



## **PUD BOARD MEETING MINUTES**

**APRIL 13, 2010**

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

**GUESTS:** Jeb Miller, Charley Roush, Lea Stephens.

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

Motion by Mike Elmore; second by Rod Peterson to approve the March 9, 2010 minutes and consent agenda. Motion approved 5 ayes, 0 nays.

**PUBLIC COMMENTS:** On behalf of William Keyser, Charley Roush presented to Roger samples of Zero Based Budget process. Roger would like the minutes to reflect his appreciation for William's time in providing the information.

**FINANCIAL REPORT:** Patsy Busick presented financial reports. With interest earned in March 31, 2010 of \$204.42 and money transfer from the CSB general checking account of \$5,000, less \$10.06 service charge, account balance was \$460,799.42. As of March 31, 2010, Columbia State Bank account balance was \$35,339.51. After Board review of the budget vs. actual reports and unpaid bills reports, financials were approved as presented.

**ENGINEER OF RECORD REPORT:** Ben Beseda presented his Engineer of Record report. There was nothing related to the PUD on site team. The design set review is completed and submitted for the Hi-land Court project for the Drinking Water Program. Completed all work on the District's hydraulic model. It is up and running now with the first item being Lower Chenoweth area. Ben gave an explanation to the Board on the purpose of the hydraulic model and its use in obtaining necessary data to improve the operation of the District's system. He gave an example using the fire flows in the Lower Chenoweth area. With Lockwood St. being the backbone to that system, and by replacing the existing 4" line with an 8" line and loop around eliminating dead-end lines, fire flows would increase by 33%.

Held a meeting with Dan at the Fire Department so they are aware of the pressure or lack thereof, and not to pull too much water to run the customers in that part of the system out of water. Other fire flows in District of concern is the 6" and 4" main lines in the Cherry Heights area. Ben showed the Board charts of pressure reduction when pulling water from hydrants. Mike Elmore voiced concern of liability issues to the District knowing fire flows are insufficient. He questioned if there were other avenues to look at in the system to increase the water pressure for fire flows.

The other major project is the Master Plan. Lea has been a real big help, running numbers for ERU's. At this point the draft of the Master Plan is approximately 1/3 of the way through. The draft should be completed by next month for the Board's review. Ben went through the system with Roger, taking photos to include in the Master Plan. The map of the District has been updated which is an important part of the Master Plan as well. Mike Elmore commented that the Master Plan identifies issues within the District, but questioned how long the Board has to move on the recommendations outlined.

**DISTRICT MANAGER'S REPORT:** Roger presented his Manager's report. The crew has done an excellent job on the Hi-land Ct. main extension project. We adhered to AWWA specification on this job in terms of bedding the pipe and compaction and enjoyed our new (purchased used) jumping jack compactor. We hired two traffic control people for two days during the excavation and hot tapping process. The job went very smooth with good digging in sand and very few rocks. The hardest part was excavation for the hot tap and working around the other utilities. We are in the process of pressure testing and chlorination and sampling this week and running new service lines. We also installed a new hydrant at the end of the cul-de-sac and this hydrant will be a good

producer. Thanks to Ben for getting the engineered drawings together and submission to the Drinking Water Program as a system upgrade.

Had a long visit by SDAO's Loss Control guy who toured our facilities for an insurance update, the last one being about 5 years ago. He also performed a OSHA level safety inspection and found some items that need attention, mostly small stuff like securing ladder in storage, light bulb covers, space heaters and securing storage cabinets to the walls. He took lots of pictures and found our facilities to be clean and maintained when compared to smaller utilities in his experience.

We had the head guy from GC Systems to come and pull maintenance on Cla Val installations to get ready for the summer high demand season. The valves were in pretty good working order and we made a few changes to settings on the valves in Lower Chenowith and discussed other options from bringing water into the main system from Allen and Cherry Heights. Field staff could do the plumbing at Foley Pump Station and this would give another source of water to the main system and LC3 could supply winter demand/domestic flows in summer. This would give us another source of emergency water for the main system.

Patsy is looking into switching our workman's compensation insurance to SDAO from SAIF. The upside of switching is the host of consulting/help that SDAO will provide in setting up safety programs and policies.

The City of Dufur called Lea and requested a visit to look at our billing system, CUSI, and came to visit on Friday. They liked the system and requested that they "borrow" Lea for a short time to help them set up the system and train the person running the billing. This is a fine place for regional cooperation between small systems.

The system and telemetry have been running smooth as glass thus freeing up more time for field staff to do more distribution work.

Unaccounted for water is still high, with no clear cut path to resolution. It should go down next month as system demand increases.

We are having a sit down discussion with the Mid-Columbia fire guys tomorrow to chat about fire flow limitations in Lower Chenowith. The main purpose is to impart the potential low or negative pressures that could be generated in a major structure or wildfire situation where multiple hydrants would be in use or a single hydrant being pumped hard, thus reducing pressures to marginal levels.

Ben and the District are meeting at Kingsley Reservoir site to determine District property boundaries in preparation for a little project to protect our valve vault from erosion/mud/debris events during storms. We need to route the surface water around our vault.

We are meeting with Hage Electric in the morning to design an automatic fan and light in the Foley Pump Station vault as a safety engineering project.

It looks like the franchise fee proposed by the City of The Dalles has been tabled for the time being. It may come back at some point in the future. Kudos to the Northern Wasco County PUD for a fine presentation that convinced the Council to take another longer look at this issue.

Lea has been running all kinds of numbers of the Master Plan/WMCP and we calculated some interesting numbers. Average residential use per person is 183 gallons per day. Average account use is 238 gallons per day reflecting about a 25% increase due to multi-dwellings and multi user accounts. Numbers are within normal parameters for our climate.

Looking at the math for this summer, a 5,000 square foot yard 70x70 at an ET of 11 inches per month will require a water use bill for irrigation of \$66.86 or about \$2.25 per day (about 34,000 gallons of water per month at 100% efficiency). Depending on how you irrigate that number could rise by 15% to 50% all depending on irrigation efficiency and time of day. A garden hose running for 2.5 hours per day would deliver this much water at 8 gpm.

Chatted with InGrant ladies and told them the story of the 2<sup>nd</sup> St. project. They were very positive about the bigger picture of protecting I-80 and working with the City of The Dalles. These are professional grant writers and the cost would be in the 8-10K range for working up and submitting

the grant. They also were aware of the second round of Obama money in the upcoming year. I stressed to them that we were in the grant mode rather than the loan mode.

In the next two/three years:

- Verdant – old line replacement at 70K. Plans and engineering ready.
- Lockwood – old line replacement at 450K. This would improve fire flows, get rid of our oldest and marginal pipe in the District and provide a good “backbone” for Lower Chenoweth. Engineering on the project would begin from a fresh start. We have the hydraulic model looking at this situation and running and answering what kind of improvement to fire flows would ensue. Having the model is such a valuable planning tool and running “what if” scenarios. Ben’s staff has done a good job on this model.
- 2<sup>nd</sup> St – Replacing the Freeway lines and upgrading pipe size. This will be a difficult project that will increase costs due to Mom Nature providing rock and local groundwater, lots of underground utilities, most likely a host of unknown buried “things” left over from the Old US Highway 30 history and major cost in providing service lines to buildings. I had a chat with Dave Anderson from the City of The Dalles about their storm water plans and he indicated that their plans are to pipe storm water from this area with 18 to 14 inch lines. Ben’s concept was that we could potentially do this project in concert with the City to cut costs. The City of The Dalles is a few years away from this section but it would be possible to move it up the priority list if a cooperative effort came together.
- 7<sup>th</sup> St – near the office. This would involve a second connection so the City of The Dalles for emergency purposes and run a new line down 7<sup>th</sup> St to utilize the high pressure penetrated from the booster pumps at the office to improve performance of the system and new hydrants would be installed to provide fire suppression water to a significant section of the distribution system, including multi-family developments.

In the next two to six years:

- Based on model information and field staff input we would develop a long term main line replacement program. Ben has offered his office as setting where we would put the new large maps on the wall and have the Chenoweth crew come in and chat about the field perspective for making improvements to the system.
- Redesign the aeration building to improve hydrogen sulfide removal. This building is nearing end of life timeframe and we could improve the process of removal by increasing water to air ratios by redesign of the actual aeration hydraulics.

We also drew up a list of smaller capital projects what we could accomplish in-house. Examples of these smaller projects include:

- Installation of new plumbing configuration and PRV at the Foley Pump Station to bring LC3 water into the main system. This would give the District yet another source of water/option for emergency situations. LC3 can produce 300+gpm and this amount of water would keep the District supplied with water during winter months and domestic water in summer provided we instituted extreme water curtailment plans.
- Meek/13<sup>th</sup> St – This would allow for Cherry Heights/Fleck Well water to enter the main distribution system and improve customer service in that area. Build a pipe “barn” to store plastic pipe and fittings and protect them from UV light.
- Hermits Way – need some pothole investigation to determine field reality and replace a hydrant that is served by a possible 2-inch line.
- Baffle chlorine contact chamber to increase “CT” factor for disinfection.
- Buy a 5 yard dump truck and another ¾ ton pick-up.

**OLD BUSINESS:** Grants and loans update: See Manager’s report.

**SDC Connection Ordinance:** Attorney of Record, Tom Peachey, commented that the previous month’s minutes should have stated “read” rather than “adopt” Resolution Number 2010-02 “A RESOLUTION OF THE BOARD OF DIRECTORS AMENDING SYSTEM DEVELOPMENT CHARGE ORDINANCE”. Motion by Mike Elmore; second by Marla Skroch to amend the March 9, 2010 minutes to reflect to read, not adopt, Resolution No. 2010-02 “A RESOLUTION OF THE BOARD OF DIRECTORS AMENDING SYSTEM DEVELOPMENT CHARGE ORDINANCE”. Motion approved 5 ayes, 0 nays. Patsy will amend the March minutes and change the word “adopt” to “read” in the March minutes and have a fresh copy of the minutes for Tom Ashmore to sign at the May meeting.

**Second reading by title only Resolution No. 2010-02 “A RESOLUTION OF THE BOARD OF DIRECTORS AMENDING SYSTEM DEVELOPMENT CHARGE ORDINANCE. Motion by Mike**

Elmore; second by Rod Peterson to approve Resolution No. 2010-02. Motion approved 5 ayes, 0 nays.

**Water Rights Updates:** Filling out questions for Water Rights issue. Still a couple months for Water Rights completion.

**NEW BUSINESS: Columbia State Bank Accounts for SDC's and Connection Fees:** It was the recommendation of District Manager Roger Prowell to have separate bank accounts for SDC's and connection fees for source of funding for future projects. Motion by Marla Skroch, second by Gene Tobie to adopt Resolution No. "A RESOLUTION CREATING ACCOUNTS AT COLUMBIA STATE BANK AND AUTHORIZING SIGNATURES THEREON". Motion approved 5 ayes, 0 nays.

**Electronic Filing of Payroll Reports and Payments:** Discussion was held regarding electronic filing for payroll reports and payroll tax payments and the benefits of doing so. The Board of Directors were in agreement of the process and gave their approval without motion. Any forms requiring signatures will be presented to President Tom Ashmore.

**Proposed Budget Discussion:** Rough draft of proposed budget for fiscal year 2010-2011 was discussed in general. Roger's overall point of view is the upcoming budget numbers look good and ran them as lean as possible. Income side of things with the rate increases already in place should generate \$300K in income. Mike Elmore asked Roger if the water revenue included a rate increase. Roger indicated it was calculated without an additional rate increase for the budget year cycle. Tom Ashmore was real receptive to budget scenario but needs to see numbers.

Charley Roush commented he would rather see rate increases in 5% increments rather than a 15% all at once. He felt it would be easier for people to look ahead and budget accordingly. He commented that his Association had planned for a 15% increase.

Roger informed the Board he would work on numbers and present a fresh budget with the next weekly report. Roger asked the Board what direction they would like to take in the budget approval process. After discussion of several options, it was decided the Board would work with Roger in getting the numbers sound then presenting them for review to a budget committee, hopefully the same as last year. The date was scheduled for June 8, 2010 at 5pm with regular Board meeting to follow at 6:30pm. The June 8, 2010 meeting will be held at Tenneson Engineering Office to accommodate visitors.

**TRAINING SEMINARS & CLASSES:** Jeb Miller will be attending "Elements of Effective Supervision" workshop in Central Point on June 1, 2, 8 & 9<sup>th</sup>.

**BOARD COMMENTS:** Marla Skroch commented that she felt this was the right way to go with working towards upcoming budget. Rod Peterson liked the ideas regarding goal-setting with looking at grants for major projects in the District. Mike Elmore asked for an executive session at the next Board meeting regarding personnel issues.

With no further business, motion by Gene Tobie; second by Rod Peterson to adjourn meeting. Motion approved 5 ayes, 0 nays.

Meeting adjourned at 8:15 pm.

Submitted By: \_\_\_\_\_  
Patsy Busick, Admin./Human Resources

Approved as to content at regular meeting held May 11, 2010.

By: \_\_\_\_\_  
Tom Ashmore, President  
Board of Directors