



PUD BOARD MEETING MINUTES

NOVEMBER 10, 2009

PRESENT: Tom Ashmore, Mike Elmore, Gene Tobie, Rod Peterson, Roger Prowell and Tom Peachey. Marla Skroch excused absence.

GUESTS: Jack Bartell, Bobbie Miller.

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

Motion by Rod Peterson; second by Mike Elmore to approve the October 20, 2009 minutes and consent agenda. Motion approved 4 ayes, 0 nays.

PUBLIC COMMENTS: Bobbie Miller stated that the rate increases came without warning and the "increases are rough" to take in these economic times. Ms. Miller advised more cuts to be to the budget.

Jack Bartell submitted a letter of his concerns about the rate increases. His comments were that the clothing allowance life insurance, engineering fees, contracting expense, wages and meeting and school expenses were excessive and the Board did not make enough cuts to the budget. Mr. Ashmore responded that the Board appreciated his comments but the economic situation of the District necessitated the rate increases. Mr. Bartell was encouraged to come into the office and speak with the District Manager and delve deeper into the budget to further understand the monetary issues. Mr. Bartell explained that he spent 20 years on the Chenowith Board and "spent enough time down here."

ENGINEER OF RECORD REPORT: Ben Beseda was not present at the meet due to a long planned elk hunting trip.

DISTRICT MANAGER'S REPORT: Roger Prowell, District Manager, gave his report to the Board and the salient points were that the monthly bills had been made more readable with changes on font size and color to make them more user friendly and the District had received many comments of a positive nature about the changes. The issue of "double billing" had been solved with the discovery that the printer spool was responsible for printing two bills to a single customer. The District is working on procuring a new printer or repairing the existing printer. Lea deserves kudos for her hard work and understanding on these two improvements to customer service and getting the new rate in to the CUSI software.

Roger also reported the LC3 well has been set and was scheduled for rotation check and start up on Wednesday. He also reported that some person(s) had stolen the electric meter from the pole that serves Foley Pump station and terminating electric service to that facility over the weekend. Sam was on duty and called the electric PUD and repairs were made quickly. This shows that redundant water is important to operation of the system and that telemetry technology is worth the investment and having certified system operators was crucial to the reliability of the system.

Sam Bishop, Jeb Miller and Nate Pope all passed the State of Oregon Certification exams in either Water Distribution or Water Treatment. Roger commented that he was proud of these employees and nights of study had proved to be valuable. The entire field staff is now certified in Water Distribution which reflects positively on the District. The entire Board commented that the education and certification of staff is important to the District.

The SDAO survey was completed and due to the training sessions on Risk Management and Harassment the District qualified for a 9% discount on the annual insurance premium which

amount to about \$2,000 per year. The harassment training was also given to the field and office staffs.

The valve turning project is about 75% complete with Lower Chenoweth being the last major segment.

OLD BUSINESS: None to report.

NEW BUSINESS: Ben Neumayer presented the 2008-09 audit of the District's finances. His points of concern were checks with only a single signature, the CUSI/QuickBooks difference in accounting numbers and timing of disbursements at the end of the budget year and some obsolete inventory. None of these items are of serious nature but need to be addressed in the future.

Ben then gave an explanation of his firms audit and the position of the District. His basic message was that the District reserve funds had taken about a \$300,000 hit in the budget year and that debt service was a significant part of administrative services. He made the point that rate increases were necessary for the District to remain viable. Ben commented that the District personnel were very nice and pleasant and professional to work with and his staff enjoys the long term relationship with the District.

The next scheduled Board meeting will be on December 15, 2009.

TRAINING SEMINARS & CLASSES: None to report.

BOARD COMMENTS: None to report.

With no further business, motion by Gene Tobie; second by Mike Elmore to adjourn meeting. Motion approved 4 ayes, 0 nays. Meeting adjourned at 7:58 pm.

Submitted By: _____
Roger Prowell, District Manager

Approved as to content at regular meeting held December 15, 2009.

By: _____
Tom Ashmore, President
Board of Directors