

***CANBY UTILITY
REGULAR BOARD MEETING
SEPTEMBER 13, 2016
7:00 P.M.***

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - Approval of the September 13, 2016 Agenda
 - Approval of Regular Board Meeting Minutes of August 9, 2016 (pp. 1-2)
 - Approval of Write-Offs
 - Approval of Payment of Water and Electric Bills
- III. CITIZEN INPUT ON NON-AGENDA ITEMS
- IV. RESOLUTION NO. 286 Approve Intergovernmental Agreement Apprentice Reciprocal Training Agreement – Barbara Benson, Administration/HR Manager (pp. 3-11)
- V. BOARD REPORT
 - Chairman Comments
 - Board Member Comments
- VI. STAFF REPORTS
General Manager Updates:
- VII. ADJOURN

CANBY UTILITY
REGULAR BOARD MEETING MINUTES
AUGUST 9, 2016

Board Present: Chairman Potter; Members Maxwell, Daniels, and Brito

Absent: Member Wagner

Staff Present: Daniel P. Murphy, General Manager; Barbara Benson, Board Secretary; Carol Sullivan, Finance Manager; Sue Arthur, Purchasing Agent; Dee Anne Wunder, Customer Service Supervisor

Others Present: None

Chairman Potter called the Regular Board Meeting to order at 7:00 p.m.

Chairman Potter presented the consent agenda for approval. Member Brito made the *MOTION to Approve the Consent Agenda, Consisting of the Meeting Agenda, Regular Meeting Minutes of July 12, 2016, Write-Offs in the Amount of \$719.95, Payment of the Electric and Water Department Bills in the Amount of \$1,023,004.72, with Carry-Ins in the Amount of \$7,756.41, for a Total of \$1,030,761.13. Member Daniels seconded, and the motion passed unanimously.

Chairman Potter asked for citizen input on non-agenda items and there was none.

Finance Manager Carol Sullivan presented a recommendation to adjust the water system development charges based on an inflationary index. The annual adjustment for inflation increased 2.87 percent. This change in the index resulted in a dwelling unit equivalent system development charge increase of \$103. Staff mailed 49 letters to interested parties to notify them of the proposed adjustment and no comments were received. The board had no questions. Member Brito made the *MOTION to adopt Resolution No. 285, a resolution of the Canby Utility Board adopting revised Water System Development Charges reflecting annual adjustments for inflation, repealing Resolution No. 277, effective September 1. Member Maxwell seconded the motion and the roll call ballot was as follows: Member Brito, aye; Member Daniels, aye; Member Maxwell, aye; and Chairman Potter, aye. The motion passed 4 to 0.

Chairman Potter stated that board members received a copy of results of an informal survey that were posted on Facebook by a customer in a group that strongly supports Canby Utility building a new water treatment plant. Potter stated that he is working with General Manager Daniel Murphy to prepare a response back to the customer that would acknowledge her for the group's efforts and to provide Canby Utility's perspective on this large capital project.

Finance Manager Carol Sullivan presented the third quarter executive financial summary year-to-date as of March 2016. The electric fund has an operating profit of \$990,954, including capital contributions; and the water fund has an operating profit of \$923,745 including capital contributions. Compared to budget, the electric fund was over budget by \$805,905 and the water fund was over budget by \$606,975. Carol explained reasons for the budget variance for each fund. The cash reserve for the electric fund was at \$9,330,447, which is over the budgeted target

**Canby Utility
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by \$1,194,157. The cash reserve for the water fund was at \$2,786,408, which is also over the budgeted target by \$686,262. The Board had no questions.

General Manager Murphy reported on recent power outages. On July 28, an underground cable fault on NE 13th Circle resulted in a power outage impacting 325 customers. Of those 325 customers, 300 had power restored after one and one-half hours. Five customers were without power for five hours, and an additional five customers were without power for 10 hours. On July 30, another underground cable failure on SW 10th Avenue occurred that impacted nine customers for a total of 53 minutes. At this time, it is unknown if the entire section of that underground conductor is failing. This line section will be monitored to determine if the circuit has a bad conductor and needs full replacement. A brief discussion ensued about the existence of direct-buried infrastructure in Canby's system. On August 6, PGE's transmission system experienced a region-wide momentary power interruption that impacted a significant portion of our customers who are served from our Westcott Substation. Customers served by our Knights Bridge substation were not impacted due to that substation being fed from a separate transmission line.

Murphy reported that Hanlon Development has extended the closing date for the purchase of Canby Utility's downtown properties to November 5. Murphy noted another extension is likely to occur.

Murphy reported on the water filter rebate program. As of August 5, 69 rebate requests have been submitted. One of those rebates is for a commercial customer. Murphy stated that customers have expressed their appreciation for Canby Utility's program to improve the taste of their drinking water.

Chairman Potter asked Murphy to extend the board's appreciation to the electric crew for their efforts to quickly respond and restore power during the recent outages.

Member Daniels made the *MOTION to Adjourn the Meeting. Member Maxwell seconded, and the motion passed unanimously.

There being no further business, the meeting was adjourned at 7:21 p.m.

Gary Potter, Chairman

Robert Maxwell, Member

Jack Brito, Member

Walt Daniels, Member

Todd Wagner, Member

Barbara Benson, Board Secretary



MEMORANDUM

September 9, 2016

TO: Chairman Potter, Member Maxwell, Member Wagner, Member Daniels and Member Brito

FROM: Barbara Benson, Administration/HR Manager

SUBJECT: Resolution No. 286: Apprentice Reciprocal Training Agreement

Recommendation: Adopt Resolution No. 286, a resolution of the Canby Utility Board adopting an apprentice reciprocal training agreement by way of an intergovernmental agreement.

Background: Earlier this year and with approval from the Board, we promoted Eric Haney to apprentice lineman. Haney had completed a substantial portion of the apprenticeship training program while employed at another entity, but had not completed the program when he accepted the position with Canby Utility.

In preparing for Haney to re-enter the apprenticeship program, we anticipated the need to partner with other utilities to ensure Haney received all the required training hours necessary to fulfill the total amount of hours specified in every work process as set forth in the State of Oregon's Standards of Apprenticeship. We obtained a copy of the training agreement, an Intergovernmental Agreement (IGA), used by McMinnville Water & Light and Forest Grove Light & Power and had our Board Attorney's office review it for changes. Some basic contract provisions were added. A draft version of the agreement was then forwarded to both entities for their review of the edits we made, and both entities mailed back signed copies. In addition, we had Special Districts Association of Oregon, our worker's compensation insurance provider, review the agreement, and they too had no concerns.

Staff determined that it would be more efficient to have the board adopt an IGA template document instead of bringing each signed agreement before the board each time for approval. Having a board-approved template document will allow the General Manager to enter into similar agreements with other utilities who may have the ability to assist Canby Utility in achieving the necessary amount of training hours for our apprentices now and into the future without a delay that would be caused by waiting for a board meeting to approve the individual IGAs. This would be especially helpful in cases where other entities are dealing with storm repairs.

Thank you for your consideration.

RESOLUTION NO. 286

A RESOLUTION OF THE CANBY UTILITY BOARD ADOPTING AN APPRENTICE RECIPROCAL TRAINING AGREEMENT BY WAY OF AN INTERGOVERNMENTAL AGREEMENT.

WHEREAS, Canby Utility currently employs an apprentice lineman who is working towards a lineman certification; and

WHEREAS, Canby Utility anticipates the need to partner with another utility to provide a portion of the apprentices' required training due to time constraints for each six-month apprenticeship step; and

WHEREAS, it is an accepted practice by the Joint Apprenticeship and Training Committee for utilities to partner in training apprentices; and

WHEREAS, the Canby Utility Board ("Board") desires to establish an intergovernmental agreement ("IGA") template to use for this purpose; and

WHEREAS, McMinnville Water & Light and Forest Grove Light & Power have agreed be a training entity for Canby Utility's apprentice and approved the proposed IGA language; and

WHEREAS, establishing a template document will enable additional training with any utility the General Manager deems appropriate and for this purpose.

NOW, THEREFORE, THE CANBY UTILITY BOARD RESOLVES AS FOLLOWS:

Section 1. The IGA template is attached as Exhibit A to this resolution.

Section 2. The IGA template shall be used whenever Canby Utility employs an apprentice lineman who has a need for additional training beyond Canby Utility's ability or availability to provide.

Section 3. The General Manager is authorized to execute the IGA on behalf of Canby Utility with any agency for this purpose, provided there are no substantial changes to the terms and conditions of the template document.

Section 4. This resolution is effective upon its adoption by the Board.

Adopted this _____ day of _____, 2016.

Apprentice Reciprocal Training Agreement
Resolution No. 286

Gary Potter, Chair

Todd Wagner, Member

Walt Daniels, Member

Jack Brito, Member

Robert Maxwell, Member

Barbara Benson, Board Secretary

Resolution No. 286

Exhibit A

APPRENTICE RECIPROCAL TRAINING AGREEMENT

(an Intergovernmental Agreement under ORS Chapter 190)

Between

CANBY UTILTIY BOARD

And

RECITALS

WHEREAS, the Canby Utility Board (“Employer”), and _____ (“Training Entity”) have determined that it would be in the mutual best interests of both parties to implement and maintain a program whereby the Training Entity will provide training to lineworker apprentices employed by the Employer; and

WHEREAS, both parties enter this intergovernmental agreement (“Agreement”) pursuant to ORS Chapter 190 to establish the training program (“Program”) to enable the those employees who wish to participate in the Program (“Apprentices”) to be trained by the Training Entity concerning aspects of line work not readily available with the Employer. The purpose of such Program is to produce safer, more versatile, and experienced employees; and

WHEREAS, the Program will not require a concurrent exchange of Apprentices. Each Apprentice will report to the Training Entity at a time agreed upon by the Employer; and

WHEREAS, during the term of the Program and this Agreement, the Apprentice remains the employee of the Employer for all purposes and is not an employee of the Training Entity.

In consideration of the mutual promises contained herein and the foregoing recitals which are incorporated into the Agreement by reference, both parties agree to the following:

- 1. Term.** The initial term of this Agreement shall be from _____, 2016 through _____, 2017. Thereafter, this Agreement will automatically renew for successive one-year terms unless terminated under the terms of this Agreement. Participating Apprentices, selected and approved both parties, will report to and work at the Training Entity for a specified period each year.
- 2. Termination.** Either party may terminate this Agreement with 30 days’ written notice at the addresses indicated on the signature page.
- 3. Status.** While assigned to the Training Entity, the Apprentice will be in a training status and will not be used to replace any of the Training Entity’s crew members. This is also not a transfer of employees as that term is defined under ORS 236.605 *et seq.*

- 4. Hours.** Apprentices will be available for travel and emergency response with the Training Entity for training purposes at all times. Apprentices will not be subject to regular call-out by the Employer during a specified Training Assignment period (e.g. an apprentice on assignment for a two week period would not be subject to call out for the Employer until the two week period has concluded).
- 5. Training.** The Training Entity will provide training appropriate for the particular step to be attained by the Apprentice. The Apprentice's supervisor from both the Employer and Training Entity will agree on the training to be received by the Apprentice and will provide to the Apprentice a written outline of the agreed-upon training to be provided ("Training Assignment").
- 6. Tools.** The Apprentice will furnish his or her own tools and climbing gear during the Training Assignment.
- 7. Equipment.** The P Apprentice will not operate motorized equipment or motor vehicles that are the property of the Training Entity.
- 8. Safety Meetings.** The Apprentice will attend all safety meetings held by the Training Entity as required by the Training Entity supervisor during the Training Assignment.
- 9. Progress Reports.** The Training Entity supervisor will provide written progress reports to the Employer on each Apprentice during the Training Assignment. The first report will be delivered as soon as practicable after the second week of the Training Assignment is complete and the second report will be delivered after the Training Assignment is complete. The final report will contain a performance evaluation of the Apprentice.
- 10. Start Date/Orientation.** Employer will give the Apprentice at least two weeks' notice prior to his or her assignment to the Training Entity. Prior to the start of the Training Assignment, the Training Entity will give Apprentices an orientation and tour of the Training Entity.
- 11. Documentation and Evaluation of Work.** The Participating Apprentice's hours worked within specified categories must be documented along with the Training Entity's comments about the Apprentice's performance and training material covered using the Employer provided Apprentice Lineman Weekly Report form. The forms will be incorporated into the Employer's next regular six-month examination following the Participating Apprentice's Training Assignment.
- 12. Compensation and Benefits.** The Employer shall pay all expenses, including salary, overtime, premium pay, benefits, insurance and per diem travel expenses, which are incurred by the Apprentice during the Training Assignment in accordance with state and federal law and with the applicable policies of the employer.
- 13. Timekeeping.** Timekeeping reports of time work by the Apprentice will be sent by the Training Entity to the Employer as requested by the Employer.
- 14. Representation.** The Apprentice will at all times during the Training Assignment remain covered by the Employer's collective bargaining agreement that applies to their position that is in

effect during the period of the Training Assignment.

15. Leave. The Apprentice will not schedule any vacation time (annual leave) for the period of the Training Assignment. In the event of an emergency or illness, the Apprentice will provide notice to the Employer and Training Entity supervisors in accordance with the Employer's policies.

16. Injury. In the event the Apprentice incurs an on-the-job injury during the Training Assignment, the Apprentice shall provide notice of the injury as soon as possible to the Employer. The Apprentice will be responsible for completing any and all reports required by the Employer with respect to any such injury.

17. In the event the Training Assignment occurs during a period for which related and supplemental instruction is scheduled, the Apprentice is expected to attend all such instruction as scheduled.

18. Supervision. While the Apprentice is on Training Assignment, he or she shall be under the direct supervision and control of the Training Entity. The supervisors of the Apprentice at both the Training Entity and Employer will be available during work hours to resolve any problems that may develop in connection with the Training Assignment or Program. Both supervisors may also mutually modify and enhance the Training Assignment.

19. Release. Both parties agree that as a condition of participation in this program the Participating Apprentice shall execute a document substantially in the form attached as **Schedule 1**, fully and forever releasing and discharging the Training Entity from any losses, claims, damages, costs, demands, fines, judgments, penalties, obligations, payments and liabilities resulting from, relating to or arising out of any injury or loss which occurs during the apprentices training assignment and which would have been covered by any workers' compensation, industrial insurance or specific entity injury compensation program of the Employer's if the Apprentice had at the time of such injury or loss been working directly for such Employer and not assigned to apprentice training with the Training Entity. All parties agree that any such injury or loss shall be subject to compensation only by the Employer as provided for herein.

20. Apprentice Approval. Both parties agree that as a condition of participating in this Program each party shall certify and approve the participation of each Apprentice by execution of a document substantially the form attached hereto as **Schedule 2**.

21. General Provisions

A. Indemnification. To the extent allowed under state law, each party agrees to protect, defend and hold harmless the other party, its elected officials, employees, agents, insurers and volunteers for any and all claims, demands, losses, liens or liabilities caused by the acts or omissions of the indemnifying party, its directors, employees, agents or volunteers including but not limited to claims of personal injury, death and/or property damage or resulting from its performance under this Agreement.

- B. Third Party Beneficiary.** The provisions of this Agreement are personal to the parties and do not create any third-party beneficiary rights.
- C. Governing Law; Venue; Disputes.** In the event of a dispute, venue lies in Clackamas County, Oregon. This Agreement shall be construed consistent with the laws of the State of Oregon. Should any dispute arise between the Parties concerning the respective obligations of either the terms hereof or matters covered herein, it is agreed that such dispute shall be submitted to a mediator prior to any litigation and only if the parties are then unable to agree to mediate or unable to resolve the matter through mediation will the parties then be able to resort to litigation. The Parties shall agree upon a mediator to be compensated equally by both parties. Mediation will be conducted in Canby, Oregon unless both parties agree in writing otherwise. Any litigation arising under or as a result of this Agreement shall be tried to the court without a jury. Each party shall bear its own costs and fees including attorneys' fees.
- D. Assignment.** No party may assign any of its rights or responsibilities under this Agreement without prior written consent from the other party which consent is in the other party's sole and absolute discretion, except that a party may delegate or subcontract for performance of any of its responsibilities under this Agreement.
- E. Integrated Agreement.** This Agreement is the full and complete understanding of the parties and there are no other agreements, either verbal or written which would or can alter the terms of this Agreement. Any prior written agreements or understandings are superseded by this Agreement.
- F. Severability.** If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or otherwise invalid in whole or in part, the validity of the remaining provisions shall not be affected and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be illegal or invalid. If the part, term or provision is an essential or operative term of the Agreement the parties may mutually agree in writing to terminate the Agreement.
- G. Authority.** The individuals signing this Agreement warrant that they have full authority to execute this Agreement on behalf of the entity for whom they are acting herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date last signed by both parties below ("Effective Date").

CANBY UTILITY BOARD

Dan Murphy, General Manager

Date: _____

Date: _____

ADDRESS:

ADDRESS

Schedule 1

ACKNOWLEDGMENT AND RELEASE OF APPRENTICE

I, the participating apprentice, acknowledge receipt and review of a copy of the Apprentice Reciprocal Training Agreement between Canby Utility Board and _____ and agree to adhere to the requirements of that Agreement as a condition of participation in this Program.

The Apprentice hereby fully and forever releases and discharges the Training Entity from any losses, claims, damages, costs, demands, fines, judgments, penalties, obligations, payments and liabilities resulting from, relating to or arising out of any injury or loss which occurs during the apprentices training assignment and which would have been covered by any workers' compensation, industrial insurance or specific entity injury compensation program in place at the apprentice's employer if the participating apprentice had at the time of such injury or loss been working directly for such employer and not assigned to apprentice training with the training entity. Any such injury or loss shall be subject to compensation only by the apprentice's Employer.

PARTICIPATING APPRENTICE

Print Name: _____

Signature: _____ Date: _____

Schedule 2

ACKNOWLEDGMENT OF SUPERVISORS

WE, the undersigned supervisors, acknowledge receipt of a copy of the Apprentice Reciprocal Training Agreement between Canby Utility Board and _____ and understand the Agreement's terms as a condition to the participation of the Apprentice in the Program. We also certify that the above-named Apprentice has been approved for the Program and has been fully informed of the terms and condition contained in the Apprentice Reciprocal Training Agreement.

By:

By:

Date: _____

Date: _____