

***CANBY UTILITY
REGULAR BOARD MEETING
JANUARY 10, 2017
7:00 P.M.***

AGENDA

- I. CALL TO ORDER
- II. AGENDA
 - Additions, Deletions or Corrections to the Meeting Agenda
- III. CONSENT AGENDA
 - Approval of Agenda
 - Approval of Regular Board Meeting Minutes of December 13, 2016 (pp. 1-3)
 - Approval of Write-Offs
 - Approval of Payment of Water and Electric Bills
- IV. NOMINATIONS FOR 2017 BOARD CHAIRPERSON – Chairman Potter (pg. 4)
- V. CITIZEN INPUT ON NON-AGENDA ITEMS
- VI. RECOMMENDATION Green Power Donation for City Parks and Transit Mall – Dee Anne Wunder, Customer Service Supervisor (pg. 5)
- VII. BOARD REPORT
 - Chairman Comments
 - Board Member Comments
- VIII. STAFF REPORTS

Customer Service Supervisor:

 - Share the Warmth Program (pg. 6)

General Manager Updates
- IX. ADJOURN

***CANBY UTILITY
REGULAR BOARD MEETING MINUTES
DECEMBER 13, 2016***

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

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

Others Present: Keith Simovic, Moss Adams LLP

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 November 8, 2016, work session minutes of November 18, 2016, write-offs in the Amount of \$1,538.45, Payment of the Electric and Water Department Bills in the Amount of \$799,885.32, with Carry-Ins in the Amount of \$11,741.13, for a Total of \$811,626.45. Member Maxwell seconded, and the motion passed unanimously.

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

Finance Manager Carol Sullivan introduced Keith Simovic, Senior Manager and Auditor with Moss Adams. Simovic reported on the fiscal year financial audit ending 2016. He reviewed the Auditor's Report, the Communications with Those in Charge of Governance, the Internal Controls related communications, and the Financial Statement overview. Simovic reviewed the audit process and noted that staff was cooperative throughout the audit process and expressed his appreciation for their work. Canby Utility received an unmodified opinion, also referred to as a clean opinion, which is the highest audit rating. He also noted that Canby Utility met the Oregon Minimum Standards, having found no exceptions or noncompliance. There were no audit adjustments or passed adjustments. Simovic stated there were no material weaknesses or significant deficiencies found in Canby Utility's internal control operational processes. Simovic concluded with the financial statement overview. Member Maxwell asked about a reporting of retirement that shows a lesser amount for the current fiscal year compared to the previous year. The variance is likely due to staffing changes that resulted in less retirement funding. Simovic also reviewed the impacts of the GASB 68 pension plan reporting on the financial statements. Following Simovic's presentation, the board had no questions and he departed the meeting at 7:28 p.m.

Chairman Potter expressed his appreciation for Board Secretary Barb Benson's efforts in planning the annual employee recognition event. The comments he received were all very favorable and everyone enjoyed the evening.

**Canby Utility
Regular Board Meeting Minutes
December 13, 2016
Page 2 of 3**

Potter also thanked General Manager Dan Murphy for planning the Water Master Plan review workshop. The workshop provided an excellent refresher of the Plan and the Technical Memorandum that followed the Plan update. Murphy thanked the Board for their participation at the workshop.

Customer Service Supervisor Dee Anne Wunder gave an update of Canby Utility's energy efficiency program. The Bonneville Power Administration gave Canby Utility a \$445,771 budget for energy conservation for the current two year period ending September 2017. Due to the high number of rebates already submitted and pending efficiency projects, funds will likely be exhausted. As a result of the limited available funds, Canby Utility's appliance recycling program will be discontinued until additional funds become available. Wunder stated that Canby Utility will continue with home energy audits and informing customers that the funding for their project is not guaranteed. A brief discussion ensued regarding the pending projects.

General Manager Dan Murphy reported that the Urban Renewal Agency gave approval to sell the city owned property during their December 7, 2016 meeting, and executed a purchase sale agreement with Hanlon Development. Murphy anticipates the closing of the City of Canby and Canby Utility properties will occur by the end of the month. Murphy also noted that the results of the environmental assessment are still pending but does not anticipate the results will impact the sale.

Murphy reported that Mackenzie Architects scheduled a community meeting for customers who reside near Canby Utility's new office building site. The meeting will be held at the Canby United Methodist Church, located at the intersection of N. Holly Street and NE Territorial Road, on January 5 at 6:00 p.m. This meeting will give the community an opportunity to review the site plans and ask questions about the construction. Murphy encouraged board members to contact Board Secretary Benson if they plan to attend so that she can post a quorum notice. Murphy stated he will schedule a meeting with the Canby Herald once closing on the downtown properties is finalized. Murphy stated that he anticipates Mackenzie will have the finalized construction drawings in April, construction bidding will be in August 2017, and occupying the new building by August 2018. He noted this is an estimated timeline. Murphy reported that he will serve in the capacity of project manager, Barb Benson will serve as the furnishings project manager, and Purchasing Agent Sue Arthur will serve as the contract manager. Murphy is working with the Board Attorney's office to finalize the lease agreement so that Canby Utility may continue operations in the existing downtown building for up to 24 months.

Murphy reported on the water filter promotion. A total of 171 proof of purchases have been submitted for rebates, with 170 of those being residential customers and one commercial customer. The December Reporter had a reminder to customers, as well as being highlighted on Canby Utility's website.

Murphy reported that Executive Director of the Oregon Municipal Electric Utilities (OMEU), Beth Vargas Duncan, has submitted her resignation. The OMEU Board will begin recruiting for

**Canby Utility
Regular Board Meeting Minutes
December 13, 2016
Page 3 of 3**

her replacement. He also announced that he has accepted the Secretary/Treasurer position for the organization.

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 7:57 p.m.

Gary Potter, Chairman

Robert Maxwell, Member

Jack Brito, Member

Walt Daniels, Member

Todd Wagner, Member

Barbara Benson, Board Secretary



MEMORANDUM

January 6, 2017

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

FROM: Barbara Benson, Board Secretary

SUBJECT: Annual Board Chairperson Election

In Chapter X, Section 4, of the City of Canby Charter, the Board is required to elect, during the first meeting in January, one of its members to serve as the Board's Chairperson for the year.

Per language in the Charter, the Chairman shall preside over all meetings of the Board and in doing so, shall, so far as possible, follow Roberts Rules of Order. The Chairman shall, with the approval of the Board, sign all Resolutions and Orders of the Board and all notes, contracts, deeds, mortgages, bonds and other agreements of the Board.

Any member may nominate another member. The nomination must be accepted and seconded. More than one nomination can be made. The current Chairperson will then call for a motion to conduct the election. The newly elected Chairperson will begin serving immediately.

The call for nominations for the 2017 Board Chairman is on the agenda for the January 10th Board meeting.



MEMORANDUM

January 7, 2017

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

FROM: Dee Anne Wunder, Customer Service Supervisor

SUBJECT: Continue Green Power Donation for City Parks and Transit Mall

Recommendation: Continue to make a monthly donation of Green Power on behalf of the city parks and transit mall.

Background: Canby Utility has made a monthly donation of Green Power since January 2008 to the City of Canby. We donate 45 blocks (1 block = 100 kWh) of environmentally preferred power (EPP) to “green-up” the parks each month. The cost is \$0.92 per block or a monthly cost of \$41.40. The Board authorized donations through December 31, 2016; however, staff is requesting approval to extend the donation an additional year.

Canby Utility used the donation to the city parks and transit mall as a way to promote Green Power. In December we had 192 customers purchase \$998.20 for 1,085 blocks of green power. The number of customers that purchase green power remains fairly consistent over the course of the year.

I will be available at the meeting to answer any questions the Board may have.



Memorandum

DATE: January 5, 2017

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

FROM: Dee Anne Wunder, Customer Service Supervisor

SUBJECT: Share the Warmth Update

I just wanted to share with the Board, the updated statistics for the Share the Warmth program. During 2016 we disbursed \$54,289 to help 274 customers. We had 118 customer donations in the amount of \$7,549. The number of donations have decreased by 43, but the average donation increased by \$12.

The program was opened again in November and will continue until funds are exhausted. As of January 5th, the program has \$7,995 remaining, which will assist approximately 39 families through June 30, 2017. The Canby Adult Center (CAC) receives \$5 for each intake and is paid on a quarterly basis.