

***CANBY UTILITY
REGULAR BOARD MEETING
JANUARY 10, 2023
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, 2023 (pp. 1-3)
 - 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 January 10, 2023 with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.*
- V. NOMINATIONS FOR 2023 BOARD CHAIRPERSON
- VI. RECOMMENDATION Green Power Donation for City Parks and Transit Mall – Cindy Dittmar, Customer Service Supervisor (pg. 4)
- VII. DISCUSSION Management Vacation Schedule with the 4/10 Schedule – Carol Sullivan, General Manager (pp. 5-7)
- VIII. BOARD REPORT
 - Chair Comments
 - Board Member Comments
- IX. STAFF REPORTS

Operations Manager:

 - Quarterly Reliability (pp. 8-9)
 - 10-Year Substation Maintenance Request for Proposals

Customer Service Supervisor:

 - Share the Warmth Program (pg. 10)

General Manager Updates
- X. ADJOURN

CANBY UTILITY
REGULAR BOARD MEETING MINUTES
DECEMBER 13, 2022

The 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 Hill, Horrax, and Molamphy

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

Others Present: Julie Desimone and Chris Grim of Moss Adams; and Joe Brennan

Chair Thompson called the Regular Board Meeting to order at 7:13 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 Hill made the *MOTION to approve the consent agenda, consisting of the meeting agenda, regular and executive session meeting minutes of November 8, 2022, work session minutes of November 29, 2022, write-offs in the amount of \$901.51, payment of the electric and water department bills in the amount of \$945,958.61. Member Molamphy seconded, and the motion passed 5-0.

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

General Manager Carol Sullivan introduced Julie Desimone and Chris Grim of Moss Adams. Sullivan stated that Moss Adams LLC has been conducting Canby Utility's audit since 2015 and is presenting the audit for the fiscal year 2022.

Moss Adams Audit Partner Julie Desimone reviewed the nature of the services provided, including the Independent Auditor's Report on the individual and combined financial statements; assistance with, and technical review of, the financial statements for compliance with GAAP; disclosures and independent auditors' comments required by the Minimum Standards for Auditors of Oregon Municipal Corporations; and the Communications to Those Charged with Governance. The significant audit areas of focus were in work orders, customer billing, IT user access controls, and compliance with federal laws and regulations.

Canby Utility received an unmodified (clean) opinion on the financial statements. They looked at 13 compliance areas under the Oregon Minimum Standards and had no reportable findings. Desimone reviewed the required communications and highlighted there were no material audit adjustments. Chris Grim shared four best practices recommendations related to timely

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preparation and review of reconciliations, prior year post-close entries not communicated to auditors, review of the General Manager's time sheets and time off requests, and timely review of journal entries. Their prior year's recommendations were all resolved.

Grimm discussed the new accounting standard change that went into effect on June 30, 2022. This new standard is the GASB 87 that applies to operating leases. Grim also noted a proposed adjustment that was uncorrected due to immateriality related to the GASB 87.

Grim thanked the staff for their excellent facilitation of the audit process. Chair Thompson thanked Desimone and Grim for the presentation and General Manager Carol Sullivan for her team's efforts. Desimone and Grim departed the meeting at 7:30 p.m.

Human Resources/Administration Manager Barbara Benson presented a recommendation to continue the 4/10 workweek schedule. She briefly reviewed the analysis supporting continuing the new schedule. This analysis was discussed with the board in November and included an employee survey, operational and payroll impacts, and customer responses to the new schedule. Benson stated that the IBEW business representative is prepared to take the Memorandum of Understanding (MOU) to its members for a vote. Once approved by the Board and IBEW, the 4/10 schedule would carry forward until the expiration of the collective bargaining agreement in June. Member Molamphy asked if the employee who opposed the new schedule provided any comments in the survey that would help the board address their concerns. Benson replied that the individual gave only yes or no answers, and the comment areas were left blank. She also noted that the survey was anonymous. Chair Thompson asked if the board's attorney had reviewed the MOU, and Benson replied that labor counsel had reviewed it. Member Molamphy made the *MOTION to authorize General Manager to sign the Memorandum of Understanding with the International Brotherhood of Electrical Workers, Local 125, for the Office and Water Workers and Electric Workers, extending the 4/10 workweek schedule until June 30, 2023. Member Hill seconded, and the motion passed 5-0.

Chair Thompson reported that the City of Canby has received an application for the vacancy on the Canby Utility Board. She is waiting to hear back from the city on an interview date. Thompson also noted that our city council liaison's term is ending, and the council will appoint a new liaison after the new year.

General Manager Carol Sullivan reported that the Oregon Health Authority Drinking Water Services conducted a water system survey of our system on October 26, 2022, which is normally done once every three years. Canby Utility's public water system successfully met the criteria for outstanding performance and now qualifies to have this survey done once in five years. Sullivan reviewed the criteria for achieving outstanding performance and complemented our water treatment plant contractors, Veolia Water, for their performance that helped Canby Utility receive this recognition.

Sullivan also reported that with the recent incidents and increasing threats to the power grid, such as transformer shootings and substation attacks, she wanted the board to be aware that Canby Utility's crew has become increasingly diligent in inspecting our infrastructure for anything out

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of the ordinary. Chair Thompson asked about security at the substations, and a brief discussion ensued.

Sullivan reported on the various agency meetings she attended. The Public Power Council discussed legislative updates, BPA rates, Energy GPS, and carbon emission reduction. Member Molamphy added that there are plans to remove dams on the Willamette River due to the high cost of repairs that outweighs the limited amount of energy produced from those dams.

The Molalla River Water group is looking into grants to monitor the Molalla River for algae due to the program's cost. The group is also seeking stakeholder contributions to assist in the funding. Canby Utility has funds budgeted for algae testing that could be applied to this program to help determine the algae's source.

Sullivan reported that at the last Oregon Municipal Electric Utilities Board meeting, she was appointed Secretary-Treasurer.

Sullivan stated that staff will be attending a Water Master Plan update meeting on January 5, 2023. She expects that the consultants will have the Master Plan completed in March 2023.

Sullivan reported that all supervisors attended a training called Best Practices for Documenting Discipline & Other Tricky Employee Situations last month that City/County Insurance Services presented.

Sullivan reported that staff interviewed an individual for the vacant Finance Manager position, and another interview is being scheduled.

Member Hill made the *MOTION to adjourn the meeting. Member Molamphy seconded, and the motion passed 5-0.

There being no further business, the meeting adjourned at 7:45 p.m.

Melody Thompson, Chair

David Horrax, Member

Robert Hill, Member

John Molamphy, Member

Vacant

Barbara Benson, Board Secretary



MEMORANDUM

January 3, 2023

TO: Chairman Thompson, Member Hill, Member Horrax and Member Molamphy
FROM: Cindy Dittmar, 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 and transit mall each month. The cost is \$0.92 per block or a monthly cost of \$41.40. The Board has authorized donations through December 31, 2022. 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 200 customers purchase \$1,098.48 for 1,194 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

January 6, 2023

TO: Chair Thompson, Member Hill, Member Horrax, and Member Molamphy

FROM: Carol Sullivan, General Manager

SUBJECT: Management Vacation Schedule with the new 4/10 Schedule

Canby Utility has extended the 4/10 workweek schedule through June 2023, and anticipates this will continue beyond that date. In the Management Vacation Schedule (attached), management staff is granted four days of compensatory time annually and one day of compensatory time for having to work a complete day of eight hours on a weekend or holiday.

The four days of compensatory time equates to 32 hours annually under the old 8/5 workweek schedule. With the schedule change and policy language, it increases to 40 hours. This provides management with eight additional hours under the new schedule. This time is designed to compensate staff for board meetings and other activities performed outside of the normal weekly schedule.

The policy provision that grants staff a day of compensatory time for having to work a complete day of eight hours on a weekend or holiday results in an additional two hours of time off under the new schedule. This scenario came into play when our managers attended a training on Canby Utility's recognized Veterans Day holiday last November. On this instance, managers received ten hours of compensatory time.

Since the policy as written has created changes under the new 4/10 workweek schedule, I wanted to bring it to the Boards' attention for discussion and revisions if needed.

My recommendation is leaving the policy as written to acknowledge management for their dedication and extra efforts in going above and beyond when needed.

CANBY UTILITY

PROCEDURE 413

DECEMBER 2020

Management Vacation Schedule

The vacation schedule below shall apply to the following positions that are classified as exempt, non-represented management level employees:

Applicable Positions

Finance Manager	Purchasing Agent
HR/Administration Manager/Board Secretary	Customer Service Supervisor
Operations Manager	Operations Field Supervisor

(Note: Position titles may change from time to time; however, they must remain exempt for the procedure to be applicable.)

Vacation Schedule

Employees, continuously employed, shall be entitled to vacation in accordance with the following schedule, effective the employee's service anniversary date:

<u>Months of Service:</u>	<u>Monthly Vacation Accrual:</u>
Upon the month following completion of probation	40.00 Hours (Lump Sum)
Completed probation to 48 mos.	6.67 Hours (2 Weeks/Yr)
49 Months On	10.00 Hours (3 Weeks/Yr)
109 Months on	13.33 Hours (4 Weeks/Yr)
169 Months on	16.67 Hours (5 Weeks/Yr)
229 Months on	20.00 Hours (6 Weeks/Yr)

The General Manager may approve carrying over a maximum of 400 hours total per anniversary year. Leave accruals above this amount are forfeited except in the following circumstances:

An employee may convert one-half of their accrued vacation at the time of their anniversary date to the individual employee's deferred compensation plan as provided by Canby Utility, subject to plan limitations, and will be required to fill out applicable paperwork as required by state law.

In addition to the above vacation accruals, these positions are allocated four (4) additional days per year in lieu of compensatory time, credited upon the employee's service anniversary date.

Compensatory Time

An exception for compensatory time is when a management team member is required to work a complete day of 8 hours on a weekend or holiday. In this case, the employee may take a day of compensatory time. This compensatory time should be used within two weeks and cannot be accumulated.

This procedure was revised by the Board of Directors on 8th day of December, 2020.


Barbara Benson, Board Secretary

12/8/2020
Date

OUTAGE AVERAGES Jan 2022 THROUGH Dec 2022

MONTH	YEAR	NUMBER OF OUTAGES	NUMBER OF CUSTOMERS AFFECTED	TOTAL CUSTOMER MINUTES OFF	MONTHLY NUMBER OF CUSTOMERS IN THE SYSTEM	NUMBER OF MOMENTARY INTERRUPTIONS
Jan	2022	2	10	1980	7950	2
Feb	2022	1	1	90	7947	2
March	2022	0	0	0	7947	1
April	2022	0	0	0	7960	0
May	2022	1	3	270	7971	2
June	2022	0	0	0	7978	1
July	2022	2	14	498	8005	1
Aug	2022	0	0	0	8023	1
Sep	2022	4	715	370102	8061	5
Oct	2022	2	5	1149	8072	3
Nov	2022	2	741	92499	8074	4
Dec	2022	1	628	49612	8101	10
12 MONTH TOTALS		15	2,117	516,200	96,089	32
12 MONTH AVERAGE		1.25	176	43,017	8,007	2.7

			<u>C.U.</u>	<u>Industry Typical Value</u>
SAIDI =	$\frac{\text{Sum of all customer interruption minutes}}{\text{Total number of customers}}$	= $\frac{516,200}{8,007}$	= 64.4652	87.0
SAIFI =	$\frac{\text{Total number of customer interruptions}}{\text{Total number of customers}}$	= $\frac{2117}{8,007}$	= 0.26	0.93
MAIFI=	$\frac{\text{Total number of cust. momentary interruptions}}{\text{Total number of customers}}$	= $\frac{32}{8,007}$	= 0.004	0.96
CAIDI =	$\frac{\text{Total interruption minutes for 12 months}}{\text{Total number of interruptions}}$	= $\frac{244}{6}$	= 41	107.25

System Average Interruption Duration Index (SAIDI)

SAIDI indicates the total sustained interruption duration for the average customer during a predefined period of time. It is commonly measured in minutes or hours of interruption.

System Average Interruption Frequency Index (SAIFI)

SAIFI indicates how often the average customer experiences a sustained interruption during a predefined period of time.

Momentary Average Interruption Frequency Index (MAIFI)

MAIFI is a reliability indicator used by electric power utilities. MAIFI is the average number of momentary interruptions that a customer would experience during a given period (typically a year).

Customer Average Interruption Duration Index (CAIDI)

CAIDI gives the average outage duration that any given customer would experience. CAIDI can also be viewed as the average restoration time.



MEMORANDUM

January 3, 2023

TO: Chair Thompson, Member Hill, Member Horrax, and Member Molamphy
FROM: Cindy Dittmar, Customer Service Supervisor
SUBJECT: Share the Warmth Update

The table below is a yearly accounting of funds disbursed, customers assisted, intake fees paid, customer donations, and the number of customer donations for calendar year 2019 through 2022. Please note that the program is based upon a calendar year while funding is for Canby Utility’s fiscal year, July 1 though June 30. The Canby Adult Center (CAC) receives \$5 for each intake and is paid on a quarterly basis.

Year	Disbursed to Customer Accounts	Number of Customers Assisted/ Intakes	Intake Fees Paid to CAC	Total of Customer Donations	Number of Customer Donations
2019	\$46,799	237	\$1,185	\$2,235	43
2020	\$42,154	211	\$1,055	\$10,502	134
2021	\$47,400	237	\$425	\$11,606	145
2022	\$49,646	249	\$2005	\$12,671	110

Donations are up for FY2022 from previous years. The donations made were from customers, local organizations, businesses, and some from outside our service area. The Board’s annual donation of \$40,000 truly ensures the success of this program and allows us to assist many customers.