



PUD BOARD MEETING MINUTES

JULY 13, 2011

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

GUESTS: None.

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

Motion by Marla Skroch; second by Gene Tobie to approve the June 14, 2011 minutes and consent agenda. Motion approved 4 ayes, 0 nays.

PUBLIC COMMENTS: None.

FINANCIAL REPORT: Patsy Busick presented financial reports. With interest earned in June 30, 2011 of \$265.52, less \$10.00 service charge, the LGIP account balance was \$646,353.49. As of June 30, 2011, Columbia State Bank account balance was \$68,087.79. The balance of the CSB SDC checking account as of June 30, 2011 is \$12,213.12 and Connections checking account is \$9,011.12. The balance of the CSB Service Deposits account as of June 30, 2011 was \$16,859.34. Financials were approved as presented.

ENGINEER OF RECORD REPORT: On Ben's behalf, Roger presented the Engineer of Record report.

Sunrise Estates Expansion: Ben has not heard from the architect or engineer since he sent the review letter on June 28th. He imagines it will happen eventually but seems to continuing at its glacial pace.

Yvonne Walton Project: This is the redevelopment of the wrecking yard at 7th and Snipes as a used car lot. Ben attended the city site team review meeting on June 30th where this development was discussed. Water wise, they will reuse the existing ¾ inch service to supply to the proposed sales building. He anticipated no new development from the water system perspective. The fire marshal was not at the meeting and Ben has not yet seen the comments from the city in case communicated direct to them as to whether he will require any fire hydrants. If the fire marshal does require any fire hydrants they will become the property of the District.

Second Street Project: Ben is rapidly working through the final design stage. He hopes to have the 90-95% plan set and cost estimate ready to review with staff next week. There has been no hang-ups of mention. He has been working on adding details, construction sequencing and the cased I-84 crossing.

Foley Booster Pump Station PRV: Ben met with Jeb to review the installation and discuss the need for, size of and best location of a pressure relief valve downstream off the PRV. This valve would let off excess pressure should the pressure reducing valve fail. None of the other PRV's in the system has a blow off provision in case of failure. Ben relieves we need to have a meeting or conference call to get some input with the valve supplier to gather their opinion of need, size and location.

DISTRICT MANAGER'S REPORT: Roger presented his Manager's Report.

Roger presented the Outstanding Performance Certificate to President Tom Ashmore and the Board of Directors. Roger indicated our district is the largest system on the east side of the mountains to earn this distinction.

The field staff has the hydrant installed and in service on Chenowith Road just across the bridge. The easements have been signed and recorded. They did a nice job on this installation. This hydrant will produce an easy 1,000 GPM.

The CCRs were mailed to our customers with addresses and hand delivered the CCR to apartment complexes, etc. and turned in the requisite paperwork and forms to the Drinking Water Program. Our CCR compares nicely with the City of The Dalles in terms of professionalism.

Hauled several loads of scrap metal to Portland and generated about 4K in income.

Plumbed in the new control valve at Foley pump so we can bring LC3 water into the main system. Was a four part process between electricians, telemetry, control valve people and the District. We are thinking about installing a pressure relief valve as a failsafe backup near Chenowith Creek. This would prevent over-pressure of the main system from the drop in elevation from Allen reservoir – 642 feet to 150 feet in the flats. We looked at location for the Pressure Relief Valve and since it is designed to dump water to relieve pressure, we need a spot where the water will not cause problems with people or the environment. The most logical location is near the storm water culvert just uphill from the Chenowith Bridge. This location will handle the water and there is enough organic material/mud/debris to create a chlorine demand that will take the chlorine out of the water before it reaches Chenowith Creek water.

We applied new income accounting numbers to our current budget process to make it more user friendly. We had Monica from HRHR (Hood River Human Resources) as a consultant to make this process smooth and teach new ways of tracking income. We can put around 30K into LGIP this month.

Jeb has some social/employee/human dynamics/District numbers to show the effects of his supervisor to show the effects of his supervisor training and how our “corporate culture” has changed over time. This is good information and being slightly skewed toward innovation is a sign that we are listening to each other.

Our inventory process is nearing completion and we are investigation/researching software packages to track inventory. Costs seem to be in the 1.5K range.

Jeb and Roger met with Bill Keyser from Pomona Meadows Homeowners Association and kicked dirt for a hour and came up with options and associated costs to help with their in-division pressure problems. This was a classic example of kicking dirt/communication leading to progressively better solutions. Mr. Keyser understands hydraulics and the plan is to write a letter on District letterhead explaining the issues and potential solutions and associated costs. One of the main problems is communicating the scope of the project to the Board of Pomona Meadows Homeowners Association.

The crew met today at Sunflower Pump Station and kicked dirt to resolve the unknowns layout of this facility. We called for located and there are no major conflicts. We need to get this area understood, re-plumbed and squared away as a part of the Lower Chenowith major capital project. We envision rebuilding the vault, replacing the existing booster pump with our spare motor and pump and sending the old motor/pump for a quality rebuild. This in-house project will go a long way to getting the Lockwood replacement project off to a good start. In some ways this is similar to locating the freeway crossing and determining hydraulic reality at this site. It is also a safety upgrade

to the system. This will be a good field project and will utilize the skill set of the field crew and save money on the Lower Chenowith Project.

Jeb Miller presented to the Board the Performance Evaluation charts which represents the overall view of the behavioral patterns of the employees over the past year. The improved results of the evaluation charts from a year ago shows how the leadership and management has guided the employees. Jeb has had positive outcome from the employees in his great efforts of developing the Employee Performance Standards and the Employee Handbook. Jeb will keep the Board informed of results for the future.

Mike Elmore commended Jeb for a job well done. Tom Ashmore commented that the association with the charts, it gives the employees goals to work towards.

OLD BUSINESS: None.

NEW BUSINESS: Roger presented the 2010-'11 summary. It reflected how lean and conservative the District was run during the fiscal year.

Audit questionnaires were distributed to the Board of Directors for completion and mailing to the auditors, Friend and Regan.

TRAINING SEMINARS & CLASSES: Jeb Miller will be attending the SDAO Board of Directors and Management Staff training on August 4th.

BOARD COMMENTS:

Regular meeting adjourned at 7:08 pm to executive session in accordance with ORS 192.660(2)(i).

Executive session adjourned at 7:23 pm to regular meeting.

Motion by Mike Elmore; second by Marla Skroch that Tom Peachey, Attorney of Record, will provide adjusted language in the District Manager's contract relating to work days for the Board to review. Motion approved 4 ayes, 0 nays.

With no further business, motion by Gene Tobie; second by Mike Elmore to adjourn meeting. Motion approved 4 ayes, 0 nays.

Meeting adjourned at 7:31 pm.

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

Approved as to content at regular meeting held August 9, 2011.

By: _____
Mike Elmore, Vice President
Board of Director