

MINUTES OF THE GREEN AREA WATER & SANITARY AUTHORITY
BOARD OF DIRECTORS MEETING
July 14, 2022

Board Chair Tracey Parker called the regular Board meeting to order at 5:02pm. Present were Board Directors Tracey Parker (via Zoom), Brenda Kingry, Carolyn White and Steve Lusch. Also present were GAWSA employees David Campos (via Zoom), Alan Paulson, and Shannon Miller. Also present was Chris Sherlock, Superintendent of the Winston-Green Regional Wastewater Treatment Plant.

Director Brenda Kingry made motion to approve the following leak adjustment requests:

Colton Campbell: calculated credit \$62.55

William Leno: calculated credit \$100.00

Director Tom Fullbright seconded the motion. The motion passed unanimously.

President Parker presented a request from water availability from Joseph Leininger for property located above the water reservoir on Speedway Road. The Board briefly discussed the request. Director Fullbright made a motion to approve the request for water availability. Director Steve Lusch seconded the motion. The motion passed unanimously.

Director Fullbright made a motion to approve the June Budget Hearing and regular Board meeting minutes, and June accounts payable. Director Kingry seconded the motion. The motion was unanimously approved.

General Manager David Campos presented the General Manager's Report. David stated that the office submitted two delinquent 'sewer service-only' accounts to the Douglas County Tax Assessor for collection. Because these accounts were not tied to water service, turnover for tax collection is our only option for collecting the delinquent balances. Office staff has done a great job of communicating to customers that if their sewer balances are not brought current, their water service may be shut off.

David stated that the need to adopt new rules and regulations has become more urgent since consolidation of the two services. David requested a committee from the Board to be involved in drafting the new rules and regulations. Directors Kingry and Lusch volunteered to serve on the committee.

David informed the Board that he has not received an update from Rogers Engineering for the sanitary office remodel.

David stated that Umpqua Bank has recently begun charging account analysis fees on GAWSA's checking accounts. David added that the fees are quite substantial. David is proposing to explore our options for a new financial institution-of-record. The consensus of the Board was that it is a good idea to evaluate our current banking relationship and consider other options.

Collections System Supervisor Shannon Miller presented the sanitary operations report. Shannon stated there are delays in procuring the new CCTV trailer, citing COVID as the main reason for delays.

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Regarding the structure demolition at the Authority's Krohn Lane property, Shannon stated that all the structures have been removed and site clean-up is in process.

Shannon stated that G4 Pumpstation is running smoothly.

Operations Superintendent Alan Paulson presented the water operations report. Alan informed the Board of the Water Department's Outstanding Performer designation resulting from the recent system survey. The designation translates to less frequent system surveys going forward.

Alan reported that operations is running smoothly.

Wastewater treatment plant superintendent Chris Sherlock presented his monthly report. Chris stated that biosolids application is delayed due to a wet June, but application will begin soon.

Chris Sherlock presented the following purchase requests:

- 1) Pump De-ragger: Staff is currently cleaning pump 4-5 times per week due to clogging from rags a.k.a. flushable wipes. The total cost is \$13,450, and GAWSA's portion of the cost is \$6,725.
- 2) Dissolved Oxygen Actuator for the aeration basin: The total cost is \$36,848, and GAWSA's portion of the cost is \$18,242.
- 3) Task Order Amendment #7, Carollo Engineers: WWTP Loan and flow projections for the facility would determine whether upgrades/expansion is needed soon. The total cost is \$44,172, and GAWSA's portion of the cost is \$22,086.

Director Fullbright made a motion to approve the three purchase requests. Director Kingry seconded the motion. The motion passed unanimously.

For the good of the order, Shannon Miller received a message from customer Earl Pennington, praising wastewater treatment plant staff's hard work and courtesy towards the residents in the area.

There being no further business before the Board, Director Lusch made a motion to adjourn the meeting. Director Kingry seconded the motion. President Parker adjourned the meeting at 5:23pm.

Steve Lusch, Board Secretary

Tracey Parker, Board Chair

**GAWSA
ACCOUNTS PAYABLE
JULY 2022**

DATE	CK#	ACCOUNTS PAYABLE FOR JULY 2022		AMOUNT
7/5/2022	ACH	Intuit QuickBooks	Monthly subscription	182.00
7/15/2022	ACH	BMS Technologies	June billing statements/CCR printing & mailing	2,327.87
7/26/2022	ACH	Douglas Fast Net	Phone/Internet service	1,620.80
7/20/2022	10534	Edward Jones Co.	Quarterly SEP IRA contribution	23,647.56
7/25/2022	10535-10545	Various customer accounts	Refunds on final billing	260.27
"	10546	Atlas Copco Compressors	WTP compressor repair	3,315.55
"	10547	Avista	Nat. Gas utility - Both offices, Carnes, Highland Vista	120.97
"	10548	Bassett-Hyland Energy Co.	Fuel 6/1 - 6/30	1,812.64
"	10549	Canon Solutions America	Office & WTP copier maintenance	80.12
"	10550	Camp Creek Electric	WTP - Power meter, MCC upgrade, electrical panel	57,460.00
"	10551	Camtronics, Inc.	G4 - flow meter install, PLC, travel costs	1,227.30
"	10552	Chuck Swarm & Family Auto	Oil changes - sanitary Chevy 1500, GMC 2500	109.23
"	10553	City of Winston	WWTP Personnel Services, May	20,500.61
"	10554	Continental Utility Solutions Inc.	June merchant fees, CWP echeck fees	1,886.32
"	10555	Environ-Clean Equipment	Pump parts for sanitary flusher truck	304.05
"	10556	Flury Supply	Fire hoses and nozzle	624.77
"	10557	Harrington Industrial Plastics	Replace Miox transfer pump	579.65
"	10558	IVR Technology Group	May/June IVR maintenance/tx fees	255.34
"	10559	NW Local Gov't Legal Advisors	Communication w/ Chase Bank re: WTP loan	111.95
"	10560	Milwaukee Pump Co.	Parts for flusher truck repair	8,687.95
"	10561	Occuhealth	ODOT Physical - AP	110.00
"	10562	Onsite Wastewater Management	Rising River RV PS maintenance	250.00
"	10563	Oregon Linen	Rug service - water office	64.80
"	10564	Oregon Tool & Supply	Bit for roto hammer, pressure washer gun, hot saw	1,074.90
"	10565	Popeye's Pump & Backflow	28 non-comp backflow tests	1,260.00
"	10566	Pacific Power	Electricity - sanitary office, pumpstations, rentals	1,696.99
"	10567	RUSA	Asbestos training class - JM, TC	110.00
"	10568	SDIS	August health/supplemental insurance premiums	16,125.12
"	10569	Streamline	GAWSA website fee 22-23	2,400.00
"	10570	Systech Consulting	Managed service plan	1,129.00
"	10571	SWS Equipment	Flusher truck nozzles	848.20
"	10572	Stapel Pest Solutions	July pest control services - sanitary office	45.00
"	10573	Trojan UV	Sensor assembly and UVSwift dosimeter board	10,424.70
"	10574	Umpqua Rearch	Water sample testing	2,906.10
"	10575	UBOS	Annual dues 22-23	30.00
"	10576	Verizon Wireless	Tablet line	116.70
"	10577	Winston Auto Parts	oil/filter/battery - Dodge service trk, spark plug - saw	250.48
"	10578	Winston Sanitary Service	Weekly dumpter @ Carnes, Krohn Ln demo	1,877.80
TOTAL ACCOUNTS PAYABLE FOR JULY 2022				<u>165,834.74</u>

**WINSTON-GREEN WWTF
ACCOUNTS PAYABLE - JULY 2022**

DATE	CK #	PLANT ACCOUNTS PAYABLE FOR MAY/JUNE PAID IN JULY 2022		
07/01/22	14435	Douglas County Solid Waste	Landfill fees - grit/screenings - May/June	349.68

DATE	CK #	PLANT ACCOUNTS PAYABLE FOR JULY PAID IN JUNE 2022		
06/15/22	14408	Stanley Convergent Security Sol	Monthly security service - July	204.95

DATE	CK #	PLANT ACCOUNTS PAYABLE FOR JULY 2022		
07/01/22	14433	Dept of Environmental Quality	Annual NPDES permit fee	12,094.00
"	14434	Dept of Environmental Quality	Annual WW System Opr Certificate Prog	360.00
07/29/22	14436	Addcox Heating Center	Routine maintenance A/C	187.00
"	14437	Amazon Business	Mower parts, spare parts, lab materials	1,085.76
"	14438	Bean Electric	Exhaust fan repair	100.00
"	14439	C&S Fire Safe Services	Fire extinguisher	815.00
"	14440	Cooper's Pest Control	Monthly pest control service - July	115.00
"	14441	Diamond Power Equipment	Trimmer accessories	462.00
"	14442	Grainger	Misc fittings	330.44
"	14443	Graphic Equipment Corporation	Plow	892.00
"	14444	GAWSA	Water service 6/10-7/10	246.00
"	14445	OAWU	Annual summer conference - BL	365.00
"	14446	Sierra Springs	Bottled water service - July	72.38
"	14447	Stanley Convergent Security Sol	Monthly security service - August	204.95
"	14448	Staples	Office supplies	241.06
"	14449	The Automation Group	Sludge pump VFD repair	984.88
"	14450	USABlueBook	Lab materials	1,310.07
"	14451	Virginia Rubber Corporation	Tanker repair parts	126.75
"	14452	Wilson Equipment	Bobcat motor	1,690.51
				21,682.80

GREEN AREA WATER & SANITARY AUTHORITY
GENERAL MANAGER'S REPORT
August 11, 2022

GAWSA Rules & Regulations

Office staff has begun reviewing the current rules and regulations ordinances from Roberts Creek Water District and Green Sanitary District. We plan to outline the current regulations, highlighted areas that need to be addressed. Once we have an outline to present, we will reach out to the committee to meet and discuss.

GAWSA Financial Statement Audit Contract

Neuner Davidson Co. submitted a contract proposal with a not-to-exceed amount of \$23,000. It is anticipated that the first-year audit for GAWSA will have a higher fee due to increased analysis and testing. The final audit contracts for RCWD and GSD contained not-to-exceed amount of \$9,900 and \$12700, respectively.

GAWSA Financial Institution-of-Record

I reached out to Umpqua Bank again regarding our concerns with the account fees being assessed. We were able to reach an agreement on a fee structure that would translate to monthly fees of less than \$100. Considering my inquiry with Chase Bank regarding our banking accounts and potential fees, this amount seemed reasonable. For the time being, I am comfortable with continuing with Umpqua Bank as our financial institution-of-record but I would still like to evaluate our options when more time is available.

SDAO Best Practices Checklist

To receive credit on our insurance premiums, there are a couple items that need to be addressed:

- Enrollment in the SDAO Board Leadership Academy by two Board members (2% credit)
- Board duties and Responsibilities Policy (2% credit)
- SDAO/SDIS Training: ALL Board members must attend a class on Board duties/responsibilities OR engagement by the Board in the SDAO Board Practices Assessment (2% credit)

I will be attending the Board of Directors and Management Staff training seminar in Cottage Grove on Aug. 16. If any Board members would like to attend, I can register on your behalf. A virtual option is also available on Aug. 31.



July 20, 2022

Board of Directors
Green Area Water and Sanitary Authority
4336 Old Hwy 99 S
Roseburg, OR 97471

Enclosed you will find two copies of our Audit Contract for 2021-2022.

Please sign both copies; retain one for your files and return one to us in the self-addressed envelope.

We are pleased to confirm our understanding of the services we are to provide Green Area Water and Sanitary Authority (the Authority) for the year ended June 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the Authority as of and for the year ending June 30, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison for General Fund and each major Special Revenue Fund
- 3) GASB required supplementary pension and OPEB information and schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Combining Statements.
- 2) Remaining Budgetary Comparisons

[In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1) Other Supplemental Data

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will

also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion

Other Services

We will also prepare the financial statements of the Authority in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

