

PACIFIC CITY JWSA BOARD OF DIRECTORS  
BUSINESS MEETING MINUTES

March 3, 2020

Directors Present: Carolyn McVicker, Cameron Gogas, Sean Carlton, Tom Donohue, and Anne Price.

Guests Present: Tim Hirsch, Lori Whiteman, Larry Rouse, Roberta Dickerson, Mike Dill, and Robin Kostrikin.

Staff Present: Kirk Medina, Rachelle DeLoe and Leonard Whiteman.

**MINUTES**

A. 02/04/2020 Business Meeting Minutes

Director Donohue said he had asked if generator maintenance had been considered in creating the budget and it had. Director Donohue requested his question be added to the minutes.

Chair McVicker said a correction had been made to the spelling of Kevin Shlukas last name.

**Motion**

Director Carlton moved to approve the minutes as corrected of the 02/04/2020 Business Meeting. Director Gogas seconded, and the motion carried with four ayes and one abstention.

**FINANCIAL REPORT**

A. Accounts Payable: 02/04, 02/15, & 02/29/2020

Director Donohue asked why there were two payments to Special Districts Insurance Services. Director Donohue continued that there was one on February 14<sup>th</sup> for around \$50,000 and another on the 28<sup>th</sup> for a smaller amount. Mr. Medina replied that the larger payment was for yearly liability insurance that included property and vehicles. Ms. DeLoe said the payment on the 28<sup>th</sup> was for employee medical insurance.

Director Donohue asked if the payment to Owens Pump and Equipment was for lift station pumps. Mr. Medina said they had purchased two new lift station pumps that were installed that month.

Director Donohue asked what the payment to H.D. Fowler for \$141.00 was for. Ms. DeLoe responded that the Authority had purchased a step system electrical panel.

Director Carlton asked if the payment to McClure and Sons, Inc meant the Authority was done with the first part of the Wastewater Treatment Plant expansion. Ms. DeLoe said they had voided that payment, as it was the incorrect amount and they would be issuing a new check as soon as the payment was approved by Rural Development. Chair McVicker added that it was the final payment that the Authority had withheld until the project was complete.

### **Motion**

Director Gogas moved to approve the accounts payable for 02/04, 02/15, and 02/29/2020. Director Price seconded, and the motion carried unanimously.

### **B. Fiscal Year 19/20**

Director Gogas said he had informed Ms. Hughes that he would be missing the May 5<sup>th</sup> budget meeting.

### **MANAGERS REPORT**

Mr. Medina reported that there was a typo regarding the rags on the managers report. Mr. Medina said it should have said 11 not 114. Director Gogas asked if the rags were in a localized area. Mr. Whiteman replied that rags came from all parts of the system. Director Gogas asked if it would help to send out informational reminders to customers about items not to flush. Mr. Whiteman said they had done so several times, but it would always be a problem. Discussion ensued regarding lift station rags and other ways to inform customers. Mr. Medina said the staff would come up with a strategy to remind the public periodically.

Mr. Medina said he had reviewed the Sewer Ordinance and believes it does merit some changes. Mr. Medina continued that he would like to make multiple updates as it is a 1981 document and anticipates that it may take several months to fine tune. Director Gogas asked if accessory dwelling units would be included in the update. Mr. Medina replied that accessory dwelling units were another subject, but he would like to modify several things to meet the needs of the Authority. Director Price added that if the board needed further education regarding the sewer ordinance, they could do a workshop. Mr. Medina said when he completes a draft, he would like the boards input.

Mr. Medina reported that the Authority was testing a new chemical, Magnesium Hydroxide, rather than the Magnesium Oxide they had been using. Mr. Medina continued that the magnesium oxide was a dry powder and had caused some problems with delivery in the system, whereas the magnesium hydroxide is a liquid and should make delivery run smoothly. Mr. Medina said the supplier was convinced the Authority would save time and money by switching to the liquid form. Mr. Medina added that two other wastewater treatment facilities were using the same product with success.

Mr. Medina commented that he would be meeting with Parametrix later that month to kick off the Master Plan project.

Mr. Medina commented on the Coronavirus and how it affected water and wastewater utilities. He said the coronavirus was susceptible to disinfection making it a non-water borne disease. Mr.

Medina continued that the type of disinfection used by water and wastewater utilities would prevent the spread of the virus. He said the Authority's concern would be multiple employees being out sick at a time. Mr. Medina continued that the Authority had a plan in place if employees were to contract the virus. Mr. Medina wanted to assure the board and community that the virus could not be spread through the water system.

## **UNFINISHED BUSINESS**

### **A. WWTP Improvement Project- Disc Filter Installation**

Mr. Medina reported that McClure and Sons, Inc had begun to bring in equipment and the project should begin soon. Mr. Medina continued that there were some delays regarding the manufacturing of the disc filters and that part of the project would be pushed out to the end of May. Chair McVicker asked if the disc filters were being manufactured in the United States or overseas, and if they were overseas could there be a delay attributed to the coronavirus. Mr. Whiteman referred to a note he had received from Mr. Browning that the disc filters were expected in the middle of June. Mr. Medina said he would look into where the disc filters were being manufactured. Director Gogas asked when they would expect to be complete with the installation. Mr. Medina replied late summer or early fall. Director Gogas asked when they had to be done with everything. Ms. DeLoe replied December 31<sup>st</sup>. Chair McVicker added that they had to have all of the paperwork complete by December 31<sup>st</sup> as well.

### **B. Brooten Road- Water Main Replacement**

Mr. Medina reported that the project was moving forward as expected. Mr. Medina continued that they had received the utility permit form Tillamook County. Mr. Whiteman said Bullseye Directional Boring was expected to be in Pacific City the week of the 17<sup>th</sup>.

## **NEW BUSINESS**

### **A. Biosolids Management Plan Update**

Mr. Medina reported that staff had worked hard to prepare a biosolids management plan that was requested by DEQ and would affect a portion of the Authority's discharge permit. Mr. Medina said DEQ has provided some feedback and they have made minor changes, but he did not expect to make any large changes and the report had been well received.

### **B. Change of Authorized Signatories for TLC Credit Union Account**

Mr. Medina reported that staff had discovered that three of four signatories listed on the TLC savings account had retired or were no longer on the board. Mr. Medina said the account had about ten dollars in it, but the Authority had a loan through TLC, and they would need to update signatories for the account. Mr. Medina continued that Director Price was the only remaining signatory and was able to go to TLC to get the correct documentation to make changes. Director

Price clarified that the account had a low balance because the credit union was comprised of members and they had had to become members to receive a loan from TLC many years ago.

### **Motion**

Director Price moved to remove Tony Owen, Doug Kellow and Sean Lambert as authorized signers and replace them with Kirk Medina and Carolyn McVicker. Director Donohue seconded, and the motion carried unanimously.

### **C. Cyber Security Training**

Mr. Medina said staff had researched training options following the previous month business meeting. Mr. Medina continued that SDAO had a few online training options available and they had decided to begin with Cyber Security Overview. Mr. Medina said Ms. DeLoe had completed the course recently. Ms. DeLoe said the training had been sent to each staff member and the board would be receiving the training the next day. Director Price clarified that the board could take the course when they had time. Ms. DeLoe said there was a 28-day window that the course would be open.

### **GUEST QUESTIONS AND COMMENTS**

Robin Kostrikin commented that she was able to hear the board better from the back of the room rather than when she had sat in the front row at previous meetings. Ms. Kostrikin said the board had made a wise choice in choosing Mr. Medina as the new Authority Manager. Ms. Kostrikin gave several positive compliments regarding Mr. Medina.

Mike Dill informed the board that his newest newsletter would not be published for a few more months. Mr. Dill said they wanted to look more into growth and the description and requirements to define PCJWSA as a special district. Mr. Dill continued that Mr. Medina had volunteered to pre read the newsletter and offer suggestions. Mr. Dill said he had come to the Authority for a meeting the week prior to look at resolutions and ordinances. Mr. Dill commented that everything was organized and laid out well and he was able to find everything he was looking for quickly. Director Donohue asked for clarification regarding Mr. Dills comment on becoming a special district. Mr. Dill replied that they were looking at the rules about becoming a special district. Mr. Dill was interested in articles of incorporation. Mr. Dill said he had not been able to find PCJWSA at the Secretary of State and it piqued his interest. Director Donohue mentioned that when he ran for the board there was an affiliation with PCJWSA for his candidacy at the secretary of state. Director Gogas asked Mr. Dill what he was planning to do with the information. Mr. Dill replied that it would be used for a series of newsletters. Director Price commented that special districts were formed under the Oregon Revised Statutes and that would be a good source for Mr. Dill if he needed clarification. Mr. Medina made the board aware that he had offered to work with Mr. Dill on the next newsletter by providing an article about the forming of PCJWSA.

Larry Rouse asked if the wastewater treatment upgrade had diminished the odor of the plant. Mr. Medina said he was pleased with odors that were not being generated. Mr. Medina continued that it was not uncommon for a wastewater treatment plant to produce odor. Mr.

Medina commented that because of the newer technology and sequential batch reactors there had been a huge improvement.

## **CHAIRMAN/DIRECTOR COMMENTS**

Director Gogas asked if Mr. Medina had been able to review the audit. Mr. Medina said he had and did not find anything negative. Mr. Medina said he had also seen the recommendations and believed staff had already followed through with them.

Director Gogas referred to an incident that had occurred after the last signature card was returned to Oregon Coast Bank regarding his ability to see the Authority's account. Director Gogas said it had been fixed but was wondering if there was further action that would need to be taken. Chair McVicker said when a new signature card is completed, then by default the signers were able to see the account connected to their own profile. Chair McVicker continued that it had been rectified and would now be part of the process to verify that it would not happen again. Chair McVicker added that it was not appropriate for board members to be able to watch the Authority's account online. Director Donohue disagreed and said the data the board received in the board packet could be compared to the bank account. Chair McVicker replied that verification did not outweigh the risk of having the Authority's bank account vulnerable. Director Donohue clarified that no board member had access to the account. Chair McVicker replied in the affirmative. Director Donohue asked who had made that decision. Chair McVicker said the decision had been made several years ago with the assistance of legal counsel. Director Donohue asked how this incident had occurred. Chair McVicker replied that Oregon Coast Bank had recently changed their practices. Director Donohue said he was interested in seeing the bank activity. Chair McVicker said he was more than welcome to come into the office and look at the bank statements. Mr. Medina said his understanding was it was an inadvertent mistake. Chair McVicker said the high-quality history of the audits, showed the high standards that the Authority followed. Director Donohue asked how often the Authority did an audit. Ms. DeLoe replied that the auditors came for an interim audit between March and April to audit the first six months and came again between August and September to audit the second half of the year and double check the first half. Director Donohue asked who the audit company was. Director Price replied Pauly Rogers. Director Gogas asked if Director Donohue had received his copy of the 18-19 audit. Director Donohue said he had not. Ms. DeLoe commented that they had received them in December while Director Donohue was gone but would get his copy to him after the meeting.

Director Gogas referred to cyber security and the ability for staff search history to affect the security of the authority. Mr. Whiteman replied that the staff did not use the Authority's computers for searching the internet and even if they had, the Authority's computers were not connected to one another. Mr. Medina said that Ray Browning was the main purchaser along with Mr. Whiteman. Mr. Medina continued that the bulk of bills were administrative and generated by check to the vendor. Ms. DeLoe said the Authority did not pay bills online. Ms. DeLoe continued that if an item needed to be purchased online, they would use the company credit card, but that it was strictly monitored. Mr. Medina said they did pay taxes online. Ms. DeLoe agreed and added that they were paid on a very secure government website. Mr. Medina

assured the board that they were very cautious. Chair McVicker commented that each computer was segregated and there were strict protocols in place approved by the auditors.

Director Donohue commented that the cyber security overview was a great first step and would like to see it become common practice.

Mr. Dill commented about a cyber security course he had taken and what he had learned.

Chair McVicker adjourned the meeting at 5:48 PM.

The PCJWSA Board of Directors approved these minutes on April 7, 2020, by the following votes:

Aye\_\_\_\_\_ Nay\_\_\_\_\_ Abstain\_\_\_\_\_ Absent\_\_\_\_\_

ATTEST:

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Carolyn McVicker, Chair

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Kirk Medina, Authority Manager