

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

Present via Zoom video/teleconference:

Jeff Mapes, President	Geoff Wenker, Landowner
Gary Wheeler, Vice President	Marie Gadotti, Landowner
Amanda Hoyt, Secretary/Treasurer	Christy McDonough, Cadman Materials
Len Waggoner, Director	Debbie Murphy, CalPortland Attorney
Karen Kessi, Director	Tate Justesen, Western Resources
Chase Christensen, General Manager	Legal Center
Laurie Mapes, Staff	Bob Short, CalPortland
Jeff Condit, SDIC Attorney	Bruce Estok per Zoom ID

President Mapes called the meeting to order at 6:06 p.m. through the Zoom virtual meeting platform. Introductions were made. Minutes below associate with Agenda items.

Public Comment

Marie Gadotti thanked GM Christensen for efforts to keep the pumps going and stated that the next two days of expected rain would make the job difficult.

Tate Justesen of the Western Resources Legal Center spoke on behalf of Caroline Lobdell, also of WRLC. He conveyed Ms. Lobdell's understanding that her Tuesday, November 2, 2021 e-mail to GM Christensen would be included in SDIC's public record. President Mapes responded that, as he had conveyed to Ms. Lobdell and Mr. Justesen earlier today, Ms. Lobdell or Mr. Justesen were welcome to read the e-mail during this public comment session and that the SDIC does not have a separate procedure for inclusion of public comments in the "public record." Mr. Justesen then read aloud Ms. Lobdell's Nov. 2, 2021, to GM Christensen and copied to Mr. Justesen, President Mapes, Director Kessi, attorney Jeff Condit and Laurie Mapes. Ms. Lobdell's e-mail includes her opinion that SDIC has been mismanaged in terms of public notice, recordkeeping and public deliberation. She also stated that her reasons for referring to ethical violations in a previous SDIC board meeting are based on state statutes prohibiting public officials from direct, beneficial financial interest in a contract for two years after the contract was authorized by the person acting in their capacity as a public official and on her assessment that it is questionable whether former SDIC board president Geoff Wenker should receive financial gain for the knowledge he obtained during his service either by way of salary or by his association with property for sale advertised as potentially mineable.

President Mapes then noted that Ms. Lobdell's November 2 e-mail had been distributed to the entire SDIC board and was in response to an October 28, 2021 e-mail from GM Christensen to Ms. Lobdell after Ms. Lobdell had requested documents related to a draft SDIC employee evaluation and compensation review process. President Mapes stated that the October 28 e-mail was important for context in understanding Ms. Lobdell's November 2 e-mail and that he therefore would read it aloud, which he then did. GM Christensen's October 28 e-mail noted that the employee evaluation and compensation review process was done in response to an organizational assessment completed by Special Districts Association of Oregon in November 2020, that the assessment included a recommendation that SDIC work with HR Answers and adopt policies regarding personnel management and staffing, that a subcommittee was formed to develop proposed procedures, that an SDAO template for employee evaluation was used, that the subcommittee was unaware that it needed to notice the meetings and take minutes until after Ms.

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

Lobdell requested related documents during the October 14, 2021 SDIC board meeting, and that SDIC representatives now know of the requirements and apologize for the mistake. Attorney Jeff Condit noted that Ms. Lobdell had been asked to provide details of her ethical concerns sufficient to permit Mr. Condit to draft an inquiry to the state ethics commission and that SDIC is still waiting for the details so that the inquiry can move forward.

Agenda Approval

President Mapes noted that Teri Dresler of SDAO is working on a financial policy that will take some time and is not ready for discussion tonight. President Mapes proposed substituting for that agenda item discussion of the General Manager's spending authority, and there was no objection.

Meeting Minutes Approval

President Mapes noted that, at the October 14, 2021 SDIC meeting, an issue was raised about the August 9, 2021 annual board meeting minutes and whether board discussion of hiring Geoff Wenker had been conducted and was not in the minutes. President Mapes noted that no board member had a recollection that such a matter was discussed by the board during the August 9 board meeting, which followed the annual landowner meeting during which Mr. Wenker's term ended and he was replaced by Director Hoyt. President Mapes recalled mentioning the idea of hiring Mr. Wenker at the August 9 board meeting, when Mr. Mapes was nominated to be President and read a long statement of reasons he was hesitant to accept the nomination for President and suggested the board should consider hiring Mr. Wenker to help with the workload. President Mapes noted that, at the time he read the statement, a copy of which he retained, Mr. Wenker no longer was on the SDIC board and that there had been no board discussion of hiring Mr. Wenker while Mr. Wenker was on the board. President Mapes stated that, given the public's question about the minutes, the August 9, 2021 annual meeting minutes have been revised to include his statement in its entirety. Director Kessi made a motion to approve the minutes of the August 9, 2021 annual board meeting; the October 14, 2021 monthly board meeting and the November 2, 2021 special board meeting. Director Wheeler seconded the motion. All directors voted in favor of the motion.

President's Message

President Mapes stated that SDIC representatives have spent tens of hours of time over the past month finding resources and establishing practices to help the SDIC function better and more efficiently. This included addressing frustration with the SDIC website by reaching out to SDAO for a recommendation and also asking SDAO for assistance with development of a financial policy, which Teri Dresler of SDAO is working on. President Mapes stated that the employee evaluation process to be considered this evening as well as the financial policy will fulfill recommendations from SDAO in the organizational assessment. He also noted that Mr. Condit will present a proposed resolution regarding the General Manager's spending authority. President Mapes stated that he planned a "who is doing what" review at the end of the meeting to be documented in the minutes as a reminder.

Financials Review & Expenditure Approvals

Director Hoyt stated that she reviewed the financials and nothing stood out except the bill from Campbell Crane which was expected. GM Christensen stated that the Crow Water bill for

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

\$1,150 was for the key shaft on the Smith pump. He reported that trapper Steve Husted's bill for \$1,840 includes 23 nutria he got in one day. The VISA bill of \$12,592.17 includes Miller Nash billing. One Business Oregon IFA loan payment due December 1 is on the transaction list; payment on the second loan is due at the same time but it was not invoiced. Director Hoyt made a motion to approve the financials as presented. Director Kessi seconded the motion. Director Hoyt then amended her motion to include approval of payment of the bills dated from November 1 through November 30, 2021, with the consent of Director Kessi. Mr. Condit noted that, because payroll is routine, it can be authorized in advance of payment. All directors voted in favor of the motion. GM Christensen noted that a bill for about \$530 came in today from GSI. President Mapes made a motion to approve payment of the GSI bill not to exceed \$600. Director Waggoner seconded the motion. All directors voted in favor of the motion.

President Mapes made a motion that he be authorized to pay the Business Oregon IFA loan payments on Notes 1 and 2 due on December 1, 2021 and further be authorized to move money from the state pool into the U.S. Bank account in an amount indicated by GM Christensen as necessary to cover the expenses. Director Hoyt seconded the motion. All directors voted in favor of the motion.

General Manager Spending Authority

Mr. Condit had drafted for the board's consideration a resolution to delegate certain payment and contracting authority to the SDIC General Manager. Mr. Condit noted that the purpose of the resolution is to delegate authority so that contracts do not all have to come before the board, and to speed up payment. Statutes provide that a contracting agency can delegate any and all contracting authority. Mr. Condit noted that all of his firm's larger public clients have similar provisions of certain contracting authority to the chief executive officer. The authority must be within the approved budget and within one of a set of circumstances. Mr. Condit stated the board needs to discuss how much authority to delegate in circumstance (1)(b) (contracting), balancing oversight versus convenience, and gave examples of from \$25,000 to \$250,000 based on the size or the organization. Mr. Condit noted that the authority granted in the proposed resolution includes payment, without getting approval of the board, of payroll, electric bills and other utilities, taxes, and benefits and emergency procurement in circumstances that cannot reasonably be anticipated where there is a need to act promptly to avoid damage, e.g. failure of a pump. He noted that the resolution also authorizes the General Manager to make change orders, for example when a construction contract has a change order that is within the amounts authorized under the public contracting limit in the resolution.

The board discussed an appropriate limit for provision (1)(b) of the resolution. Director Wheeler noted that it has been rare in the past, aside from emergencies, to need to spend more than \$5,000 to \$10,000, and that an emergency board meeting is possible if needed. GM Christensen added that, with any project over that amount, he would expect to call around for quotes and call a special meeting. Director Waggoner suggested a figure of \$10,000 with a cumulative number of \$25,000 in case several items came up in a row. It was noted that the resolution does not include check-signing authority and that the SDIC bylaws require two signatures on checks. Mr. Condit added that expenses the General Manager charges to the SDIC credit card ultimately will be paid by a check signed by two people.

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

President Mapes made a motion to approve the resolution and delegate contracting authority to the General Manager with a limit of \$10,000 and to authorize President Mapes to sign the resolution as proffered. Director Kessi seconded the motion. With the consent of Director Kessi, President Mapes amended the motion to include number 2021-2 on the resolution. All directors voted in favor of the motion.

Review for Approval, Employee Review & Compensation Procedures

Director Kessi reported: There is an employee performance evaluation process, a compensation adjustment plan, and performance review forms. All have been made available to the public on the website. The documents were drafted with input from SDAO and HR Answers Senior Consultant Anna Lee. The board adopted SDIC's three position descriptions earlier (General Manager, Field Operations Technician, and Office Administrator). The purposes of the proposal include letting employees know what to expect, becoming better employers, following best practices, equity and fairness to employees, retention of employees as good stewardship, and being responsible to the landowners. The compensation adjustment proposal is for fiscal year 2021-22 only, with a COLA of 1.5% and step increase of 0.5% for employees in permanent positions, so it applies only to the GM and FOT at this time. There is an option for a bonus for the GM based on performance.

President Mapes thanked all involved for work on the plan. Director Waggoner stated that he believes the 1.5% COLA is insufficient in light of the current inflation rate and that the 0.5% step increase is too low. After discussion, President Mapes made a motion to adopt the draft employee review and compensation procedures via resolution number 2021-1 with the following alterations: the compensation plan in Phase I is to read "at least" a 0.5% increase in hourly wage and a COLA of "at least" 1.5%, and the reference in Phase II to limiting future COLAs to no more than 3% annually is to be deleted. Director Waggoner seconded the motion. Director Kessi read the resolution out loud. There was no public comment. All directors voted in favor of the motion.

FEMA Hazard Mitigation Plan, SDIC Annex Review

GM Christensen reported that he had spoken with Shawn Brown, Director Kessi and Marie Gadotti and that he recommended that discussion be postponed to the next meeting so that he can get more information on the identified hazards in the plan.

Manager's Report

Infrastructure: GM Christensen reviewed his Manager's Report, noting that repairs on Evans pump No. 2 have begun. Herbicide application on the levee appears to have been effective. The trapper got two big beavers in the Smith ditch. For repair on Jackson Creek diversion, there are some boards in the shop that can be used and more may need to be milled. Based on review of pump manuals, it appears that reset of the impellers on the North No. 2 pump might improve the pumping. One bid to repair Evans roof has been obtained, of approximately \$9,000-\$10,000. A rubberized membrane will be required. Apparently, when the roof was built or modified, ventilation was not installed, creating a sealed area that caused moisture damage. Replacement of the roof is a priority; more bids are being sought.

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

GM Christensen added that TMDL timelines have come out. By the end of November, SDIC needs to provide a map showing the water conveyances with latitudes and longitudes. The Johnson pump intake structure needs to be moved. An Evans pump was started for the first time since June and is set generally at 3.75 to 4.5 feet but was lowered because of the rains coming. All three pumps have been started and seem to be running well. Weeds at the Johnson and Honeyman pumps are out of control and causing the pumps to run less efficiently.

GM Christensen also reported he is looking into the purchase of game cameras to monitor pumps because the cameras in use belong to his uncle. Cameras can be used anywhere in the district and do not require internet. Mr. Condit noted that the policy the board adopted gives authority to the GM to get the cameras.

The North tide gates are still draining because the river is low and an Evans pump is also in use to maintain the ditch level. GM Christensen reported that he has received emails from members in the district saying that the water is higher than ever, but this is not the case as demonstrated by camera pictures taken every hour back to last December. The pictures will help with the actual ditch levels versus the perceived ditch levels.

Personnel: Director Kessi noted that the GM will be conducting the employee review for the Field Operations Technician but a designated board member(s) conducts the employee review process for the GM, although all board members participate in the process. Director Kessi and Director Hoyt volunteered to conduct the process. Director Kessi proposed that each director complete an evaluation form for the GM, and the evaluations then will be compiled into a single form. An executive session will be scheduled for the end of the December board meeting for the review. Attorney Condit noted that the employee can request the review to be done in open session.

408s: President Mapes reported that he signed the amendment to the Cadman agreement in accordance with authorization given at a previous meeting and that Cadman also signed. Christy McDonough will coordinate with GM Christensen on how to get the data to Cadman. GM Christensen stated he received an e-mail from Ross Foster of USACE regarding updates to the CalPortland modeling but the nature of the updates is not clear. USACE is waiting for CalPortland to respond. Dikeside Moorage submitted a request for an Xfinity cable crossing; GM Christensen will provide them some documentation that is needed. Northwest Natural inquired about not using controlled density fill around a gas line and wanted to know another material. GM Christensen will tell them they need to ask USACE.

Accreditation/LOMR: President Mapes reported that he and Director Waggoner had a conversation with city staff about the recent land use referral. Staff reported that WEST Consultants is going ahead to model the storm water infrastructure of the city and see if it changes the draft flood maps. The city got a grant to cover the expense. City staff recommended that SDIC get involved with the Columbia Economic Team, which may offer an opportunity for the CET to understand SDIC better and help SDIC learn of grant opportunities.

Best Practices: President Mapes noted that Teri Dresler of SDAO is drafting a financial policy for SDIC to consider. Ms. Dresler recommended that SDIC folks who handle money be bonded.

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

Ms. Dresler also stated that SDIC does not fall under the audit requirement but suggested that a CPA audit could help SDIC design financial best practices. President Mapes made a motion that the board authorize whatever steps need to be taken to secure surety bonds for the GM, the bookkeeper, the board Secretary/Treasurer and the President. Director Kessi seconded the motion. There was no public comment. All directors voted in favor of the motion. It was noted that SDIC is waiting to hear whether SDIC uses SDIS or Parkside Insurance. President Mapes made a motion to authorize GM Christensen to solicit audit bids. Director Hoyt seconded the motion. All directors voted in favor of the motion.

President Mapes noted that SDAO made a recommendation of website administrator Streamline. It is \$75 per month and SDIC would be grandfathered in at that amount. The websites they write are ADA compliant including color. They consult with SDAO each year to make sure they are implementing everything passed by the legislature. There would be a password-protected intranet including for e-mails that would make response to a public records request easier to fulfill. They offer unlimited storage of data and unlimited file size. They have unlimited and free support. Documents associated with a meeting would reside on a link for that meeting. There is a way to link audio or video recordings. President Mapes stated that he feels duty bound to overcome SDIC's limitations and ensure SDIC is doing things right and that immediate past president Geoff Wenker helped interview the Streamline salesperson. Mr. Wenker noted that Streamline is more costly than the current website administrator but better and that the e-mail service entails a charge in addition to the monthly fee. It was noted that Mr. Wenker is volunteering his time on this project because of his extensive knowledge of SDIC's current document storage and website. President Mapes made a motion to authorize himself to continue investigating and enter into a contract to hire Streamline to become SDIC's web hosting entity. Director Waggoner seconded the motion. There was no public comment. Mr. Condit noted that \$75/month is well under the trigger for soliciting bids. All directors voted in favor of the motion.

Director Kessi reported that it is time for review of progress on the Organizational Assessment received from Teri Dresler a year ago. Pages 9-10 of the assessment outline recommendations in a phased approach. SDIC has completed most of Phase I. Phase II includes annual training. Director Kessi stated her hope that the board will do training and suggested that board training this year be on the new technology system President Mapes and Mr. Wenker just described. The assessment also recommends the board consider use of board committees. Director Kessi noted the board has taken that advice to heart and now realizes it needs to notice committee work and apologizes for past missteps but will notice committee work in the future where a result would be a recommendation to the board. Director Kessi recommended the board enlist Teri Dresler's help for development of policies and long-term planning outlined in other phases. President Mapes suggested that annual training be scheduled at the meeting one month after annual meetings, to include new board members. He noted that Streamline helps with the training for technology.

Scappoose Storm Water Master Plan: President Mapes and Director Waggoner noted that their meeting with city staff over the land use referral included discussion of the city's development of its Storm Water Master Plan, that the conversation was a productive opening to dialogue, and that there was discussion of cost sharing because city drainage ends up in SDIC.

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

Rental Home: Director Kessi reported that checks are getting deposited. GM Christensen noted that plugged downspouts have been cleared. Base trim is pulling away from the walls in the bathrooms. The property manager is going to send pictures to Director Kessi who will contact the general contractor on the remodel.

Legal: President Mapes noted that SDAO consultants who met with SDIC's staffing subcommittee did not indicate the subcommittee meetings needed to be noticed. Mr. Condit was asked to explain the requirements. Mr. Condit said the basic rule is that any meeting of a governing body of a public body is subject to public meetings law, including any committee of two or more members that can make recommendations to the board. The personnel issue was right on the borderline. A meeting of a board member, staff and a consultant to work on something but not make a joint recommendation to the board is a work group that does not need to give notice. There is not a bright line. The board can send out a couple of board members to do research to come back to the board. A key is who is recommending policy to the board. If an individual, for example an SDAO consultant, is making a recommendation, that is not a meeting to be noticed. If a group just provides input to the GM so he can develop his recommendation to the board, notice is not required. But if the board is expecting three people to come back to the board with a joint recommendation, then that is a subcommittee whose meetings need to be public and noticed.

Mercury TMDL: GM Christensen reported that a draft is due by the end of February, and a best practices outline that could be approved is due by the end of September 2022.

To-do list

President Mapes summarized: He is going to pay the loan(s) that can be paid online through state pool transfer and GM Christensen or Janell Greisen can draft a check if necessary. He will move money from the state pool into checking in an amount given by GM Christensen or Ms. Greisen. GM Christensen will solicit audit bids using SDAO materials. GM Christensen will follow up on bonding and get bonding for all four people who need it. President Mapes will continue with Streamline and is authorized to enter into a contract for Streamline to provide website hosting. Directors Kessi and Hoyt will begin arranging the GM review process. Two directors are needed to go to the office and sign checks within the next two days; Directors Wheeler and Hoyt volunteered. GM Christensen will take care of BOLI workplace posters and materials. The FEMA hazard mitigation plan will go on the December meeting agenda and GM Christensen plans to post it on the website.

Upcoming Meetings and Adjournment

The next SDIC board monthly meeting will be December 9 at 6:00 p.m. by Zoom. Director Wheeler made a motion to adjourn. Director Kessi seconded the motion, and all directors voted in favor of it. The meeting adjourned at 9:50 p.m.

Associated documents:

- Meeting Agenda
- SDIC Monthly Manager's Report 11/11/2021
- 2021114 Balance Sheet

Scappoose Drainage Improvement Company
Board of Directors Monthly Meeting Minutes – November 11, 2021

- 2021114 P&L Budget vs Actual
- 2021114 P&L This vs Last
- 2021114 Check Register
- 2021114 Credit Card Register
- 2021114 Transaction List
- Financial Best Practices Project, 11/11/21 Update from Teri Dresler
- Employee Performance Evaluation Process and 2021-22 Compensation Adjustment Plan
- Resolution No. 2021-1
- Resolution No. 2021-2

Approved by the Board of Directors on : Dec. 15, 2021

Laurie Mapes
Signature

Laurie Mapes, Staff
Printed Name and Title