



South Suburban Sanitary District
2201 Laverne Avenue
Klamath Falls, OR. 97603
Phone 541.882.5744 Fax 541.882.5013

Board of Directors
Position 1 - Joe Spendolini
Board Chairman
Position 2 - Vacant
Position 3 - Michael Koger

District Manager/Secretary
Brett Blofsky

REGULAR BOARD MEETING MINUTES

May 16, 2023 @ 3:00 PM

District Office

1. **Call to Order and Roll Call of Directors** – Chair Spendolini called the meeting to order at 3:00pm. Director Koger and Chair Spendolini were present. Also present were Brett Blofsky, Nicki Strain, Sally Bratton, Jason Morrow, and Dan Scalas.
2. Chairman Spendolini requested a change to the order of items on the agenda moving forward. He would like to see the Financials separated out from the consent agenda where everything was passed together in one motion. Director Koger did not have any objections to the requested changes.

Motion made by Director Koger to accept the consent agenda (agenda & minutes) minus the Monthly Financials. Seconded by Chair Spendolini. Motion passed.

3. **Public Input** – There was no public input.
4. **Collections Staff Report** – Jason informed the Board of the activities the crew performed in April. In addition to the line cleaning activities, the crew was able to repair 4 lateral services to prevent future concerns with those services. He also let them know that one of our newer employees, Marcus Martin, passed his Collections Grade 1 Certification exam.
5. **Treatment Staff Report** – Sally informed the Board we have resampled our effluent for the WET Analysis for acute toxicity. Our initial results did not meet the DEQ limits, therefore, another round of testing is required. If the limits are still not met in the second round of testing, DEQ will provide guidance on a path forward.
6. **Administration Report & Monthly Financial Report** – Nicki explained the recent administration activities have revolved around getting the proposed FY 2023-2024 Budget documents ready for the Budget Committee next week. We are waiting for a proposal for the in-depth audit from Moss Adams. Nicki and Kate are also working on a solution to our utility billing process and on different options for our financial software.
7. **Items before the Board of Directors – Old & New Business**
 - a. **Legislative Update** – Chair Spendolini gave a summary of the recent events on HB 2765-2. A hearing was held with the House Rules Committee on 5/11/2023 and was very positive. There was a total of 9 individuals that testified on the bill. A follow-up work session on the bill has not been scheduled yet at this time.



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- b. **Facility Plan** – Brett informed the Board that we received official DEQ approval on original Facility Plan submitted Nov. 2022. They also acknowledged that they received the Addendum we filed and it's currently under review. The review process takes approximately 60-90 days.
- c. **Infrastructure project (Gatewood, Americana, etc.) Update** – Dan Scalas is currently holding off on the infrastructure project but is continuing his work on the modeling system. The District will be meeting with the City of Klamath Falls next week to discuss further since they are now expressing concerns with the project.
- d. **Wetlands Mitigation N. Poe Valley** – The District is still waiting on a response from Rabe Consulting for an estimated completion date. Brett will report back to the Board as soon as he hears something.
- e. **In-Depth Audit** – Nicki explained we only received two responses to our request to have an in-depth audit completed for the District. One of the responses informed us they do not have the capacity at this time. The other response, Moss Adams, informed us they could start in two weeks and included a quote range of \$15,000-20,000 for Phase 1 of the audit. Depending on the outcome of phase 1 would determine if a phase 2 was necessary. Director Koger would also like to see if Moss Adams could do our regular annual audit in September, especially if most of the work will already be done.

Motion made by Chair Spendolini to authorize District Manager Brett Blofsky and Finance Director Nicki Strain to negotiate the final dollar amount for Phase 1 with the understanding the work done in Phase 1 will contribute to saving the District money in the work needed for the regular annual audit required in the Oregon Revised Statutes; and also proceed with executing a contract with Moss Adams to begin in 2 weeks. Seconded by Director Koger. Motion passed.

- f. **Engineer Report** – Chair Spendolini made a request to add an Engineer Report to future agendas at the beginning of the meetings after public input. This will give our Engineer of Record, Dan Scalas, the option to reduce the amount of time present in the meeting which will save the District money.
 - i. **RFP for Engineering Services** – The RFP was sent out this morning for the Facility Plan Upgrade. We have a pre-proposal mandatory meeting scheduled for May 30th at the District Office. The requirement to meet Class A water once the upgrade is completed will be reinforced at that meeting.
 - ii. **Collection System Modeling Project** – Dan informed the Board good progress is being made on the modeling project. The survey crew is checking the data collected to this point to ensure accuracy moving forward.
 - iii. **Infrastructure project** – see item 7c above. Dan will provide his initial cost assessment for adding the lift station prior to our meeting with the City.
 - iv. **Mercury Minimization Plan** – Final plan has been submitted to DEQ.



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- g. **Utility Billing Update** – Nicki explained our Springbrook upgrade has still not been completed due to our custom code which offers our customers the option of paying the full amount up front or on a quarterly basis. Since this seems to be an issue every time an upgrade is required, the Board was asked for their thoughts on changing to a monthly billing cycle but no action was taken at this time. Nicki and Brett will continue researching other alternatives and present their findings at the next Board meeting.
 - h. **Sewer Rates FY 2023-2024 discussion** – Chair Spendolini requested information showing how much the 10% reduction passed by the previous Board of Directors has impacted the District to date. Both Chair Spendolini and Director Koger would like to figure out how to make up this difference in as few of steps as possible.
 - i. **Budget Committee Meeting** – Brett reminded the Board of the upcoming Budget Committee meeting scheduled for May 24th & May 25th(if necessary) @ 5:00pm. The Budget Committee members in addition to the Directors this year are – Jason Wilson, Bob Kingzett, and Kenneth DeCrans.
 - j. **Harlan Drive Sewer Easement** – Brett will meet with Rhine-Cross to discuss the drawing they created showing the easement location. The District has concerns that the easement location is incorrect. After finishing this meeting, Brett will schedule a meeting with the County to discuss how the shop was able to be built where it encroached into the easement.
 - k. **Kings Way/Bryant Property Easement filing** – Brett handed out a copy of the Draft Easement created by Parks & Ratliff for the Board’s input before filing with the County. The Board did not have any issues with the draft as presented. Brett will give the go ahead to Parks & Ratliff to officially file the easement.
8. **Other – No other business was conducted.**
9. **Adjourn** – Chair Spendolini adjourned the meeting at 5:05pm. The next meeting was scheduled for June 20, 2023.

ATTEST:

Brett Blofsky, Board Secretary

Joe Spendolini, Board Chairman

Date