



PUD BOARD MEETING MINUTES

JUNE 9, 2009

PRESENT: Tom Ashmore, Mike Elmore, Marla Skroch, Gene Tobie, Rod Peterson, Roger Prowell, Patsy Busick, Tom Peachey, and Ben Beseda.

GUESTS: Charley Roush, Sam Bishop.

Meeting called to order at 6:30 pm by President Tom Ashmore.

Motion by Gene Tobie; second by Rod Peterson to approve the May 12, 2009 minutes and consent agenda. Motion approved 5 ayes, 0 nays.

PUBLIC COMMENTS: Charley Roush commented that the District's crew was patient in answering his questions with his skepticism regarding the unaccountable for water at the common area at Pomona Meadows Homeowners Association. The issue has now been resolved and water is now being metered with proper backflow device.

FINANCIAL STATEMENTS REPORT: Patsy Busick presented financial reports. Total receivables for June '09 was \$76,808.32 of which \$74,480.67 was water sales compared to June '08 was \$77,070.83 a difference of \$2,290.16 in water sales. We're at 90% of our anticipated budget with one month remaining in this budget year. No transfers from LGIP account during the month of May and no anticipation of need in June. With interest earned in May of \$440.16, the LGIP balance is now \$504,061.62. Financials were approved as presented.

ENGINEER OF RECORD REPORT: Ben Beseda's Engineer of Record report included: Loran Richman is doing a property line adjustment on Floral and W 7th Sts. There will be no effect on water lines or service. The Koznek partition is back on board which is located on Irvine St. Site team meeting is scheduled for Thursday June 11, 2009 with a small development located at Irvine and Division Sts. submitted by Larry Butler. Ben made a phone call to Lisa Roland, representing a few residents outside the District's boundaries in the Cherry Heights area interested in extending water service to their properties. After receiving information, her intentions are to organize a neighborhood meeting for other property owners input. Spent a morning at Byers property with Roger and field crew locating water lines through his orchards. The intentions are to create map with more accurate information. John walked through the process and the District showed good public relations during the process. Ben was informed recently that Bert Hodges has a material fill project on his property on Irvine St. covering water lines approximately 10' deep. Water line provides one service and water to one hydrant. Questions regarding easements on his property was discussed as well as conditions and burden of access to lines. Ben also presented to the Board suggestions of long term or budget items to include 1) Master Plan update. The last update was completed in 2003. This could be accomplished in six months for approximately \$20,000; 2) Preparation of a water system model using the water cad plan. This can be accomplished in one to two months for approximately \$6,000 to \$8,000; 3) Update to Water System Map at a cost of \$4,000 to \$5,000 in approximately one month. The map set and Master Plan are needed if the District is going to pursue funding. The current Master Plan recommends the intertie project but does not include the completion of it.

DISTRICT MANAGER'S REPORT: District Manager's report included: All hydrants are now flushed. Next step is to color code the caps to match the water pressures of each hydrant. The field crew is now beginning the exercising valves project. This will include locating, and cross tie points. This is a hefty project and should take approximately one to two months to complete. The service line replacement on Allen Place is complete. The field crew did a professional job with good communication with the customers in that vicinity. Have a vexing problem with Well # 4 and booster pump. Hage Electric found the problem; haven't resolved all issues but possibly SCADA failure is part of the issue. Kevin with Hage Electric and Larry Haug with Stantec will be here on Friday to meet with the crew to resolve the issues at hand. The office staff spent most of the day working with Continental Billing to install the receipt printer to include validating checks.

Board of Director Mike Elmore brought to the District Manager's attention the need for literature for the installation of backflow devices. Roger reassured Mr. Elmore that more informative literature was in the works and would be available soon. To reiterate Ben's discussion item, Roger also stated the District needs a pathway to pursue funding projects.

OLD BUSINESS: The Community Upgrade Project (CUP) is put on hold for the simple reason of funding. Need to prepare packet and plead case for grant funds.

The 2009-2010 budget was discussed. With the proposed budget, the income side is shy by over \$235,000. In order to keep the LGIP account at \$500,000 it will be necessary to increase the water rates by 27%. Board member Marla Skroch's recommendation is to have a increase on a yearly basis rather than quarterly. Board member Mike Elmore commented there is no room to cut the expenditures to gain the amount necessary to balance the budget. How aggressive to get with the water rate increase depends on capital improvement projects. Mike Elmore recommended to include \$32,000 in the budget for the estimates given by Ben Beseda for the update of the Master Plan, the preparation of the Water System Model and the update to the Water System Maps. He also suggested planning one or two public meetings to inform the customers the reason for the rate increase. He would like to see at the next Board meeting the budget with anticipated increase in water rates to balance the budget. District Manager Roger Prowell noted he will put together an informative power point presentation for the public meeting(s). It was suggested to hold the meeting at another place that would accommodate a larger group.

NEW BUSINESS: Discussion was held on Resolution No. 2009-02 "A Resolution of the Board of Directors Amending Employee Handbook Policy Relating to Transfer of Sick Leave Benefits". Motion by Mike Elmore; second by Rod Peterson to adopt Resolution No. 2009-02. Motion approved 5 ayes, 0 nays.

Mike Elmore suggested to District Manager to look into other agencies on sick leave compensation.

TRAINING SEMINARS & CLASSES: Patsy Busick completed her QuickBooks class. She thanked the Board for giving her the opportunity to take the class. The instructor, Sherry Wickert Finance and Operations Manager with the Mid-Columbia Economic Development District, was extremely knowledgeable in the QuickBooks program and a great contact for future endeavors.

BOARD COMMENTS: The Board in its entirety commended the District Manger and staff for the smooth operation of the District.

With no further business, motion by Marla Skroch; second by Mike Elmore to adjourn meeting. Motion approved 5 ayes, 0 nays. Meeting adjourned at 7:30 pm.

Submitted By: _____
Patsy Busick, Admin./Human Resources

Approved as to content at regular meeting held July 14, 2009.

By: _____
Tom Ashmore, President
Board of Directors