

**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT  
BOARD OF COMMISSIONERS MEETING MINUTES  
March 16, 2022**

**Call to Order** by Dan Seifer, President at 6:00 pm

**Present:** Water Board: Debra Birkby, Vice President; Linda Murray, Nadia Gardner, Jay Blake, Staff: Phil Chick, District Manager Public: Darr Tindall, Chris Anderson, Heather Newman, Bob Cerelli, Bill Campbell, Eva Lantela, Sharon Tate, Bill N, John Merseau

**Public Comments:**

- 1) Bill Campbell read his narrative and indicated he would be submitting that to the Board via email.
- 2) Sharon Tate read a narrative of concerns.
- 3) Michael M. read a narrative of his experiences in the past and support of the future endeavors.
- 4) Tom Byron read a narrative of concerns.
- 5) Carolyn & Dale Nirk expressed their messages of support.
- 6) John Mersereau read a narrative of concerns.
- 7) Richard expressed a message of support (reiterated where the information is available on the internet through the websites).

**Agenda Approval** – Motion made by Linda Murray, second by Jay Blake; All in Favor. Motion Carried

**Consent Agenda Approval** – Motion made by Nadia Gardner, second by Linda Murray; All in Favor. Motion Carried

**Old Business - Arch Cape Forest:**

First amendment to the purchase and sale agreement, our option agreement and purchase and sale agreement provides that the purchase price is to be set by an appraisal. Under the option we hold, the appraisal needs to be approved within 90 days by each party and that was approved by us last month. We received an email that the seller has approved the appraisal, so our attorney has that documented in the First amendment. The amendment has not been accepted due to interaction back and forth between both party's attorney and it does contain significant changes compared to the one that was sent in the Board packet. EFM requested that the closing would occur by the end of June whereas our original purchase and sell agreement was that our closing had to occur within 12 months of the appraisal. The dates of the appraisal leave in question the exact dates by which closing would occur. In order to meet the 90-day requirement, we need to formally approve the appraisal and set the purchase price in a written form before our April Board Meeting. This gives us several options, I (Dan) propose:

- 1) Approve the 1<sup>st</sup> Amendment document you received today March 16, 2022, versus the one originally sent out in the packet.
- 2) Approve it in concept and authorize Phil and myself to accept the amendment with the recommendations from our attorney.
- 3) Call a special meeting in a couple of weeks, allowing time for clarification of documents.

Ask for discussion after Phil has reported on the Business Oregon grant and then for a motion to be made on how the Board would like to move forward. ARPA funding is still in process and while talking with Business Oregon about the timelines we are trying to meet, getting the funds together to match up to make our timeline. Melanie Olson of Business Oregon, Amy Singh, Escrow officer and myself to get funding in order and move forward. We are the first in the queue and it is currently with the Department of Justice. Motion made by Jay Blake to schedule a special Water Board meeting for a couple of weeks from

now to review the documents with the timeline and discussion to move forward, second by Nada Gardner, Discussion: Nadia is concerned about the closing being right around the corner with all the moving parts and the 1% fee if we do not close on time; feel the seller needs to give us the timeline such as we had in our original purchase and sale agreement. Jay Blake expressed concern about those items as well. The immediacy is that the closing date is based on one year from the date of the appraisal [July 7, 2021]. If not closed, would a new appraisal be necessary and if not, the risks associated with costs incurred to do a new appraisal. Linda Murray has a question on the amendment with a closing date or exercise date of a closing date on June 10, 2022? Clarification was closing is June 30<sup>th</sup> on the document. Dates are still based on the risk of how each entity works on funding and when the funds are received. Motion was reiterated to call a special meeting on Thursday, March 31<sup>st</sup> at 6 pm. All in Favor. Motion Carried

**Public Hearing** – noted comments already received. Eva Lentela expressed appreciation for the work that has been done and encouragement to move forward. Dan expressed the intent of the Board to continue to be transparent when collaborating with the Advisory committee and our professional planners as well as a large group of volunteers.

**Proposal for Project Management Services and a Forester** – This is a process that we hope the community will continue to engage as they have for the past several months. We need to prepare Operational Plans for what work would actual be done in the forest, what roads would be decommissioned, what roads would be improved, how they would be improved, what drainage facilities would be improved or created – all to protect our water. Secondly, what work would be done to protect the forest itself – again, specifically covered under our Business Oregon grant and will be included in our grant contract. That will help us to understand the cost of that work but to be able to show and show the public what we are contemplating. During the Town Hall, Ben Hayes of Springboard Forestry, talked about the options of doing that work or taking additional timber specifically to obtain revenue to be used for stewardship for the future. That is an opportunity for the community to see an alternative or the options we can discuss. Most importantly it would permit the project manager to reconvene the advisory committee so that they can produce specific plans for recreation, collaborating with experts on a specific plan for conservation activities in partnership with our partner, NCLC. All of that planning is funded by the Business Oregon grant and why we are wanting to get that grant in place and under that plan, we could explore more in-depth detailed knowledge about the forest as we move forward. We cannot enter into contracts without the grant being in place. Nadia made a motion that, based on funding documents being put in place, the Water District authorize contracts for project management services; second by Jay Blake. Nadia mentioned that the RFP's received are people that we have worked with in the past. Nadia also expressed concerns for MOU's moving forward with all partners. All in Favor. Motion Carried. Contracts are authorized if funding is in place.

## **Reports**

**Outreach Report**– Linda Murray reported that we received \$1,000. Don asked clarification on the meeting Katie referred to regarding a fundraising strategy.

**Budget Committee Appointments** – Two open positions and Donofrio's have had to resign due to unforeseen circumstances. Lauren Alghren has expressed interest in volunteering for both committees. Dan called for interest in serving on those committees which consists of 3 meetings. Nadia nominates Lauren Alghren for Budget Committee, seconded by Jay Blakely, All in Favor. Motion Carried. Phil will contact and let us know the position that will be filled. Darr requested that Nadia, Linda, and Dan if you would consider working with the Sanitary District. Nadia declined. Phil will let us know if any other applications come in and can be addressed at the Special Meeting on March 31<sup>st</sup>.

**Staff Performance Evaluations** – The joint committee has a recommendation to the Board for compensation for the coming year. Debra Birkby reported that due to the cost of living, a 7.7% COLA and a 2% performance adjustment raise compensation package be offered to staff. Motion made by Debra Birkby, seconded by Linda Murray. All in Favor. Motion Carried. The committee suggested that we revisit the salary ranges after our Budget processes. Discussed staffing IGA with Cannon Beach Water District, to encourage staff to take vacation.

**District Manager's Report and Correspondence for Action**– District Manger report by Phil Chick, The Water plant distributed 1.2 million gallons to town in February. April 18<sup>th</sup> and 19<sup>th</sup> there will be bridge repair and letters will be sent to affected residents. See full report in the packet. Nadia had a question on the late fee percentages and how those are applied. Will follow up with Teri on that before the next invoicing in June.

**Board Members' Comments and Reports**– Jay Blake has a couple of concerns of comments that have been made about the Board hiding information and/or not being transparent. Having joined the Board a year ago and discussing items on a monthly basis as well as the special meetings that we have opened to the public, has felt we were dissed that we were trying to sneak something past people. Responded to an email I received and there was no response, ironically enough, they wanted to meet secretly. I have been upset about some of the things that have been said about the Board being secretive. Keep up the excellent work Board and Phil! Nadia expressed disappointment that it went beyond simple disagreement of opinion to attacks on volunteers; but I am so proud of all the work that has been done by all of the committees and community members that have participated. Linda, thank you Jay, that was a hard thing to take. Debra, thank you to everyone that gave testimony today, it would be nice to have a copy of the petition that is out there, so we actually know where we stand.

Dan, agenda item for the 1<sup>st</sup> Amendment for the Special Meeting on March 31<sup>st</sup>, 2022, will include the Business Oregon Grant and timelines. Jay would like to keep the meeting light and to the point of the Special Meeting as well as addressing the Budget Committee.

April agenda items, need to seriously consider making a decision on the forest and we will have a discussion on what our outreach will be going forward on both fundraising and solicitation of other stakeholders to participate in the planning or realization of the forest if we decide to go that route. We should have our first Budget meeting by the time of our meeting. We should also have a report from Phil on the Long-Range Financial Plan and Capital Projects. Consideration of going back to in-person meetings at some point, consensus to stay with Zoom for now.

Public Comment: Bob Cerelli commented on the petition letter and a thank you to those who are serving on the Board for their service. Sandy asked about recreation and if no one wants it, why is it being pursued? Nadia commented that it will be something that is looked into when it comes time.

Motion to adjourn by Linda Murray, seconded by Nadia Gardner. All in Favor. Motion Carried.

Respectfully Submitted,

Teri Fladstol

Attested:

  
Mr. Dan Seifer, President