

**MINUTES OF THE ROBERTS CREEK WATER DISTRICT  
BOARD OF COMMISSIONERS JOINT MEETING WITH GREEN SANITARY,  
BUDGET HEARING, AND REGULAR BOARD MEETING  
June 13, 2019**

President Tracey Parker called the meeting to order at 5:33 pm. Present were Commissioners Carolyn White, Steve Lusch, and Phil Bigler. Also present from Roberts Creek Water District were Office Manager David Campos, Superintendent Alan Paulson, and Employee Dan Radford. Commissioner Tom Fullbright was absent. Present from Green Sanitary District were: District Manager Kay Huff, Board Chair Ron Curry, Board Member Brenda Kingery, and Employee Shannon Miller. Also present were visitors Shirley McSperitt and Attorney Eileen Eakins. Tracey Parker and Steve Lusch also represented Green Sanitary District as Board members.

The joint District meeting began with Attorney Eileen Eakins. Ms. Eakins stated that she understands that Roberts Creek Water District and Green Sanitary District are considering creating a joint water and sewer authority and dissolving the Water and Sanitary Districts. Both Districts' Boards agreed. Ms. Eakins stated that she specializes in Special Districts Law and has assisted local municipalities with mergers before.

Ms. Eakins asked whether there is intention to assess a tax rate with the joint authority. The Boards replied that they do not plan to assess a tax rate. Ms. Eakins stated that could make things easier. Ms. Eakins also asked whether there have been any discussions with Douglas County regarding the merger consideration. The Boards replied that it has not been discussed with the County yet.

The Districts' boundaries were discussed. Green Sanitary District's boundaries are fully contained within Roberts Creek Water's boundaries.

Ms. Eakins asked whether each District has their own attorneys that will represent them. Both Districts' Boards stated that they are not opposed to having the same attorney represent both Districts as it will not be an adversarial process.

Green Sanitary District Board Chair Ron Curry informed Ms. Eakins that the Sanitary District shares ownership of the wastewater treatment plant with the City of Winston. The merger consideration has not yet been discussed with the City. The Board members stated that the City of Winston has brought up the idea of annexing the Green area on several occasions. Avoiding annexation is one of the reasons for creating a Joint Authority.

Ms. Eakins went over a detailed timeline of items that would need to be prepared and necessary steps to be taken, should the Boards decide to move forward with a merger.

To create the Joint Authority, a formal election is usually required. However, since a tax rate will not be assessed, there is an option to have the County approve the formation of the authority, and only hold an election for the Board members.

An Authority essentially has the same powers as a District. The primary difference is that an Authority has protections from annexation. A City can annex property within the Authority after formation; however, it cannot annex the Authority infrastructure unless it annexes the entirety of the infrastructure. Most often opposition to Authority formation comes from nearby cities.

Regarding the shared wastewater treatment plant with the City of Winston, Green Sanitary employee Shannon Miller noted that the plant operation costs are shared between the two agencies. Commissioner Lusch added that Green Sanitary District solely owns the bio-solids site.

Initiating the process of creating the Joint Authority is most often by citizen petition. The required signatures would have to be acquired within a six-month timeframe, and the petition would have to be signed by at least fifteen percent of the District's electors. As an alternative, the County may assist in the formation of the Authority by bypassing the petition and approving the formation. Historically, however, the County has not been eager to assist with forming Districts unless it is their idea.

A petition must be accompanied by terms, conditions, a boundary map, and an economic feasibility study.

There are two hearings required by statute. The first hearing is 30-50 days after the initial County order; the second is 20-50 days after the date of the second County order. As discussed earlier, the County may wither approve the formation after the final order and hearing, or call an election. However, a referendum could force an election.

The County bears the cost of the formation but generally the County will require the Authority to cover the costs.

Ms. Eakins then presented the steps for dissolution of the existing Districts upon formation of the Joint Authority. A plan for dissolution would need to be adopted and made public record. The process of dissolution would include winding down of the existing Districts, such as transferring of assets and liabilities, assignment of contracts, transfer of easements, etc. The existing Boards of Directors would become Boards of Trustees, and would call for elections for dissolution.

Ms. Eakins discussed the costs associated with the Authority formation and dissolution of the Districts. She estimated the total legal costs to be approximately \$15,000 to \$20,000.

Ms. Eakins then informed the Boards of both Districts that if they wish to both be represented by Ms. Eakins, the Districts will have to sign conflict waivers.

Green Sanitary District Board Chair Ron Curry stated that it seems that both Boards are in agreement to move forward.

Green Sanitary District employee Shannon Employee asked about employees involvement in politics. Ms. Eakins stated that employees are not to be involved in political activities associated with the Districts.

Visitor Shirley McSperitt asked if the new entity needed to be named as an Authority, as opposed to a District. Ms. Eakins clarified that an Authority, by statute, is given protections from annexation, whereas a District is not.

The Boards thanked Ms. Eakins for attending and going over the process of Authority formation. Ms. Eakins exited the meeting at 6:51.

For Green Sanitary District, Director Tracey Parker made a motion to hire Eileen Eakins as Attorney for the merger process. Director Steve Lusch seconded the motion. Approval was unanimous.

While both Boards were still present, Office Manager David Campos presented a proposed Cost-Of-Living increase for the Roberts Creek Water District Board to consider. David suggested a COLA increase of at least 1.75% up to 2%. After short discussion, Director Brenda Kingery made a motion to approve a 2% COLA for Green Sanitary District employees. Director Lusch seconded the motion. Approval was unanimous.

Commissioner Phil Bigler made a motion to approve a 2% COLA for Roberts Creek Water employees. Commissioner Lusch seconded the motion. Approval was unanimous.

The Joint District meeting ended at 7:03, and Green Sanitary District Board members and employees exited the meeting, with the exception of Tracey Parker and Steve Lusch, who stayed to serve as Roberts Creek Water District Commissioners for the remainder of the meeting.

President Parker opened the Budget Hearing for public comment. There was no comment from the public. Commissioner Bigler made a motion to adopt Resolution R-2019-06-01, a

resolution to adopt the 2019-2020 budget and make appropriations. Commissioner Lusch seconded the motion. Approval was unanimous.

For the consent agenda, the Board reviewed a leak adjustment request from Valley View Mobile Home Park. David stated that he had a difficult time calculating billings associated with the leak. Commissioner Bigler stated that because the customer was not timely about fixing the leak, he does feel inclined to grant them a credit. The other Board members agreed, and no credit was approved.

Commissioner Bigler made a motion to approve the May minutes, financial statements, and accounts payable. Commissioner Carolyn White seconded the motion. Approval was unanimous.

Office Manager David Campos gave his monthly report. David reviewed the health insurance renewal with Misty Pickle at Umpqua Insurance. The current medical plan through SDIS remains relatively unchanged. Along with the current medical plan, the District will reimburse an employee for 50% of the deductible if the deductible is met. David presented two alternatives for the health insurance renewal. David presented one plan with a lower deductible, but higher monthly premium. This option would eliminate the deductible reimbursement. The second alternative was to keep the current medical plan, but increase each employee's annual VEBA contribution from \$1,200 to \$2,000, and eliminate the deductible reimbursement. This option carried a lower overall cost, and it also mirror what benefits Green Sanitary District provides to their employees. Commissioner Bigler made a motion to retain the same health plan but increase the VEBA contribution to \$2,000 and eliminate the deductible reimbursement. Commissioner Lusch seconded the motion. Approval was unanimous.

David informed the Board that the new server has been installed and CUSI will begin working in the new server so that they can start working with the utility billing data. CUSI has also been working with our meter readers and billing statement provider to get everything lined up for the conversion. The office has seen a significant response from the informational insert sent out to customers.

David presented the 2018-19 audit contract from Neuner Davidson Co. The contract includes a not-to-exceed amount of \$9,200. Commissioner Bigler made a motion to approve the audit contract with Neuner Davidson Co. Commissioner White seconded the motion. Approval was unanimous.

Superintendent Alan Paulson gave his report. Alan stated that we issued a letter of intent to purchase for the new Mag meters and Miox System. A pre-construction meeting was held at

the plant last week. Terry Nelson spoke with Miox guys and electricians to go over the SCADA and such.

Alan informed the Board that there is a proposed subdivision off of Poppy Lane. We should have no problem furnishing water for the subdivision.

A pre-construction meeting was held for the second phase of Tabor's subdivision.

The sediment basin has been drained and cleaned.

Alan spoke with Shannon Miller regarding our GIS mapping. Green Sanitary District will be hiring an engineering assistant with the City of Myrtle Creek to assist getting the device ready for data collection.

The water system survey is scheduled for July 24.

Alan interviewed 9 applicants for the open utility worker position. There were several qualified applicants. Alan selected Josh Manson, who currently works at the City of Roseburg.

President Parker made a motion to adjourn. Commissioner Bigler seconded the motion and approval was unanimous. President Parker adjourned the meeting at 7:21 pm.

  
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Commissioner  
Roberts Creek Water District

  
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