



PUD BOARD MEETING MINUTES

SEPTEMBER 14, 2010

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

GUESTS: Jeb Miller and Lea Stephens.

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

Motion by Marla Skroch; second by Mike Elmore to approve the August 10, 2010 minutes and consent agenda. Motion approved 5 ayes, 0 nays.

PUBLIC COMMENTS: None.

FINANCIAL REPORT: Patsy Busick presented financial reports. With interest earned in August 31, 2010 of \$249.10 and money transfer from the CSB general checking account of \$45,000.00, less \$10.06 service charge, account balance was \$566,882.0. As of August 31, 2010, Columbia State Bank account balance was \$72,058.18. The balances of the CSB SDC and Connections checking accounts are \$1,500. The balance of the CSB Service Deposits account is \$15,146.47. Financials were approved as presented.

ENGINEER OF RECORD REPORT: Ben Beseda presented his Engineer of Record report. Ben received notice that there is design driveway work being done for a house going in at the top of Starlight Dr. for Habitat for Humanity. Engineers for the proposal for Sunrise Estates adding on 14 units in first phase and 20 units in second phase has submitted formal plans to the City of The Dalles for the building permits. Ben should receive a new set of plans tomorrow. He expects them to move ahead within a month.

Ben is working on the photo section of the Master Plan now. He should have those together this week and shipped out for printing. Ben submitted a draft of a 6 year planning for SDC charges. With computation it equaled out to \$3,100 for standard 3/4" meter connection based on capital needs in the future. Roger commented that this would put us at the low end across the state. The next step would be to vote on it in the form of a resolution. Tom Peachey will discuss the wording with Roger and Ben and have something ready for the next Board meeting. Because it is a fee, proper notice needs to be given for public comment.

DISTRICT MANAGER'S REPORT: Roger presented his Manager's report. Fleck well failed in the last week of August and was quickly replaced by the folks from Mathers, our traditional well and pump people. The root of the cause of the failure was pump bearing surfaces had reached the end of service life. The well is now replaced, had rotation checked and is available however, the power supply Northern Wasco County PUD has issues getting the three legs of the power supply to balance. The legs should be within 5% of each other and we have the middle leg off by 13%. Mike and the District are working with Northern Wasco County PUD to get the transformer issues worked out. The well should be fully serviceable by the end of the week. We had a video camera down the well and the casing looks good. Mike also looked at LC2 for future abandonment with the main issue being overhead power lines. We are working with Northern Wasco County PUD for shielding these lines.

The District received the results from our quarterly sampling of LC3 for nitrates and they were 5.51 ppm, which is a large increase from December 2008. The number is more than 50% of the MCL and is a reportable number in the regulatory framework. Roger is looking at options for blending this water (a simple telemetry change would put both Foley pump and LC3 to run at the same time to fill the reservoir) or using the well as a emergency supply only. We shall go to a monthly sampling schedule on this well to gain finer detail. Initial research shows capital costs for ion exchange to be around a quarter million and perhaps a dollar per thousand and disposal costs of the super nitrate enriched brine. Other options are reverse osmosis which still have the

same brine disposal process and will take another pumping set up since RO takes a lot of head to drive the water through the membrane. Iron and manganese also reduce efficiencies of ion exchange.

Lea prepared professional charts showing monthly income over the past four years and water sold. Clear evidence for the effect of our rate increases was apparent in the charts. Roger reported there had been a couple of emails from customers wanting more information on why rates are higher. They were looking for information and were not too hostile.

We have route 1 done in our valve turning process and is going much smoother since we do not have to count turns or tie off valves for location. Crew like the new valve turning machine.

We had the painting guys come back and had the handicapped space painted blue instead of yellow to comply with the ADA regulations.

We have finished up the painting on our buildings and have used the new pictures for the Master Plan. Great improvement on the looks of the building.

The old Lower Chenoweth office building interior look much nicer with shelves and a trailer load of trash take to the landfill.

Our Performance Standards is nearly finished (five drafts) and will be ready for review at the next Board meeting. A draft will be included in the weekly report.

Lea has researched costs for on line payment for customer service. We have a lot of requests for this in the office. We had an online session with CUSI and the basic costs is \$1,400 per year plus a 75 cents per transaction fee, plus a one time cost of a \$1,000 for automatic payment. We believe that we can recover out of cost if charge is \$1.50 per transaction. Lea estimates that we could have around 300 or so customers who would take advantage of this service. We need to make this a cost neutral operation.

The Board made several comments about this proposal and requested that we run a survey to find out how much interest there is in the concept. Office staff will run an informal survey with walk-in customers and have a printed notice in the next water bill about the website payment option. This will be a topic at the next meeting.

Work on the annual audit is going along. The auditors returned all of the documents that we had delivered. Roger is working on a long list of assets, some based back to 1948. Lots of unknowns in this process and staff will be looking at this list to gain additional data points.

Roger had a request from the 4-H coordinator who is putting together a week of water lesson plans for 4th and 5th grade students at Maupin. They are going to Camp Morrow at Pine Hollow. The lesson is "aquifer in a cup" where the students make an aquifer in a cup, place green food dye as a contaminant and learn the basic of how an aquifer works. They need a person to teach on September 21st from 1 to 4 pm. This would be a good community project for the District and the Board gave approval.

OLD BUSINESS: In regards to Water Rights, a letter was received from the Water Resources Department canceling the water rights for Curtiss Well. This well is officially abandoned.

Hydrant Use Policy: After the second reading by title only of Resolution 2010-03 "A RESOLUTION OF THE BOARD OF DIRECTORS AMENDING WATER SERVICE FEES AND CHARGE" for hydrant bulk use policy, motion by Mike Elmore; second by Rod Peterson to adopt said policy. Motion approved 5 ayes, 0 nays.

NEW BUSINESS: Due to personal commitments, Roger requested of the Board to change the date of the next Board meeting to October 19, 2010. All Board member agreed that would be acceptable.

TRAINING SEMINARS & CLASSES: Bill VanEk is attending Backflow Certification Class through the 17th of September. Nate Pope and Jeb Miller will be attending Control Valves class on September 21-22, 2010. Bill VanEk will be attending Water Distribution Certification review on October 12-13, 2010.

BOARD COMMENTS: None.

EXECUTIVE SESSION: Regular meeting adjourned to executive session at 7:35 pm under ORS 192.660(2)(h).

Executive session adjourned to regular meeting at 8:05 pm.

With no further business, motion by Marla Skroch; second by Mike Elmore to adjourn meeting. Motion approved 5 ayes, 0 nays.

Meeting adjourned at 8:10 pm.

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

Approved as to content at regular meeting held October 19, 2010.

**By: _____
Tom Ashmore, President
Board of Directors**