

CANBY UTILITY
REGULAR BOARD MEETING
MAY 10, 2022
7:00 P.M.

AGENDA

The Board of Directors and staff have resumed in-person meetings. The public is invited to attend the meeting virtually or in person at Canby Utility's office.

- 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 and Executive Session Minutes of April 12, 2022 (pp. 1-5)
 - Approval of Write-Offs
 - Approval of Payment of Water and Electric Bills
- IV. CITIZEN INPUT ON NON-AGENDA ITEMS *Citizen's wanting to speak virtually, please email or call the Board Secretary-Clerk by 4:30 p.m. on May 10, 2022 with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.*
- V. RECOMMENDATION Approve Memorandum of Understanding with the International Brotherhood of Electrical Workers for a 4-10 Work Week – Carol Sullivan, General Manager and Barbara Benson, Human Resources/ Administration Manager (pp. 6-8)
- VI. BOARD REPORT
 - Chair Comments
 - Board Member Comments
- VII. STAFF REPORTS
General Manager Updates
- VIII. ADJOURN

CANBY UTILITY
REGULAR BOARD MEETING MINUTES
April 12, 2022

Due to COVID-19 Pandemic, the Canby Utility Board of Directors meeting was a hybrid of in-person and virtual. The public was invited to attend the meeting virtually or in-person at Canby Utility's office.

Board Present: Chair Thompson; Members Molamphy, Horrax, and Gustafson

Board Absent: Member Hill

Staff Present: Carol Sullivan, General Manager; Barbara Benson, Board Secretary; Jason Berning, Operations Manager; Sue Arthur, Purchasing Agent; Cindy Dittmar, Customer Service Supervisor; and Jason Peterson, Operations Field Supervisor

Others Present: Brian Hutchins, Veolia North America; Bob Westcott; and Jennifer Joly, Oregon Municipal Electric Utilities

Chair Thompson called the Regular Board Meeting to order at 7:07 p.m.

Chair Thompson presented the meeting agenda for consideration. She asked for any additions, deletions, or corrections to the meeting agenda, and there were none.

Chair Thompson presented the consent agenda for approval. Member Molamphy made the *MOTION to approve the consent agenda, consisting of the meeting agenda, regular meeting minutes of March 8, 2022, write-offs in the amount of \$880.14, payment of the electric and water department bills of \$1,247,819.98. Member Horrax seconded, and the motion passed unanimously, 4-0.

Chair Thompson asked for citizen input on non-agenda items, and there was none.

Chair Thompson presented the General Manager's Employment Agreement for Carol Sullivan for consideration. Board Attorney Ashley Driscoll had provided a written list of key provisions in the agreement, noting that it generally aligns with past General Manager employment agreements. Member Molamphy talked about the need to establish goals for the General Manager, and a brief discussion ensued. Sullivan will provide the board with a list of identified action items that will be useful to the board in establishing goals. Member Horrax then made the *MOTION to approve the Sullivan Employment Agreement. Member Gustafson seconded, and the motion passed unanimously, 4-0.

Operations Manager Jason Berning reported on the South Ivy Street road widening and sidewalk improvement project. The first phase of Canby Utility's work on the project includes relocating overhead powerlines to underground lines from Highway 99E to S. 2nd Avenue. Berning explained that the remaining work for our first phase is to cutover service to the new

underground system for the 7-11 convenience store, Ace Glass building, and the traffic signals at the Highway 99E and Ivy Street intersection. The second phase of the undergrounding project will include S. 2nd Avenue to Township Road. Chair Thompson asked about the project costs to date, and Berning reported that the first phase was on target; however, the most concerning cost is the materials. For example, some feeder wire prices increased from \$15 per foot to \$54 per foot. Discussion ensued regarding the project timelines and anticipated removal of the existing overhead infrastructure.

General Manager Carol Sullivan reported that our water treatment plant contractor, Veolia North America, annual contract fee adjustment goes into effect this month, and due to inflation factors, it is 9.41%. The budget typically anticipates 4%. In addition, the large amount of water produced over the past year triggered the variable cost adjustment contract clause. Sullivan noted that the increased water revenue would cover the added expenses. Water Treatment Plant Manager Brian Hutchins explained how the variable cost adjustment provision is triggered, using a graph that shows water production since 2007. Last year, water production flow exceeded the contracted amount by 24.5%, affecting the costs of chemicals and electricity to treat the water. Hutchins explained that the finished water flow is trending upwards, and Veolia tracks its costs monthly.

Sullivan reported that the Oregon Department of Energy held a Community Renewable Energy grant webinar that provided information on House Bill 2021. This legislation established a \$50 million planning and developing community renewable energy and energy resilience projects grant fund. Under this grant, electric vehicle charging stations would qualify as a renewable project and may be funded at 50%. If solar panels are added to the stations, the charging stations would be considered a resilience project and funded at 100%.

The Oregon Department of Transportation (ODOT) also held a webinar aimed at federal funding for electric vehicle charging stations along several major road corridors in Oregon, including the I-5 freeway. They limited the locations of charging stations to be within one mile of the I-5 freeway; however, representatives noted that they might make exceptions.

Customer Service Supervisor Cindy Dittmar applied for Canby Utility to participate in the Department of Environmental Quality's Clean Fuels Program. Acceptance into the program is pending, but once approved, Canby Utility will begin generating credits based on electric vehicles purchased by customers in our service area starting in January 2023. The credits will be available for us to use in September 2023. Canby Utility can then sell the credits and use the proceeds from the sale for projects such as electric vehicle charging stations.

Operations Manager Jason Berning added that the ODOT proposed funding opportunities for electric vehicle charging projects excluded Highway 99E but encouraged us to reach out to program staff before the end of April to request additional locations. ODOT will then contact Canby Utility between May and June to discuss our proposed locations further. If ODOT considers Canby Utility's proposed site, they will incorporate it into their plan review scheduled for this summer. Berning has talked with city staff about the project and has their support to partner on the project. The city has earmarked funds in its upcoming budget to help with the cost

of electric vehicle charging stations. Berning added that suitable site locations were identified. Discussion ensued regarding the preference to install 150kW Level 3 fast-charging stations, although they may cost approximately \$50,000. Sullivan said that Canby Utility would apply for grant funding even though the city is not within the one-mile requirement, and if funds are still available, we may qualify. Grant guidelines and applications are not yet posted. Discussion ensued about budgeting for charging stations and applying for grant opportunities.

Sullivan also reported on the Regional Disaster Preparedness Organization (RDPO) and Regional Water Providers Consortium. They partnered together on a project to address emergency drinking water following a disaster, such as the Cascadia Subduction zone event for Clackamas, Clark, Columbia, Multnomah, and Washington counties. The exercise for the water providers was to test the recommendations of the RDPO and identify emergency equipment options, communications, and any gaps. Sullivan noted that Clackamas County has 11 emergency response islands established, and Canby is by itself on an island and not situated to join other county water providers.

Sullivan attended the fire department's Emergency Operators of Canby meeting. The topics for a discussion focused on emergency response, plans, generators, fuel, supplies, water, and grant and loan funding. The group is considering having a drill in early September.

Sullivan reported on the Public Power Council (PPC) virtual meeting and Canby Utility's membership in the organization. Sullivan noted that Canby Utility's power sales contract with the Bonneville Power Administration expires in 2028, and the PPC is already looking into post-2028 power supply options. These meetings are open to members and elected officials, and the next meeting is in Portland on May 5, 2022.

Sullivan reported that staff is conducting interviews for the finance manager recruitment.

Member Molamphy made the *MOTION to go into Executive Session according to ORS 192.660(2)(d) to discuss labor negotiations. Member Horrax seconded, and the motion passed unanimously, 4-0. Chair Thompson announced the Executive Session.

The regular meeting recessed at 7:44 p.m.

The regular meeting reconvened at 8:36 p.m.

Chair Thompson directed staff to look into the details of the discussion regarding the IBEW Local 125 Union's request and the instructions given to management.

Member Horrax asked about the \$35,000 retainage hold for the combined service center construction project to work on a drainage issue, and a discussion ensued. The drainage issue is ongoing, and the contractors are trying to determine a way to stop water from entering the warehouse during storms.

**Canby Utility
Regular Board Meeting Minutes
April 12, 2022
Page 4 of 4**

Member Molamphy made the *MOTION to adjourn the meeting. Member Horrax seconded, and the motion passed unanimously.

There being no further business, the meeting adjourned at 8:40 p.m.

Melody Thompson, Chair

David Horrax, Member

Absent 4/12/22

Tim Gustafson, Member

Robert Hill, Member

John Molamphy, Member

Barbara Benson, Board Secretary

***CANBY UTILITY
EXECUTIVE SESSION MINUTES
APRIL 12, 2022***

- Board Present:** Chair Thompson; Members Wagner, Horrax, and Gustafson
- Board Absent:** Member Hill
- Staff Present:** Carol Sullivan, General Manager; Barbara Benson, Board Secretary; Sue Arthur, Purchasing Agent; Cindy Dittmar, Customer Service Supervisor; Jason Berning, Operations Manager; and Jason Peterson, Operations Field Supervisor

The Executive Session was opened at 7:46 p.m. by Chair Thompson, in the Conference Room of the Canby Utility Board office, pursuant to ORS 192.660(2)(d) for the purpose of discussing labor negotiations.

There being no further business, the Executive Session was adjourned at 8:36 p.m.

Melody Thompson, Chair

David Horrax, Member

Absent 4/12/22

Tim Gustafson, Member

Robert Hill, Member

Todd Wagner, Member

Barbara Benson, Board Secretary



MEMORANDUM

November 5, 2020

TO: Chair Thompson; Members Hill, Horrax, Gustafson, and Molamphy

FROM: Carol Sullivan, General Manager
Barbara Benson, Human Resources/Administration Manager

SUBJECT: Recommendation to Approve Memorandum of Understanding with the
IBEW Local 125 and establish a 4-10 Workweek

Suggested Motion: I move to authorize the General Manager to sign the Memorandum of Understanding with the International Brotherhood of Electrical Workers, Local 125, (IBEW) for the Office and Water Workers and Electric Workers, and implement a 4-10 Workweek trial period beginning July 4.

Recommendation: Staff recommends that the Board approve the proposed Memorandum of Understanding with the IBEW that establishes the changes to the existing collective bargaining agreements to adjust the workweek to a four-day workweek schedule with a six-month trial period. Upon approval, management would begin communications with the public to notify them of the changes.

Background: The current labor agreements between Canby Utility and the International Brotherhood of Electrical Workers (IBEW) are in effect until June 30, 2023. During the previous negotiations, the idea of a four-day workweek was discussed but was not implemented. Recently the IBEW requested Canby Utility to reconsider the idea once more and provided a list of reasons that supported their request.

One of the most significant drivers for the new schedule is recruitment and retention. A significant number of electric utilities in Oregon have moved to a four-day workweek. The ability to recruit qualified Journeyman Lineman has been challenging for many utilities due to a labor shortage in the industry. Canby Utility offers competitive wages and benefits, but we have limited overtime opportunities unlike the neighboring utility - Portland General Electric. The trend of a four-day workweek in utilities in the northwest has made it even more difficult to entice talent from other utilities and contractors to make that decision when they already have a four-day workweek in place and Canby Utility having a five-day workweek.

This schedule also provides extended customer service hours Monday through Thursday. Customers can do business with the utility beginning at 7:00 a.m. until 5:30 p.m., and our field personnel will be more accommodating to contractors who typically start their workdays earlier. Other considerations that were evaluated were the potential for reduced costs associated with dispatching vehicles and operating the facility. Management will have an opportunity to analyze the impacts of a four-day workweek during the trial period and re-evaluate if the schedule should continue in December.

We will be available to answer questions you may have.

**MEMORANDUM OF UNDERSTANDING
BETWEEN**

CANBY UTILITY BOARD and I.B.E.W. LOCAL UNION NO. 125

Schedule Change Trial Period

Electrical Unit

Office and Water Unit

Canby Utility Draft 4-29-22

This Memorandum of Understanding is entered into by and between the Canby Utility Board (Board) and I.B.E.W. Local Union No. 125 (Union) and is for both bargaining units: Electrical and Office & Water (O&W).

Whereas, the parties seek to explore a schedule change for a limited trial period. Currently, employees work a traditional 5/8 schedule meaning five (5) consecutive workdays with 8-hour shifts. On a trial basis, a 4/10 schedule, using four (4) workdays and 10-hour shifts, will be enacted to evaluate meeting operational and business needs and receive employee input.

Now therefore, it is hereby agreed by and between the parties as follows:

1. This agreement is for a trial period starting July 4, 2022, to December 31, 2022. During the trial period, the work schedule for all bargaining unit employees will change to a 4/10 schedule. Workdays will be Monday through Thursday with 10-hour shifts.
2. Hours of work for all staff, except Mechanic/Utility Worker, will be from 7:00 a.m. to 5:30 p.m. with a 30-minute unpaid meal period taken consistent with the Collective Bargaining Agreement conditions and Bureau of Labor and Industry's rules. Specifically for the Mechanic/Utility Worker position, hours of work will be from 6:00 a.m. to 4:30 p.m.
3. Daily overtime thresholds, as found in Article 9.1 for both units, will be suspended. During the period of this agreement, work in excess of ten (10) hours per day will be paid as overtime.
4. Pay Days. As provided by Article 9.5 (Electrical) and Article 9.4 (O&W), pay days during the trial period will be moved to the 7th and 22nd of the month.
5. Working Out of Class: As provided by Article 9.6 (Electrical) and Article 9.5 (O&W), the four (4) hour threshold will be suspended, and during the trial period, the threshold will be five (5) hours when calculating eligibility for Out of Class compensation.
6. During the trial period, the Day After Thanksgiving, as found in Article 10 (both units), will not be recognized or compensated.
7. During the trial period, the Personal Day (1.5), as found in Article 10.3 (both units), will not be recognized nor compensated in the Fiscal Year 2022-2023.

8. During the trial period, Article 10.2 (both units) will be modified as follows:
 "Whenever one of the holidays set forth above falls during an employee's vacation, such employee shall be entitled to one (1) additional day of vacation or the pay thereof. In the event a holiday should fall on a Saturday, the holiday will be observed on that day as a day off, and employees will accrue ten (10) hours of Personal Leave, as identified in Article 10.3 (both units). If a holiday should fall on a Friday, the preceding Thursday shall be observed as the holiday and should a holiday fall on a Sunday, then the following Monday shall be observed as the holiday, however, should Christmas Eve fall on a Sunday, the holiday will be observed that day as a day off, and employees will accrue ten (10) hours of Personal Leave, as identified in Article 10.3 (both units). These provisions do not preclude the right to assign overtime for operational needs.
9. This agreement does not change sick leave, vacation, or any other accruals in the existing Collective Bargaining Agreements unless expressly stated in this agreement.
10. This agreement expires on December 31, 2022. During the trial period, the Board may provide thirty (30) calendar days' notice of intent to terminate this agreement without further bargaining obligation. Upon expiration of this agreement, whether by expiration date or Board notice as noted herein, the work schedule will revert to the prior schedule, as articulated in the Collective Bargaining Agreements, inclusive of any past practice and pre-existing conditions. This agreement does not set precedent or existing conditions.
11. This agreement may not be extended, and the only continuation of a 4/10 schedule must be a result of reaching a new mutual written agreement.
12. Disputes between the parties arising from this agreement are exclusively limited to the grievance process of the Collective Bargaining Agreements, respectively.
13. This agreement does not require ratification and is effective upon signature below.

Upon execution, this day _____, May 2022.

FOR THE UNION:

FOR CANBY UTILITY BOARD

 Tim Titus
 Business Representative

 Carol Sullivan
 General Manager

DATE: _____

DATE: _____