for the year of \$616,351 which resulted in operating income for the year of \$343,770. To our operating income, we add our non-operating revenues and expenses. So during this last fiscal year, we had the recognition of loan proceeds of \$2,423,191. We used those proceeds for capital outlay. We had capital outlay expenditures last year of \$1,923,576. Interest income of just under \$10,000. And then our annual required debt service payments of just a little over \$53,000 resulting in our total non-operating net revenues recognized for the year of \$456,048. So when we add that to our operating income, we have overall net income for the District recognized again on the cash basis of \$799,818. And when we apply that to our beginning of year net position, gives us our end of year net position in total. Again, the \$1,558,108.

**Russell Reese:**

Starting on page eight and going through page 15, our required footnote disclosures, and I think for the most part, the disclosures are consistent with last year as there were no new accounting pronouncements adopted. So let me see, I was just going to point out some of the changes. So we've updated like at the bottom, again looking at the bottom of page 13, Footnote E. We have our long term debt footnote. So again, footnote E was updated for the current activity under long term debt. Again, we have S09008 full faith and credit note. So we have our beginning balance as of the end of the prior year, our principal payments that were made in our outstanding balance as of the end of this year, and then the amount that's due within the next fiscal year.

**Russell Reese:**

At the top of page 14, we updated the future debt service requirements schedule again, updating it by removing the 2021 activity and then providing information on, I think we break out the individual year 2026. We look at the first five years after year end, and then looking at five year blocks after that.

**Russell Reese:**

So really those are just the two main updates in the footnotes. Starting on page 16 and going through 17, 18, 19, 20 and 21, we have, again, our supplementary information, and I'm not going to cover this, but I'll open it up to questions later on if anybody does have questions. But this basically provides the breakdown of the individual funds that are combined, and then those combined funds are

then what is reflected back over on the basic set of financial statements in the front. So we have our individual, our governmental fund, the capital improvements fund, truck and equipment fund and the unemployment fund. So we have our combining schedule of net position on page 16.

**Russell Reese:**

Page 17, again, provides the combining schedule of revenues expenditures and changes in net position for the individual funds and then moving forward or moving beyond those, we have our budget to actual schedules, again showing the District 's originally adopted budget, a column for final adopted budget. So any differences between the original and budget would be reflected in either a supplemental budget or resolutions to make appropriation changes. But I think for the most part, I think most of the funds, I believe the original and final budgets were the same last year.

**Russell Reese:**

The final budget column then is compared to the actual revenues and expenditures that were recognized within the individual funds. And then the either the favorable or unfavorable budget variances then noted in comparing the actual amounts that were recognized last year versus the final budgeted amounts.

**Russell Reese:**

What I was going to point out, which is new again this year, is on page 22, we have a required schedule of expenditures of federal awards. So we're required to disclose, the District 's required to disclose or provide a schedule showing the information as far as the federal expenditures that were, were incurred on a gap basis last year. So total federal expenditures under the Safe Ranking Water State Revolving Fund program, which is the federal CFDA number that is assigned to that program has to be reported, which is the 66.468 number.

**Russell Reese:**

We are also required to include the pass through entity identifying number, so this is the state of Oregon's unique number on the program between the state of Oregon and the District. And then again, the total federal expenditures on a gap basis. So this 1.947 figure is not the actual amount of cash outlay for the year because this is required to be shown on a full accrual basis, gap basis. So these are the expenditures that were incurred during this last fiscal year, which again is not necessarily the amount that was actually paid. So if there's a question as far as, "Why does this figure not tie back to our expenditures that we're showing?" If we're looking back at our fund activities, there is going to be a difference because of the basis in accounting.

**Russell Reese:**

So I'm just going to cover a couple more things and then I'll open it up for questions. On the beginning on page 24 is that first additional Independent Auditor's Report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with, we call it GAZ or yellow book. So again, this report covers two areas. It covers internal controls over financial reporting, and then it covers compliance and other matters.

**Russell Reese:**

The key thing to take away from this report is the fact, that, again like I said before, that these reports are unmodified or clean. So, like for example, if you're looking under the internal control over financial reporting part of this report, if you look at the very last paragraph, the very last sentence

says, "However..." Let's see... Second to last... We go through a discussion of what significant deficiencies and material weaknesses are in internal control. But the key in this area is the second to last paragraph says, "Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses." So that's the part of it that again, is stating that we did not note anything that needs to be reported, which is derogatory or anything that is adverse as far as the internal controls within the District, again, in looking at the financial statement reporting as a whole.

**Russell Reese:**

And then under the compliance and other matters beginning at the bottom of page 24 and going to page 25, the very last sentence on the bottom of page 24 says, "The results of our tests disclose no instances of non-compliance or other matters that are required to be reported under governmental auditing standards." So that's the key area to look at there. So again, when we're looking at the financial statements and we're looking at internal controls and compliance in regards to performing and audit in accordance with government auditing standards, we didn't see anything that would rise to the level that would have to be disclosed in a report like this, nor did we note anything that would rise, let's say it didn't rise to that level, but maybe it was like a management letter of recommendation issue or maybe it was something involving internal control that didn't rise to that level that we felt the Board might need to know about. Again, we did not note anything during the course of our engagement. So again, everything looked fantastic from the standpoint of the yellow book part of the audit. And then again, it's the same situation when we turn over to page 26, and we start talking about our Independent Auditor's Report on compliance with each major program.

**Russell Reese:**

If you flip over to page 28, we have our schedule findings and question costs. So basically this is just a summary that is required when a district or an entity goes through a single audit. We have to provide information, basically in a nutshell, we're providing information to the reader on what were the results of the financial statement audit and whether or not there was any internal control issues noted. We then talk about during the course of the yellow book audit or the governmental or the audit in accordance with governmental auditing standards, were there any issues in regards to internal control or compliance there, and again, there were not. Then we look at point number five, then we move into the single audit part. So point number five states that, "the Auditor's Report on compliance for the major federal award programs for Rivergrove expresses an unmodified opinion on all major federal programs." Again, unmodified means clean. If there were issues, the opinion may be modified because of a particular issue that came up. But again, this year, the District was receiving an unmodified or clean opinion.

**Russell Reese:**

Under point seven, we're required to note what the major programs were as part of that single audit process. And there's a hierarchy, or there is a series of tests that you go through to determine the extent of the testing and which programs to test. Now for the District, Rivergrove only had the one program, the Safe Drinking Water State Revolving Fund and because of the level of expenditures within that one program, we were able to just pick that program and then due to this level of expenditures, we're only required to test, I think it's like 40% of the expenses that are charged to the program.

**Russell Reese:**

Point eight. Let's everyone know that the threshold for distinguishing a type A and B program: a type A, again, it would identify a major program, and a type B are programs that are, they're federal programs, but they haven't been identified as a major program.

**Russell Reese:**

Well, since the District only had the one program and the expenditures were more than the \$750,000 benchmark, again, the State Drinking Water Revolving Fund was the one major program that was tested under the single audit process last year. The final point, oftentimes Board members have questions as far as this low risk high risk item. So it states that, "Rivergrove Water District was not determined to be a low risk auditee." So they say, what does that mean? Does that mean that we've done something wrong? And the answer is no. Under the single audit process, the auditors are required to go back two years. And for the prior two years, an audit client potentially can be a low risk auditee client. And when you're a low risk, it just, it lowers the threshold of the level or of the extent of the expenditure testing that needs to be done. If you're a low risk, I think it drops the percentage down to 20% whereas if you're not a low risk, it requires a 40% coverage. So again, you look back to two years and if a district went through the single audit process in both of the last two years plus there were no major findings in those two years then if that's the case, they qualify as a low risk auditee.

**Russell Reese:**

Well, the District, Rivergrove hasn't been audited under the single audit, under a single audit requirement because it hasn't had to be audited under the single audit for the last two years so because of that fact it, by definition, is considered be a high risk, it is not a low risk auditee. So again, it's nothing that was done or nothing that's detrimental to the District, it's just the fact that when you go back the two years, there has been no single audit during those past two years so the District can't qualify as a low risk auditee.

**Russell Reese:**

If we were to do a single audit next year, and the single audit, again, resulted in clean or unmodified opinions, there were no issues, then in year three, if they were still required to go through the single audit in that third year, they would qualify as a low risk auditee and potentially could drop that bar down as far as the level of expenditure testing from the 40% down to the 20%.

**Russell Reese:**

So again, flipping back to page 26, that final report, Independent Auditor's Report on compliance with these major programs. Again, we talk about internal controls over the compliance and then compliance itself. And again, like I stated at the beginning, I'm just going to let you know that in reading through the report, the District is receiving an unmodified or clean opinion. We did not note any issues in regards to internal control over compliance with major program compliance issues, nor did we find any compliance issues and if we did, again, we would have to disclose them. We would disclose the fact that there were issues and then refer the reader to that schedule of findings and question costs on page 28, where there would be some additional information provided as far as what was the issue that was wrong? What happened? Why did it happen? And then in that instance, management is then required to respond back to those findings as to whether or not they agree. And if they agree, what are they going to do to ensure that going forward, they're not going to have that continued compliance or internal control issue going on in the future. But for Rivergrove, again, clean, unmodified opinion, no issues in regards to internal control or compliance.



**Russell Reese:**

Finally, I'm just going to cover the last report, is our independent or the report on Oregon minimum standards, again, where we look at some additional compliance issues because of the fact that the District is an Oregon municipality. We look at the deposit of public funds. We look at indebtedness limitations, making sure that indebtedness limitations have not been exceeded. We look at the budget process. We look at insurance enforced. We look at the authorized investment of surplus funds, and then public contracts and purchasing. And again, like I stated at the beginning, the District is receiving an unmodified or clean opinion. We did not note any issues that needed to be identified in this report. So again, you will not see compliance or internal control issues noted in this report.

**Russell Reese:**

In closing, I was just going to again, thank Janine for her assistance this year, because this is a single audit...

**Russell Reese:**

I am going to have to have a drink of water. Maybe my tie is on too tight. Excuse me.

**Russell Reese:**

With the single audit, we are also going to assist management in submitting what is called a data collection form. And the data collection form simply goes on to the US Federal Clearinghouse. The data collection form, basically it provides, well we take the information that's included on the schedule of findings and question costs. We take that information and it's put into a template that's used by the US Federal Clearing House. So again, we put information in there letting the US government know, what was the opinion on the financial statements? What was our opinion on the financial statements? What was our opinion on the yellow book audit? What was our opinion on the audit over the one major program, the Safe Drinking Water? And we also provide a somewhat detailed SEFA schedule or a Schedule of Expenditures of Federal Assistance. And so we provide that information on a data collection form. If there was a finding, then we would also identify on that form the US agency that would be required to get additional copy of that.

**Russell Reese:**

So for Rivergrove, because of the fact that this program is administered through the US Environmental Protection Agency, if there was a finding, we would have to note on the data collection form that the EPA is to receive a copy of this report because they want to review the findings, and then they'd come back to you as the District and send you a little letter saying, "Hey, you know, we noticed that there's an issue. We want to make sure this isn't going to happen again." There'd be some correspondence going back and forth. But because of the fact that there were no issues noted, on the data collection form we simply note that there were no issues. And so the only agency that gets... so there is no additional copy that goes to another agency. It's simply, we provide that data collection form to the US Federal Clearinghouse, where it'll sit there and I think they hold onto it for, I don't know, 10 or 15 years. We also provide a copy of the audit report that gets attached to the data collection form. And before it's uploaded, we've prepared the draft form, it's sitting there in the US Federal Clearinghouse portal. Once the audit is reviewed and approved by you, we then do the process by which, Janine will get an email from the Federal Clearinghouse saying that they need to review and approve what the information that's included in the data collection form. Plus, they will review and approve the audit that's attached to make sure that that is the results of the audit.

**Russell Reese:**

We, as the audit firm, we do the same thing. So we attest, or we certify to the fact that, yes, this is the information that's provided on the data collection form. It agrees with the audit report and the audit report that is attached. It agrees with what our records show.

**Russell Reese:**

Once the auditee and the auditor certify, then the data collection form is then submitted to the US Federal Clearinghouse. You'll initially receive an email saying they've received it and they will review it to make sure that there's no issues in regards to the information that is presented. They'll make sure that everything that needs to be in there is in there. And then usually within, for reports that are clean, where there are no issues that they note, you should get notification within, I think a couple of weeks that they've accepted the report. So it should be a pretty clean process. The fact that you only have the one program, there's no findings. When we enter all the information, we go through a verification process to make sure that we didn't miss anything in putting the information in.

**Russell Reese:**

Once I get word from Janine that the audit's been approved, we'll start that certification process, and then it should get accepted by the US Federal Clearinghouse within the next couple weeks.

**Russell Reese:**

With that, I was going to open it up for any questions that anyone may have and then again, if no one has any questions now, feel free to contact me later on, and I'd be pleased to go-

**Commissioner Patterson:**

So...

**Russell Reese:**

...Uh-huh?

**Commissioner Patterson:**

I have a question.

**Russell Reese:**

Okay.

**Commissioner Patterson:**

Considering the state loan for the Reservoir 3 seismic retrofit, we borrowed money on that, and thank God it was available to us. One of my concerns is this, did you look at any of the actual billing from RH2 because we've hired them as our engineer of record for the District for everything in addition to the Reservoir. I just wondered if you had a chance to look at the specific billing.

**Russell Reese:**

Right, so part of our additional testing in regards to the single audit in the area of compliance is, so with this particular program, I think we have to look at first of all, whether or not the activity is an allowable activity, first of all. And based upon the information that we were able to glean, not only from the records that are maintained within the District, but with OMB, we are in agreement that this

particular program and what the District is doing with the money is in accordance with the wishes of the program.

**Russell Reese:**

Then the other major area is in the area of allowable costs. So as part of that single audit process, we do go through and identify expenditures that are being reimbursed under the loan program. So we're looking at... Again, we're not looking at all costs that are being charged against the loan, but we're looking at all the major costs. And I'd have to grab my file to go back and double check, but I'm sure that we looked at... Well, I know for a fact that we did look at, and we don't have to do this, but I think we did look at every month's reimbursement request that Janine prepared. And those reimbursement requests would include the backup showing because, again, what we're doing, making sure that only allowable costs are being used to request for reimbursement under the program. So we're looking at the nature of the cost, we're looking at the vendors that are providing those costs.

**Russell Reese:**

Another step in this single audit process is making sure that you're using vendors that haven't been flagged by either the State of Oregon or the US Federal Government as being vendors that have been disbarred because they have been identified as being fraudulent, or there's been something with certain vendors where they've been identified as, well, as a recipient of federal funds, you're not allowed to use certain vendors because they've done something either illegal or abusive in the past. So we're not only looking at the costs, we're vouching the costs, making sure that the amounts are complete and accurate. We're also looking at the vendors that perform the service to make sure that they're not on that disbarment. I forget the actual term, but it's a listing to make sure that they are an allowable vendor to work with.

**Russell Reese:**

We then trace the costs through to... First of all, we traced the payments through the bank to make sure that the costs they were incurred by the District, but they also need to have been paid. So we traced that whole process through the bank to make sure that the payments have been made. And then we also vouched the costing back to the vendor invoices to make sure that the expenditures that are being reimbursed are supported by documentation and that documentation agrees with the amounts that have been reported as being paid.

**Russell Reese:**

So again, we looked at most of the material costs that were charged against the program to make sure that the costs were allowable under the program and that they were not included. There are various costs that are not allowed to be reimbursed. And I can tell you that, in doing that analysis, we did not find anything that looked out of the ordinary. Everything looked good.

**Commissioner Patterson:**

I have concerns in some of the billing, in that the billing didn't specify the exact location of the engineering service and the date, because there were subcontractors too, exactly who did the work. And my concern is that if you're... For instance, one of the RH2 billings simply said engineering services. And I had stopped in to get a copy of an alleged bill for \$450 that was supposed to be charged by Kyle Pettibone for a phone call that I had made to him and Janine could not produce this and she said, "Oh, it's under general engineering services." And that to me is not specific enough because the loan that was given to us was specific for the reservoir retrofit. We had other things done

that RH2 was doing and I wanted to make sure that we were very careful about separating what was in the norm compared to very specific the reservoir retrofit.

**Russell Reese:**

Okay. Yeah. I can-

**Commissioner Patterson:**

And my phone call.

**General Manager Casey:**

Russ, that's not accurate. The billing for which you saw, which you approved, went through, and which Commissioner Magura as Treasurer can attest to, anything that had to do with the Reservoir 3 project was billed separately as a Reservoir 3 invoice and it was meticulously documented.

**Russell Reese:**

Yeah. And that's what I was going to mention was that normally I think with most of the vendors, when they do find out that this is a federal program, they're pretty good about making sure that the invoices that they do submit the expenses on, somewhere include a description of the actual project. And again, I didn't make copies of the invoices, but in my mind, I'm certain that the invoices that we looked at supported the reimbursement requests, all included a description, making sure that the expenses and noting that the expenses were related to the Reservoir 3 project.

**General Manager Casey:**

Right. And not only did they do an invoice, they did that Excel spreadsheet for every single invoice, which you reviewed as well. Commissioner Patterson is confusing, I believe, regular engineering services, which are totally separate from the Reservoir 3 project. Commissioner Magura?

**Commissioner Magura:**

Yes, that's correct. That's what I would review whenever I had to sign and pay the bills.

**Russell Reese:**

Right.

**Chair Roth:**

Jim.

**Commissioner Johnson:**

Russell, I'd just like to say, this is one of the best reports I've ever seen and I've been in government for over 40 years and so I just wanted to commend you for this. All the points are here. You've crossed all the Ts, dotted all the Is, and I just wanted to commend you guys for this. Even I can understand this and I hate financial stuff. We really appreciate that. Thank you so much.

**Russell Reese:**

I try to make it, I try to explain it as simple as possible so that everybody gets it, because again, government accounting is very...I'll tell you that it's its own animal and to try to explain for anyone that's used to normal finances and gap and you know public accounting, government accounting is just it's its own animal and for some reason they continually, well, they say they're trying to make it

easier to understand, but then they implement these new rules and to me, it only makes it more and more complicated.

**Commissioner Johnson:**

Welcome to my world. I worked in the State of Oregon.

**Russell Reese:**

Yeah, exactly. Again, with our reports, we try to make them, because I've seen all kinds of reports out there and some firms really like to make them as fancy as possible and provide as much information as possible. Our approach is, we definitely include all the information that's required to be there, but we try to make it as simple as possible and not try to distract the reader with a lot of additional verbiage and tables.

**Commissioner Johnson:**

You accomplished that. You accomplished that. Well done.

**Russell Reese:**

We try to make it as readable as possible, which is what we do.

**Chair Roth:**

Larry, did you have a comment?

**Commissioner Magura:**

Comment and a question for Russell. First of all, I totally echo what Jim Johnson just said. It's very readable, which is very refreshing.

**Russell Reese:**

Thank you.

**Commissioner Magura:**

But I noticed, is this your final work product, Russell?

**Russell Reese:**

No. So you'll probably note that there're some dates that are missing.

**Commissioner Magura:**

Exactly. And no signature line.

**Russell Reese:**

Right, oh yeah. So no, this is just a final draft. So normally the process is once the report has been reviewed and approved by the Board, we then send out a management representation letter with a date on it and then that date, we correspond the report dates with that management representation letter date and so you're right, so all the dates that are blank right now will be filled in with that date.

**Commissioner Magura:**

May I ask as the Treasurer in future years, I'm sure we'll wish to continue engaging you, please put draft on this document.

**Russell Reese:**

Oh, sure. Absolutely. Absolutely. Yeah, this is not the final, so yeah, absolutely. So once we get it approved, then we'll date everything, we'll send out the bound copies, my signatures will be on the documents.

**Commissioner Magura:**

Perfect. Perfect.

**Russell Reese:**

And then we'll start that process of doing the data collection form certification to get that out there as well. Absolutely. And you're right, no, it should have stated draft on there, that's my mistake. I'm sorry.

**General Manager Casey:**

That's my fault too, Russ. I apologize for that.

**Russell Reese:**

Oh no, no, no. Oh no, no, no.

**Commissioner Magura:**

A point of clarification, we're going through the federal accounting rules, they govern everything here, but this was the Oregon State Revolving Loan Fund that was the source of the funds for the reservoir. So State of Oregon kind of gets blasted out of here. It's as if we're getting the money, I know it's passed through funds from the federal government, from EPA, but seems like State of Oregon is short shrift here. I mean, they actually approved our loan application, not the state, in defense.

**Russell Reese:**

Right. Right. But what happens too is under this program, they have state level reporting requirements that go back, so you guys are a sub recipient. So in theory, the State of Oregon, well when the District submits its report to the Secretary of State or the State of Oregon Audits Division, they're going to grab a copy of this because they have to monitor you as a sub recipient, because they have responsibilities reporting back to the federal government under this program. So, if you guys had a finding, then not only would you be getting something from the federal government, but the state would come back to you because they're the intermediary between you and the federal government. So, as a sub recipient of this program through the state, they would also be, I'm not going to say hassle, but they would be on you for any deficiencies noted under the program. So not only would the federal government be checking in on you or the EPA, but the State of Oregon would be too because of the pass-through relationship.

**Commissioner Magura:**

Okay. Good to know. Thank you.

**Chair Roth:**

Well, unless someone else has a question, are we done Russ?

**Russell Reese:**

I think that's it for me and again, if anybody has any additional questions later on, let me know. But again, thanks for everyone, and Janine, for the assistance this year. Janine did a really great job and everything looked organized and detailed. Once I get the word that the report has been reviewed and approved, we'll finalize everything and then get that process started on the data collection form and then again, we have until the end of December to get the report to the State of Oregon, so you have plenty of time. And then with the single audit, you actually have nine months from your fiscal year end to get the data collection form in so we still have tons of time, but again, once I get the word, we'll start that process and it should be done within a couple weeks.

**Chair Roth:**

Terrific.

**Commissioner Johnson:**

So Janine, when do we take action on this?

**General Manager Casey:**

That's tonight.

**Commissioner Johnson:**

I will move to accept and adopt the report as presented.

**Commissioner Magura:**

I'll second.

**Chair Roth:**

Any other discussion about it? All those in favor?

**Commissioner Johnson:**

Aye.

**Commissioner Magura:**

Aye.

**Chair Roth:**

Okay. It appears to be unanimous. So, thank you very much.

**Commissioner Johnson:**

Well done, Russ.

**Russell Reese:**

All right. Thank you very much. Have a great holiday season and we'll see you next year.

**General Manager Casey:**

Thank you, Russ.

**Commissioner Patterson:**

Okay.

**Chair Roth:**

Thank you much.

**Commissioner Magura:**

Thanks Russ.

**Chair Roth:**

Okay, let's get moving on then, because we are significantly behind on our agenda here. Review and approval of the minutes. Anyone have questions about the minutes?

**Commissioner Magura:**

Which minutes do you want to review? The first one? The October 25?

**Chair Roth:**

I think. Yes, that is...I'm fumbling here.

**Commissioner Johnson:**

Yeah, we should just take them in order so we don't get mixed up.

**Chair Roth:**

Okay.

**Commissioner Johnson:**

I will move that we approve the minutes for the October 25, 2021 meeting.

**Commissioner Magura:**

I had a couple of-

**Commissioner Johnson:**

Okay, go ahead, Larry. I withdraw.

**Commissioner Magura:**

Thank you, Jim. Only, guess really two. The first one is under section three, censure procedures. You go down to the 1, 2, 3, 4, 5, 6, seventh line, right in the middle it says, "a good clean right line". It should be a good clean bright line. So the B is missing there.

**Chair Roth:**

Okay.

**Commissioner Magura:**

And the second one was on page two. Oh nope, not there. Okay, is on page seven.

**General Manager Casey:**

Wait a minute, Chair Roth.

**Chair Roth:**



Yes?

**General Manager Casey:**

I transcribed them how I heard them. Did someone else listen to the minutes and know that that's a bright line or a right line?

**Commissioner Magura:**

Just right line doesn't make any sense. Bright line does.

**General Manager Casey:**

Well, there's a lot of things in the minutes that really don't make sense, and I have to transcribe them as I hear them. If you want me to change it, I will.

**Commissioner Magura:**

Thank you. The second one is at the bottom of page seven. I think there's a typo there. It's under me. Commissioner Magura says, "All right then, cancel my initial motion and replace with this based on the evidentiary record and our understanding of the facts, we believe there is sufficient evidence to proceed with the censure of Chair Patterson." That should be, not there.

**General Manager Casey:**

Again, that's what was said.

**Commissioner Magura:**

Yeah. Well let's correct the error because it's me who said it and I must have misspoken. I don't want the minutes to reflect I misspoke. It should be, where it says, "censure of Chair Patterson be"...Chair Patterson? It's just Commissioner Patterson.

**Commissioner Johnson:**

Since this is a verbatim transcript, I think we should put off adopting these minutes until Janine touches base with our legal counsel about the ability to, to make those such a corrections.

**Commissioner Howell:**

I would agree.

**Commissioner Magura:**

Okay.

**Chair Roth:**

Okay. That would be fine.

**Commissioner Johnson:**

Moving on.

**Chair Roth:**

So I will just put that they have been postponed. Onto the District monthly report.

**Commissioner Magura:**

There's another meeting-

**Commissioner Howell:**

Yes, two more meeting minutes we need to review.

**Chair Roth:**

Oh, I'm sorry.

**General Manager Casey:**

Meeting minutes of October 25th, Chris, the regular board meeting.

**Chair Roth:**

Yes. Okay. Any additions or corrections to the 25th?

**Commissioner Johnson:**

Short and sweet. They look good to me.

**Commissioner Magura:**

Move to approve.

**Commissioner Johnson:**

Second.

**Chair Roth:**

Okay. All those in favor. Oh wait. Any discussion?

**General Manager Casey:**

I didn't catch who moved it?

**Commissioner Magura:**

I did.

**Chair Roth:**

Larry did, and Jim was a second.

**General Manager Casey:**

Got it.

**Chair Roth:**

And so we are ready to vote. All those in favor?

**Commissioner Magura:**

Aye.

**Commissioner Johnson:**

Aye.

**Commissioner Howell:**

Aye.

**Chair Roth:**

Okay. It was unanimous. So we can move on from that.

**General Manager Casey:**

October 28th, Chair Roth.

**Chair Roth:**

Okay. Any additions or corrections to the October 28th minutes?

**Commissioner Johnson:**

I will abstain from this since I was absent.

**Chair Roth:**

Okay. So is there a move to approve?

**Commissioner Howell:**

A motion to approve these minutes is presented.

**Chair Roth:**

Okay. Grant makes a motion to approve. Is there a second?

**Commissioner Patterson:**

I second it.

**Chair Roth:**

Commissioner Patterson seconds. All those in favor?

**Commissioner Howell:**

Aye.

**Commissioner Magura:**

Aye.

**Commissioner Patterson:**

Aye.

**Chair Roth:**

Okay. So we are good to go. They are approved. Now, let me open this up a bit. In that same section, we have the Special District Board Assessments. And did everybody have a chance to look at those because I think that was an important meeting.

**Commissioner Magura:**

I'm sorry. Chris, what were you referring to?

**Chair Roth:**

To Mark

**Commissioner Magura:**

Okay. Yeah. He's pretty clearly saying we have some work to do.

**Chair Roth:**

Yes. And the result of that is, after some discussion, he suggested that he would be willing to do a couple of Board trainings on specific issues and so, the SDAO memorandum that comes after the practices' assessment is what Mark would propose. Oh no, I'm sorry. This is the one that was the result of his impressions and recommendations.

**General Manager Casey:**

And they're filed as source documents, Chair Roth, to the training minutes of the 28th of October.

**Chair Roth:**

Yeah.

**Commissioner Magura:**

I think that's a fine idea. I wonder what it would cost us.

**Commissioner Howell:**

There's a proposal later in the packet to discuss that.

**Chair Roth:**

Yes, there is.

**Commissioner Magura:**

Okay. Defer my question then.

**Chair Roth:**

So the next thing we move on to is the Reservoir 3 update.

**General Manager Casey:**

I'll go through this very fast since we're burning time. Final billing has been completed on the Reservoir 3 project. We submitted the project for the engineering award and the letter was provided in everyone's package. Commissioner Magura was gracious enough to come up and add to the letter. I think we did justice to RH2 for the project.

**Commissioner Magura:**

Good letter, Janine. Good letter.

**General Manager Casey:**

Thank you very much. The water system survey was conducted this month and that is something that a lot of the Board members don't know. We were contacted on Wednesday, November 17th, from OHA. They have had a turnover of personnel and they realized when they deferred our survey back in June, they needed to get it done before the end of the year. They gave me the choice of November 19th or December 9th.

**General Manager Casey:**

Due to the board meeting on December 10th, December 9th was out, so I chose the 19th. So, within two days they were here. We completed the survey and we did very well. We won't be getting an outstanding rating due to the violations we had earlier in the year on the raw water sample tests but his comments were everything was outstanding. He said everything was top shelf and very organized. There were no deficiencies noted or write-ups. He did notice a branch that was touching Reservoir 2, so I'll get proposals to get that cut down. The survey actually went very well. The Annual Meter Replacement Program kicked off last month. We've done a really good job. The guys have been replacing meters and we are currently at 126 replaced. You all received a copy of the Water Management and Conservation Plan. Right now we have the different districts nearby reviewing it. We should get their comments back by December 1<sup>st</sup> and we are not expecting any big changes from them. We will finalize the report and send it off to the state. One thing that we talked about in the water con-

**Commissioner Magura:**

Janine. Hi. I went through this conservation plan rather carefully and I had a bunch of things I'd like to discuss with you sometime, so choose a time that works with your schedule and I'll come by.

**General Manager Casey:**

Absolutely. So, what I was going to say is we've got the population results back from PSU and Metro, everything's been incorporated in the report. As I said on my District report, I think this is a strong reflection of our future and I was actually very pleased with the overall results. A lot of hard work went in the report by the office and by RH2. If anyone has any specific questions, feel free to get with me and, if I have anything that comes back from our neighboring districts, I'll be sure to let the Board know.

**General Manager Casey:**

The Doosan generator repair, I thought Commissioner Magura would be interested in that. It turns out that the intake and outtake lines were reversed. What was very interesting, because I was down there the entire four hours they were fixing it, is that one of the technicians did not want the District to know that the intake outtake lines were reversed. One of the other seasoned technicians pulled me aside and told me. So, there's no way for us to backtrack that and find out if it was something that occurred in the factory build or during the subsequent repairs we've had here. It doesn't matter at this point. It's up running. It has never sounded better and it's been running on its weekly exercising schedule.

**General Manager Casey:**

The Backflow Program is coming along and we actually had more tests turned in. We have six customers that have not complied and we're working with them on a case-by-case basis with anticipated shutoff on December 1st. We don't think that is going to be necessary. Everyone has been scheduled for an inspection.

**General Manager Casey:**

I just wanted to say on the financial side, this is one of our lowest delinquency shutoffs that we've had in the three years I've been employed by the District. This goes to show that working with the customers and getting them to pay what they can pay has really paid big dividends for us. I apologize

for the corruption again of our Zoom meeting link. This Wednesday, we finally get the new Accounting 1 computer so hopefully we won't have problems like this anymore. Pacific Office Automation is going to keep my current computer down here hooked up in case there's something that is missed when they transfer everything over. The new computer will be up and running by this Wednesday.

**General Manager Casey:**

You can see a lot of the training that we completed over the past 30 days. I will say that the GIS and Mapping training was very, very good and very beneficial. It gave me a lot of good ideas.

**Commissioner Magura:**

Good.

**General Manager Casey:**

The other thing I want to add that is not on the District report, is I hired a new contractor, Jason Green, from Oregon Association of Water Utilities to serve as our DRC. Jason's been in the business over 25 years. He serves as Executive Director for the Oregon Association of Water Utilities. He's a WD Level 3. Again, he serves as our DRC and that went into effect November 8th.

**Commissioner Magura:**

Janine, I would just like to call out that this is excellent news that the PFAS sampling project had no detections. I was concerned about that.

**General Manager Casey:**

Absolutely.

**Chair Roth:**

Yeah.

**Commissioner Magura:**

I want that in the minutes that that's-

**General Manager Casey:**

Absolutely.

**Commissioner Magura:**

-very good news.

**General Manager Casey:**

Oh absolutely. We actually got that news the day I was putting the Board packages together so I actually redid your Board reports to put that in the District report because you are correct, that is good news. We are not required to take any further action which really is good news. So yes.

**Commissioner Patterson:**

Janine, what is Jason's last name?

**General Manager Casey:**

Green. G-R-E-E-N.

**Commissioner Patterson:**

Thank you.

**General Manager Casey:**

If you look at the upcoming requirements, everything's been completed. I'm in the final stages of reviewing the Emergency Response Plan. I'm not going to beat around the bush. There's still a lot of work left on it. Is it going to come in at the end of December? Yes, but it's going to take a lot of work to get it there. I don't think all aspects of the report is practical but we'll get there.

**General Manager Casey:**

In my military career, I served as a Disaster Response Representative for the wing that I was assigned to so I do have background knowledge on this. I don't want a report that is an inch thick and pages of something that we don't follow. I met with RH2 representatives on Veterans Day; we met for two hours going over the plan. It's my turn now to add inputs. I am going to take the next two weeks to review the plan and provide comments on areas I like and think work for the District.

**General Manager Casey:**

I want to bring to the Board's attention the Master Plan update. The Master Plan isn't due to be updated until 2024 and I will say right now that other than preliminary designs that I've come up with on future AC replacement, I will not be able to do this Master Plan by June. There is no practical way I can meet that suspense and do the District justice. This plan is too important and it was overly ambitious on my part, and I will say that right out, to think it could be done by June. I want a whole year to work on the plan. RH2 is going to assist with the plan and that cost is going to be at least tens of thousands of dollars. So, if we're really going to do a Master Plan for this District, that's going to benefit the District and be what the District needs, I do not feel we would do it justice by throwing it together. If you want me to throw it together, I will, but I don't want to do that. So again, it's not due to be updated until 2024. I want to start on it the plan next year and take the entire year to identify a solid plan for the District. If you're ever near the District office and you want to come in, there is a mockup of a map that divides the District into four phases for AC replacement. RH2 reviewed the map and we put a price tag on what each phase is going to cost the District. We're looking at about \$20 million.

**General Manager Casey:**

So, when we talk about AC replacement, this isn't something that's going to be done during my tenure here with the District. It's not going to be done in five years or even ten years. This is a 20-year plan and we need to approach it as such.

**Commissioner Magura:**

I'd like to comment on that, Janine.

**General Manager Casey:**

Absolutely.

**Commissioner Magura:**

I'm concerned. My concern is, I think the greatest opportunity we are ever going to get, to get major federal funding for this AC pipe replacement program. We just signed into the law by the president a week ago. That's the infrastructure bill which my ASCE has been advocating for many years. Chris and I have talked about this earlier today. I think we're going to have a very strong case for a major grant, not a loan, a grant, under that program. We need to have a document to throw down as soon as the State of Oregon has written their rules on how they're going to disperse the monies. You're not going to have a year to go and develop a Master Plan.

**General Manager Casey:**

I agree. I agree 100%.

**Commissioner Magura:**

We need something that we can throw down and say, "We need this amount of money. We would like it..." It could easily be done in one single package and phase the construction over a year or 18 months. So, that's my concern. And also, Janine, I've done several of these plans before and I always had checkpoint meetings with the clients when I was developing them. I think maybe you're making this too much of your plan and not relying on our consultant. We have an excellent engineering consultant who can take the lead on this and can check in with you and the Board when they need to. And I know you're very, very busy, and that's another issue, but I hate to see this particular plan with the potential financial gain out there for the District in the not too distant future, get caught up in the fact that we need help.

**General Manager Casey:**

Okay, I understand. Your point on the funding is well taken and I agree with that Commissioner Magura. RH2 has already started grant writing to get the District some of this federal funding. However, that has nothing to do with this. The District has a Master Plan that doesn't expire until 2024. With what's in our current Master Plan, and Taylor, Kyle, and I sat here on Thursday and went through this, we can get the grant funding. The current plan has what they need to go out and get the money. There are projects in here that the District is planning this year and were already identified for this year's budget. These are not going to be impacted at all. This is the document that we're going to use to go and get the funding. What I want to do-

**Commissioner Magura:**

So, does it reference all the AC pipe that needs to be replaced?

**General Manager Casey:**

It identifies the AC pipe. I'm not saying anything about the prior engineering firm but, I think the plan could have been laid out better and more simplified. And so, again, I encourage any Commissioner to keep an open mind, come up here, look at the map, look at what we've got identified as four phases, and see where we want to go with this. But, there is no requirement to get this done by this summer. And, I think it's not doing the District justice by rushing this. Our current plan does not expire until 2024 and I'm asking for the time required to do comprehensive Master Plan and work with Kyle and RH2. He is in complete agreeance on this.

**Chair Roth:**

Jim.



**Commissioner Johnson:**

I agree with Larry that we need to go after the money and I agree with Janine that we already have the wherewithal and the materials to go ahead and go for that. So, I think both of you are correct, and let's get working on the grant. And Kyle's our consultant there, and if he can't write it, I'm sure somebody else can, or we can get somebody to do it but, I think, Larry's right and so is Janine's right. We need to go after the money and we've got the wherewithal to do it right now.

**General Manager Casey:**

He has somebody working on the grant, Bob Willis. That should ring a bell with a couple of you.

**Commissioner Magura:**

Yeah, I know Bob.

**General Manager Casey:**

Bob Willis. He's the one that's working our funding.

**Commissioner Magura:**

He's very well connected. That'd be a good job for Bob.

**General Manager Casey:**

I believe he's already started on that and is two weeks into that process. Me asking for extra time on a finalized Master Plan doesn't affect any of this money that Biden's going to sign off on or that we can get our hands on. It doesn't affect it at all.

**Commissioner Magura:**

Janine, it's been a while since I've looked at that old Murray Smith document you just held up.

**General Manager Casey:**

Mm-hmm.

**Commissioner Magura:**

What does it talk about with the additional reservoir storage capacity?

**General Manager Casey:**

It doesn't and I thought that topic was going to come up and so, I actually have the research notes on that as well.

**Commissioner Magura:**

Okay.

**General Manager Casey:**

So-

**Chair Roth:**

Can we just give a short interruption here? Grant had a question.

**General Manager Casey:**

Absolutely. Sorry.

**Commissioner Howell:**

Yeah. So, I guess my question with this plan is do we even have the money budgeted to pay for the engineering, to pay for the \$100,000 to complete it early even if we wanted to?

**General Manager Casey:**

No.

**Commissioner Howell:**

There we go.

**General Manager Casey:**

We had some budgeted, but unfortunately we've used some District engineering funds in other areas. And so, yeah, unfortunately, no.

**Commissioner Howell:**

Okay. I mean, if we can go, if we have sufficient documentation to apply for grants, I don't see a problem with waiting on it personally. If we can have good grants written and provide sufficient evidence to the government as to why we are worthy or deserving of them, I think that's where our obligation ends and I would be hesitant to spend money above and beyond what we have budgeted for engineering services to accomplish something early when we don't have a contractual regulatory requirement to do so.

**Chair Roth:**

Well taken.

**General Manager Casey:**

I have my notes on the Reservoir 3, 1 and 2, and the storage capacities. I wasn't ready to brief that tonight. I was saving that for December's meeting because I think it's an important topic. It's been a conversation that's been brought up at several past board meetings and I think we need to do it the justice it deserves. So, that should go on the December meeting.

**Commissioner Magura:**

Fine.

**General Manager Casey:**

But I have the numbers, I have the estimated population, I have everything that we need in order to make a sound decision.

**Commissioner Magura:**

So Janine, have we received, didn't we pay Portland State to do a District specific population breakdown?

**General Manager Casey:**

Yes, Commissioner Magura, we did, and it's in the draft of your Water Conservation Plan.

**Commissioner Magura:**

Okay.

**General Manager Casey:**

It's on page-

**Commissioner Magura:**

I didn't see it-

**General Manager Casey:**

And so-

**Commissioner Magura:**

-the 2020 census, maybe that's-

**General Manager Casey:**

Yes, and so Chair Roth actually expressed (inaudible). I think that again, we should save the Water Conservation Plan and then the District storage for the December meeting. I think it's too important to rush through that.

**Commissioner Magura:**

Great. Good idea.

**General Manager Casey:**

So, to finish my District report, you'll see that your priority list has been updated and we will start next month with the annual hydrant flushing and the blow offs. Hope is to have the Emergency Response Plan finalized. And that's it.

**Chair Roth:**

That's enough.

**General Manager Casey:**

Does anyone have any questions for me?

**Chair Roth:**

You've done well.

**General Manager Casey:**

Thank you.

**Commissioner Howell:**

I do have one quick question for you Janine, under 'Winter Preparedness' with the District report. Do you and the operators have ice spikes to use for inclement weather?

**General Manager Casey:**

Yes.

**Commissioner Howell:**

Good.

**General Manager Casey:**

Yes.

**Commissioner Howell:**

I just want to ask because they're a good thing to have.

**Commissioner Magura:**

What was that Grant?

**Commissioner Howell:**

I wanted to ask if everyone had ice spikes to wear over their shoes.

**Commissioner Magura:**

Oh, ice spikes. Okay.

**Commissioner Howell:**

Yep.

**General Manager Casey:**

Yes. I think that was in the February or March District report. You weren't a commissioner yet. All of the supplies that I purchased, and ice spikes were one of the items and we actually have an extra set, they're all located in the toolboxes on the trucks.

**Commissioner Howell:**

I'm glad to hear that, that's fantastic.

**Chair Roth:**

Yeah. That's an area you would not want to be walking around without ice spikes.

**General Manager Casey:**

Well, we learned from the ice storm last February. So, we're good to go. The items we bought were from lessons learned and we already have a winterization plan for a catastrophe. We've recently reviewed our plan and purchased equipment that we needed like burned out heaters for the pump houses and just different things that we needed to upgrade anyway. So, everything's been purchased and we are all set to go and as I said, the trucks have all been winterized and we're ready. Bring it on.

**Commissioner Patterson:**

Don't say that.

**Chair Roth:**

Okay. Water operations.

**Commissioner Magura:**

You're going to make the snow gods snow on us Janine. I can see it now.

**General Manager Casey:**

I actually covered water operations Chair Roth as well as the finances, administration, and Board priorities.

**Chair Roth:**

Okay.

**General Manager Casey:**

So, I will say one thing on Board Priorities, we need to go back through this. Now that we have the population numbers and we're dealing with sound factual data, some of the things on the Board's priority list needs to come off. We're not dealing with guesses now and we have good sound numbers. So, I think, that's a good thing for December's meeting.

**Chair Roth:**

Okay.

**General Manager Casey:**

Unless anyone has questions for me...

**Chair Roth:**

Anybody have any questions?

**Commissioner Magura:**

So, this form, it needs to be updated. We'll shift the date for the completion of the Master Plan, push it back to...

**General Manager Casey:**

Yes please...thank you. I really strongly feel we need to do this.

**Commissioner Magura:**

Okay.

**General Manager Casey:**

My new motto in life is, "Garbage in garbage out."

**Chair Roth:**

GIGO. Okay. If we are all done with unfinished business, let's move on to new business. And what we have here is the censure process criteria, and Peter Hicks has joined us. Hi, Peter.

**Peter Hicks:**

How are you?

**Chair Roth:**

Good. Anything you'd like to say before we get started.

**Commissioner Magura:**

Can somebody...Peter, who are you?

**Peter Hicks:**

That's a fair question.

**Chair Roth:**

Peter's one of our attorneys.

**Peter Hicks:**

So, I'm one of the attorneys at Jordan Ramis. I work with Steve and I do, as Janine knows, a lot of stuff with the employment issues with the District.

**Commissioner Magura:**

Okay.

**General Manager Casey:**

He's very good.

**Peter Hicks:**

Thank you, Janine.

**Chair Roth:**

So, did you have any comments to make?

**Peter Hicks:**

Yeah. So, Chair Roth, I obviously wasn't involved in the prior meetings, but Steve and I walked through this process at least a little bit. And I want to be clear that the meeting tonight is to just discuss the criteria for censure and the process itself. Whether censure happens, whether it's a hearing, whether those kinds of things occur are to be at a later date. This is simply to discuss the process, and the Board is within its authority to go ahead and determine what that process is.

**Chair Roth:**

Okay. So what we have here is a list of criteria and then consideration of evidence. Does anyone have comments they would like to make about criteria?

**Commissioner Magura:**

That looks fine to me. I think we got to modify our policy handbook to include this document, this language.

**Chair Roth:**

Yeah. We certainly can do that, but not in, as part of this process.

**Commissioner Magura:**

Right. Correct.

**Chair Roth:**

Yeah. Anyone have anything to say about consideration of the evidence?

**Peter Hicks:**

So let me say one thing on that, Chair Roth, and I think Steve probably talked to you all about this. There's been a lot of discussion earlier on about kind of how a hearing would go and what that process would be and if the rules of court would apply, all that kind of stuff. I think where we have come down and what we've talked about is the real issue is that the Board should go ahead and allow in as much evidence as it can. It's not a typical court proceeding. It's not a typical, even administrative proceeding, but it's up to the Board to weigh the, kind of the impact and the import of that evidence. So that's really what your role is.

**Commissioner Magura:**

Peter, would that mean that it does not qualify as a quasi-judicial proceeding?

**Peter Hicks:**

No, it doesn't.

**Commissioner Magura:**

Perfect.

**Peter Hicks:**

It doesn't so-

**Commissioner Magura:**

Good.

**Peter Hicks:**

-it's a separate piece to that.

**Commissioner Magura:**

Okay.

**Peter Hicks:**

And it's really that the hard part with these, to some extent, is there really how the Board decides to set up the process, but we would encourage you to be in a situation where you do have somewhat of a relaxed evidentiary standard, but you want to make sure that all parties get a chance to submit what they think they need to submit and then the Board can go ahead and weigh that evidence.

**Chair Roth:**

Anybody have questions or disagreements about that process?

**Commissioner Johnson:**

No, I would just agree with Peter. I've done a lot of quasi-judicial over the years, of course, and when in doubt, I've always aired on the side of allowing more than less and-

**Peter Hicks:**

Exactly.

**Chair Roth:**

Yeah.

**Commissioner Johnson:**

And then you can always decide afterwards what's relevant and what is not. Just because it's in the record, doesn't mean it's relevant or addresses the applicable criteria, but you want to get everything and anything you can. So you don't want this to be a procedural issue, you want it to be a factual issue.

**Peter Hicks:**

Very much so, that's perfectly stated. I mean, you want to get in as much as you can and so that everybody gets to submit what they think they need to, and then it's your job to weed that out.

**Commissioner Patterson:**

I have a comment regarding the initial issue that Janine said I'm now causing the District to, I'm costing the District money because Kyle Pettibone alleges that when I had called him, we spoke for length of time. I said I would pay the \$450 bill. I wanted to-

**Commissioner Johnson:**

This is irrelevant at this time.

**Commissioner Patterson:**

I'm speaking, excuse me.

**Commissioner Johnson:**

No, we're not supposed to be arguing right now.

**Commissioner Patterson:**

I am trying to tell you that, in terms of the evidence I requested, was for the billing document in order to be able to pay the bill. And I'm just saying I was denied that information based on what I saw and presented as incorrect information.

**Commissioner Magura:**

How does that relate to what we're discussing here?

**Commissioner Johnson:**

Yeah. We are here to discuss what the criteria are and the procedure and that's it. Not to get into any discussions about the evidence of the like...that's for our next meeting.

**Peter Hicks:**

Yeah. So I think the way to handle this would be kind of as we've approached it, this is a very narrow and limited piece. And I think that these additions can be brought up at the next hearing or if a hearing does in fact occur, and I'm sure if there's a determination that that bill needs to be paid, that you'd be provided with that bill.

**Commissioner Patterson:**

Thank you.



**Commissioner Howell:**

Hey Peter, I do have one quick question. Is there any other criteria for censure we should consider that isn't on the list that other Special Districts have adopted or any precedent or standard that we would be looking at with this?

**Peter Hicks:**

Yeah, that's a really good question. There isn't really and what we try to do is we try to limit them because censure is a, it's an extraordinary remedy in some cases, this is kind of as much as you can possibly do. So we try to have a situation where you try to limit that as much as you can so that people don't just get censure for all kinds of willy-nilly violations or things that just where people get upset. So we do typically try to put a standard that is something you can easily apply to kind of each disagreed situation, and that's why we have focused it on those issues with: Was there a violation of the law? Was there a violation of clearly articulated District policy? And is there a violation of the oath of office?

**Peter Hicks:**

Those are pretty easy ones to figure out and there's not a lot of gray area in those. So they're pretty good standards to have in place. You do at times discuss whether you could have issues, whether it's kind of a fiduciary duty breach or something along those lines. But if you have that, you likely have a violation of these other issues so you don't need to go ahead and add that as another one.

**Commissioner Howell:**

Okay. Super. Thank you.

**Chair Roth:**

So what I'm hearing is that nobody objects to these criteria. Am I correct? Okay, then that's what we will adopt for the process of the next meeting. And as everyone has said, more information is better than not enough, so if you have things that you wish to bring up to be included in this, be sure and get them to Janine.

**Commissioner Magura:**

Is there a date certain that you want that Christine?

**Chair Roth:**

Pardon me?

**Commissioner Magura:**

Is there a date certain that you want received that by?

**Chair Roth:**

Are we set for another meeting in December, Janine?

**General Manager Casey:**

December 10th is the meeting. December 1st was the date that the package was supposed to be submitted, but again, Peter's here. It was my understanding, and please correct me if I'm wrong, that

there was no other further evidence that was going to be added, and we had to make that clear and inform the opposing counsel.

**Peter Hicks:**

Yeah. So-

**Commissioner Magura:**

We've got all that we're going to have to consider that.

**General Manager Casey:**

Peter?

**Peter Hicks:**

Unless there's some extraordinary reason to admit or submit additional evidence, I think that we probably got to close it at some date certain. That makes the most sense. But I think if there is, again, some reason that you would go ahead and, and ask to have that introduced or submitted, then I think that you would want to take that up with the Board, frankly, but I don't think you guys are there. It seems like you could do this forever unless we pick that date to have it done.

**Chair Roth:**

Yeah.

**General Manager Casey:**

And does this need a motion? Peter?

**Peter Hicks:**

Janine, I'm not familiar if the Board has already set that deadline. It sounds like they have, but is there any reason, and I think we got to consider, kind of, from all parties in this, including Commission Patterson, if she thinks there's anything else that wants to be submitted but if there isn't, I think the Board should set a hard deadline on that, if it hasn't already.

**General Manager Casey:**

It was my understanding that it was December 1st.

**Commissioner Magura:**

That was my understanding as well. I just wanted to get it restated on the record.

**Peter Hicks:**

Yeah.

**Chair Roth:**

Okay. Anything that needs to be submitted will be submitted to Janine and received by December 1st. Okay? And we will have the actual discussion on December 10th. So is there anything else that we need to discuss there?

**Peter Hicks:**

Not from my perspective.

**Chair Roth:**

Okay. So let's move on to the Consulting Services Agreement from SDAO, and that would be for Mark Knudson.

**Commissioner Johnson:**

Thanks Peter.

**Chair Roth:**

Yes. Thank you, Peter.

**Peter Hicks:**

You're welcome. I'm still hanging around guys. I've got, a little bit of the executive session as well.

**Chair Roth:**

Okay. We'll try and get there quickly because there shouldn't be that much more.

**Peter Hicks:**

Okay.

**Chair Roth:**

Okay. Has everybody had a chance to read the Consulting Services Agreement?

**Commissioner Magura:**

I'm sorry. I didn't get to that when I was reviewing the packet here. I got stuck in the weeds in the water planning stuff.

**Chair Roth:**

What this basically says, SDAO agrees to provide District support for board relations and manager evaluation at a total cost not to exceed \$4,000 including expenses without additional approval.

**Commissioner Magura:**

Okay. Where would that fit within our budget?

**Commissioner Howell:**

That was my question. Yes.

**Chair Roth:**

Janine?

**General Manager Casey:**

We would take it out of another account classification. I think that it's doable.

**Commissioner Magura:**

Okay. Janine thinks she could find the money within the current budget that's...seems like a good idea.

**Chair Roth:**

Okay. Grant?

**Commissioner Howell:**

I do have a few questions with this. I want to make sure that the assumptions and limitations that we're operating under section 3.4 that we have so we don't agree to do this and not get the results or deliverables that we desire out of it because of that. So do we currently have everything required under the assumptions, in that we have a current and accurate position description for General Manager? Obviously some of the other things will happen during the process, but we do have a current position description for Janine. Yes?

**General Manager Casey:**

Yes.

**Commissioner Howell:**

Okay. Very good.

**Chair Roth:**

So is there anything else in the Consulting Services Agreement anybody wants to talk about? If not, is there a motion to approve this agreement with SDAO for \$4,000 in consulting services?

**Commissioner Magura:**

I'll make that motion.

**Chair Roth:**

Okay. Is there a second?

**Commissioner Howell:**

Second.

**Chair Roth:**

Grant seconds. All right. All those in favor?

**Commissioners Magura, Howell and Patterson:**

Aye.

**Chair Roth:**

Unanimous. So we will go ahead, sign that contract, and get it off to SDAO.

**Commissioner Magura:**

Then I imagine, Janine, you'll put out a Google poll to find when everyone's available for these sessions.

**General Manager Casey:**

Yes.

**Commissioner Magura:**

Work around their schedule.

**General Manager Casey:**

Yes. Mr. Knudson doesn't want to start until January, after the holidays.

**Commissioner Magura:**

I can hardly blame him.

**General Manager Casey:**

It'll be after the first of the year.

**Chair Roth:**

Okay. Now the next two items are sort of interrelated. Grant, you had brought up the idea of discussing something about the customer due diligence form from Banner Bank. So before we go ahead and do anything else, I'll give you the opportunity to do this.

**Commissioner Howell:**

Okay. Very good. So I'd like to speed this. I want to keep it short. I know we've got a lot of other stuff to do. So Janine contacted me after, I think it was the last board meeting, and as part of being a new board member, she requests that I fill out a due diligence form for the bank to make sure that I'm not a fraudster. I'm paraphrasing that naturally. But, the point being, they have documentation they required to be submitted. And it was brought to my attention that a copy of this form is retained by the District and it's kept in the safe. And I asked Janine a little bit more about this policy. What was the source of it? And it was before her time as District Manager, but she was able to provide me with some meeting minutes for, I believe 2018 or 2019, I don't have them in front of me, so I'm not going to...and no one else does, so I'm not going to reference them but the point being, I think it's a poor practice for us to retain that information. It's got personally sensitive information that I don't think we need to be in the business of retaining or keeping. If we do have a formal policy, I would like to amend it. And if we do not, I would like to have a policy or a resolution that would support not retaining those as a District. I mean, those forms are submitted to the bank. The bank destroys them and they scan them under our client information file so it's not a practice that the bank currently does. I don't see why we need to do it since it's a banking form. It's not a District form. So.

**Commissioner Magura:**

Well, isn't it required to fill this out, if you're going to be a signatory on our checking account?

**Commissioner Howell:**

It is required to submit to the bank, but it is not required that the District maintain it. That's not a requirement of the bank filling it out.

**Commissioner Magura:**

So, I guess I'm confused here Grant. You don't object to filling out the form, but you want to submit it to the bank and not-

**Commissioner Howell:**

That's correct.

**Commissioner Magura:**  
-bypass the District file?

**Commissioner Howell:**

Yes. I'd see no reason for the District to retain that information or even possess it in the first place. It's something that should...it's a bank form. It should be handled at the bank.

**Commissioner Magura:**  
Okay.

**Chair Roth:**

Does not having that form or a copy of it, does that put us in any financial risk? If something down the line happens and we don't have any backup to the idea that everyone had signed this?

**Commissioner Howell:**

If the bank requires it to establish you as a signatory in the account and the bank retains that copy digitally. So, I see no reason for the District to maintain a copy of it and have social security numbers, annual income, etc., of its commissioners stored on District property. The District does not pay us to serve on meetings. There's no type of tax reporting that needs to occur as a result of that which is nice, it makes it easy for the District, but it's also, we have no requirement to retain that information so why should we assume the responsibility of retaining it? Because this has been a practice of the District in the past, and to be frank, I don't agree with it. And I know that this policy resolution that we have, that we're going to discuss next, will change that in terms of the number of signatories, but it will not change the policy itself. And we don't have a record of this being a policy that the Board has voted to approve of. It's just been a practice that was done. And I think-

**Commissioner Magura:**

Well I think it was imposed on us by the bank basically.

**Commissioner Howell:**

What's that?

**Commissioner Magura:**

I think that basically, the policy came from the bank and it was probably our previous manager thought, "Well, we ought to keep these records here."

**Commissioner Howell:**

I agree to that.

**Commissioner Magura:**

There's probably no more consideration than that that went into it.

**Commissioner Johnson:**

Well, unless staff tells me that there's some reason we should maintain this and it's a good reason, I totally agree with Grant on this.

**Commissioner Patterson:**

I also have a concern about the paper from the bank in which it states requesting your total. Can you hear me?

**Chair Roth:**

Yes.

**Commissioner Patterson:**

Okay. Requesting your total annual income... I spoke with Robert Brundidge, who is a Vice President Manager of Banner Bank on Boones Ferry Road and he said, "You do not have to fill that in, fill in and you can leave that blank." So we have not ever had to write in our annual income and we don't have to do that even in order to run for election.

**Commissioner Magura:**

I don't see where that is on this form.

**Commissioner Patterson:**

Well, the form I saw-

**Commissioner Howell:**

Their employment information. It has employment status, employer name, prior occupation, and annual income. It also requests, under identifying information, government issued ID, an identification number. It requests, under individual profile information, they want your social security number. That's highly sensitive information for the District to be retaining about its commissioners, even in a locked safe in the office so I don't think that's the best practice, and I think the District should discontinue retaining these forms and destroy the current ones that we have, because there are people, they are signatories on the bank and it's a bank form.

**Commissioner Patterson:**

Now our Fire District does not keep these types of information. The bank has it.

**Peter Hicks:**

Yeah, you could as a middle ground, just to weigh in briefly, you could just redact the information from the forms the District maintains, you could do that as well.

**Commissioner Howell:**

That was my solution when I submitted mine. I took a copy of it directly to the bank, and then I submitted a redacted copy to Janine. And then, now we have this resolution on the table that we'll need to discuss after, but that was what I did personally.

**Peter Hicks:**

Yeah, I can't think of a compelling reason the bank would ask things about income and frankly, employment. It really just depends on whether you are authorized to sign on behalf of the District.

**Commissioner Howell:**

Right.

**Chair Roth:**

And if you are not among the signatories, this whole document would be irrelevant.

**Commissioner Magura:**

Yeah, wouldn't be required at all.

**Chair Roth:**

No.

**Commissioner Howell:**

I agree. I still think that regardless of the number of signatories the District has, I don't think we should be retaining these forms with all the personal information on it.

**Commissioner Johnson:**

Yeah. I think we should, we should stop that practice and if it's a policy, we need to amend the policy or delete it. Is it a written policy someplace?

**General Manager Casey:**

I could not find any written policy. I was trained, of course, by DJ. I went back in the files and minutes; I couldn't find anything in writing about it.

**Commissioner Magura:**

Then let's just stop doing it.

**Commissioner Johnson:**

Yeah. I think we just stop doing it then. It's not a policy that we have to vote on then or anything. And, I don't want my information out there either, to be quite honest. So it's whether we redact it or why even take up the space and even with redacting it, I just say we don't keep it.

**Commissioner Magura:**

Yeah. I went through a personal hack last summer and it was not fun.

**Commissioner Johnson:**

Yeah. I've been there too.

**Chair Roth:**

Yeah.

**Commissioner Magura:**

Okay. I think that's it, Chris. I think we're not going to do it anymore.

**Commissioner Johnson:**

Thanks Grant.

**Commissioner Howell:**

You bet.

**Chair Roth:**



So, the only thing then would be if you're a signatory, I assume you have to fill that out and it can just go to the bank.

**Commissioner Johnson:**

Well, yeah, then I'll fill it out again if I have to, but I'm not going to put my income in there this time.

**Chair Roth:**

Okay.

**Commissioner Johnson:**

In fact, the bank can actually-

**Commissioner Magura:**

I want to know your income.

**Commissioner Johnson:**

I probably make less than anybody else on this Board.

**Chair Roth:**

No, those of us who are retired make less than you.

**Commissioner Patterson:**

The managers said you can leave it blank. You do not have to put it in.

**Commissioner Johnson:**

Well, they actually should have on their form then, like little stars or something that indicates what's required, and what's optional.

**General Manager Casey:**

I can suggest that to Elliot at Banner Bank. He is the program manager for this.

**Commissioner Johnson:**

Okay.

**Commissioner Magura:**

What's KYC referred to?

**General Manager Casey:**

Know your customer. It was enacted after the 9/11 terrorist attacks. That's why the form is actually required.

**Commissioner Magura:**

Makes sense.

**Chair Roth:**

So, none of us will be able to be terrorists now. I want to know who's going to do the Bitcoins.

**Commissioner Johnson:**

Well, that's a youngster thing. That's Grant probably.

**Commissioner Howell:**

I have people that ask me about it. My manager at work asked me, "Do you invest in Bitcoin?" And it's like, "No."

**Chair Roth:**

I mean, it's like, do you invest in air?

**Commissioner Magura:**

I'll tell you my, my brother-in-law who's a very, very sharp guy, has invested in Bitcoin, not in the coin, but in the technology and the wallets. And he owns a company that manufactures these highly secure digital wallets, and he's making plenty of money. So somebody believes in Bitcoin.

**Chair Roth:**

Oh yeah. It's like having somebody come into your office and say, "Oh, have I got a hot stock tip for you."

**Commissioner Johnson:**

We need to keep moving because Peter's time is valuable.

**Chair Roth:**

This is true. Okay so, resolution 2021-08. We thought that was a way of giving people who did not want to have their information stored, a way out. Plus, is there really a reason to have five signatories rather than three?

**General Manager Casey:**

Yes. During the audit this was discussed since Russ knows our history of what happened before. It is standard practice that only the officers of a board are given signatory authority on the accounts. That was even confirmed by Steve who said it is a tighter way to run your board and it is pretty standard. All commissioners should not be signatories. It should be your board officers. For the District board, we have three officers.

**Chair Roth:**

So is there a discussion?

**Commissioner Magura:**

Well, let me move the motion and then we can have discussion if there's any.

**Chair Roth:**

Okay.

**Commissioner Magura:**

I move approval of Resolution 2021-08.

**Commissioner Johnson:**

I'll second it and then I'll say, in all the years...well, I've been on the Board what? Five, six years, whatever. I think I've signed something once or twice. So it doesn't happen very often. It's usually just the chair and the treasurer so I don't have any problem with this.

**Commissioner Magura:**

I think it's more of a good housekeeping thing really. And especially since the auditor-

**Chair Roth:**

Anybody else have comments?

**Commissioner Magura:**

-commented on it, I think that's a good show that we've done this.

**Commissioner Howell:**

And I'm a little curious, this didn't come in our, any reference of the internal controls and the audit we just reviewed. I don't feel that I need to come and sign checks per se, but this is something where...is this better served as a resolution? Or if this is District policy, is this something that we should integrate into our Board Policy handbook rather than having a separate resolution for it? I guess that's kind of my question. We have a lot of these resolutions that we've come on the table and we pass. Some of them refer employment practices and other things for the District that requires Board approval but this seems more of like a general board practice, and I think it would be easier to reference it if we had it in a policy handbook and not as a separate resolution, that's my point on that.

**Commissioner Johnson:**

It could be both.

**General Manager Casey:**

Absolutely. And I would strongly recommend it's a resolution. We have resolutions for our internal controls. We've come a long way from where we were with the misappropriations. And I think-

**Commissioner Johnson:**

This has always been an issue with me. To me, a policy book is a guideline or the like ultimately, and I think we need to be adopting our policy book also by resolution, so that it even has a stronger show of force in my opinion. Resolutions are, it's much more structured than the like, and I think our policy looks great and I think we need to make sure we stick to that, but I think we should be also adopting the policy book by resolution.

**Commissioner Magura:**

Makes sense.

**Chair Roth:**

And that's something that we've talked about and I think should come up this next year but in the meantime, any more comments about resolution 08?

**Commissioner Patterson:**

I have a comment. There have been times when things have popped up and Janine needs a signature. Considering that Jim travels in his job, Larry is traveling a lot; you can have a practice of asking your

officers, if that's your preference. My concern is there have been times when it's been hard to find somebody to sign, and to kick out two people is not prudent.

**Commissioner Magura:**

Well, I'll just say I do travel a fair amount, but whenever I have a scheduled trip coming up, I always check with Janine and she'll back me up on this. "Janine, I'm leaving there tomorrow. Is there anything I need to sign before I go?" And frequently, she'll say yes and we'll adjust each other's schedule and we make it happen. So very seldom, if ever, is a check that I've been aware of. Well, there were some possibilities with reimbursing the contractor for the Reservoir 3 project, we didn't want to sit on those. Everything else, I think it can wait till the next business day, if it has to, without any dire repercussions for the District.

**Commissioner Patterson:**

Well, you do need two signatures on the check and that, sometimes has been problematic to get that solved on a timely way. So I think you're creating obstacles that are not necessary.

**General Manager Casey:**

I would recommend we go with our auditor's input and we limit it, and our attorney's input, and we limit it to the three officers. And yes, there was a time during Reservoir 3, but that was the Reservoir 3 OBDD request which Chair Roth was not allowed to sign by law. There are very few instances where checks need to be signed. If that's the case, I'm not doing my job.

**Chair Roth:**

Okay. Well, if there are no other comments, let's wind this up and ask for a vote. We have a motion and a second, all those in favor, say aye.

**Commissioner Johnson:**

Aye.

**Commissioner Magura:**

Aye.

**Chair Roth:**

All those opposed?

**Commissioner Patterson:**

No.

**Commissioner Howell:**

No.

**Chair Roth:**

It passes 3-2.

**Commissioner Magura:**

Okay.

**Chair Roth:**

Okay. We have no public so there's no public comment, and I don't have any sort of Chair Report of any substance. So, let's move on to our Executive Session, which is under ORS 192.660 (2)(F)(G). It is 6:25 p.m.

**Chair Roth:**

We will go back into regular session at 6:35 p.m. If we are all done, then everybody except Janine and Peter hang up, and everybody have a Happy Thanksgiving.

**Commissioner Johnson:**

Good meeting, everybody. Good job.

**General Manager Casey:**

So you're adjourning at 6:36, Chair Roth?

**Chair Roth:**

Yes.

**Commissioner Magura:**

Out of executive session at 6:35, adjourn the meeting at 6:36.

**Chair Roth:**

Right.

**General Manager Casey:**

Thank you all.

