

**MULTNOMAH COUNTY DRAINAGE DISTRICT #1**  
**MINUTES OF THE BOARD OF SUPERVISORS MEETING**  
**May 17, 2007**

Pursuant to advertised notice, the Board of Supervisors' meeting of Multnomah County Drainage District No. 1 was held at 8:00 AM on Thursday, May 17, 2007, at the District's administrative office, 1880 NE Elrod Drive, Portland, Oregon.

President Tim Warren called the meeting to order at 8:04 AM and requested that the secretary note the role. Eaton acknowledged that meeting announcements had been made.

Those present were:

Tim Warren, President  
Chuck Harrison, Supervisor  
Grant Zadow, Supervisor  
Larry Cooper, Supervisor  
Bob Eaton, Executive Director and Secretary/Treasurer  
Dave Hendricks, Deputy Director  
Evie Moore, District Accountant  
Kim McRobbie, Secretary Pro Tem  
Phil Ralston, Port of Portland Staff Liaison to MCDD

Excused absence:

George Lingelbach, Supervisor

**APPROVAL OF MINUTES**

Two grammatical errors were noticed in the minutes from April 19. With revisions noted and made, Larry Cooper moved to approve the April 19, 2007 Board meeting minutes as corrected. Grant Zadow seconded and the motion passed unanimously.

**BUSINESS**

**Review & Adopt Appendix B – Rate Schedule, as attachment to the FY 0007-2008 District**

**Intergovernmental Agreements (IGA)** - Bob Eaton referred to the discussions from the April 19 meeting regarding the proposed rate schedule. The Board had requested that the proposed Appendix B Rate Schedule be re-done to show capital replacement costs. Dave Hendricks stated that he verified that Appendix B included oil and fuel costs, as well as capital replacement costs. Chuck Harrison asked how the District classifies truck driver rates. Hendricks responded that truck driver is the same as the equipment operator. With no further questions, Chuck Harrison moved to adopt the Appendix B Rate Schedule as proposed. Larry Cooper seconded and the motion passed unanimously.

**FY 2007-2008 Budget Workshop** – Eaton started by saying there is still some number crunching to be done as the District gains information about billings and revenue to be received. The District will invoice 4<sup>th</sup> quarter billings in few weeks. Eaton directed the Board to MCDD Draft #1 provided at the start of the meeting. He stated this is the first year the District will abandon the cap for other-District IGA services and go to a straight time-and materials bill process. Eaton also noted the blue highlighted areas on the Draft #1, areas he would like Board guidance.

He asked the Board to turn to the staff report FY 2007-2008 Budget Funding Options. As with every budget deliberation, there are decisions that must be made. In key areas, staff seeks input from Board members because there may be no clear-cut option, or several options that would work. This year is no different. He asked the key questions:

1. The budget, as laid out prior to decisions being made on key points, represents a 28% increase in assessment when compared to last year. Is there a percentage goal the board would like to shoot for?
2. The impact on this year's assessment could be lessened by not transferring the "transfer to reserves" category for the FY 06-07 budget in to reserves. The amount is \$170,000 and that decision would reduce the increase to 16.7%. Is this an option to consider?
3. The impact could be further lessened by funding two additional high-priority capital projects through reserves. That would be the office generator (\$35,000) and the 142<sup>nd</sup> N. Culvert clean out (\$20,000), this would lower the increase to 12%. Is this an option to consider?
4. Finally, the impact could be further decreased by changing the amount of reserves set aside in the FY 2007-2008 budget. Using the adopted formulas, that amount would be \$170,000. Changing this to any lesser figure would lower the increase. Every \$14,000 decrease equals about 1% reduction. Is this an option to consider?

He asked the Board to turn to Staff Report titled Service Revenue Offsetting Assessment Requirements asking the following questions.

1. How should available cash on one time service revenue be applied to the budget process? Options below:
  - a. Apply all unused funds and one time service revenue to cash available so assessment requirements can be reduced or minimized.
  - b. Apply percentage of unused funds and one time service revenue to available cash to stabilize assessments requirements and transfer balance of the cash and revenue to a reserve account.
  - c. Apply a percentage of unused funds to available cash to stabilize assessment requirements and transfer all of the service revenue to a reserve account.
2. Should a percentage of revenue MCDD receives from equipment rental be placed in a reserve called equipment replacement? If so, what percentage of the rental rate should be applied?

**Budget Workshop (continued):**

The Board members thought it a good idea to set aside about 75% of equipment rental into an equipment replacement fund. President Warren believes the District should look at raising its assessment in relation to increases in the Consumer Price Index for a slowly growing assessment increase. A general feeling was that an assessment increase of less than 10% is something the Board would like to consider.

After much discussion, Eaton proposed that he and Hendricks prepare a second budget worksheet and present it to the Board on June 13 or 14. Eaton requested that Board members check their schedules to confirm the best date for this second budget workshop.

**OTHER BUSINESS:**

None

**STAFF UPDATES:**

**Portland International Airport (PDX) Report** – Ralston spoke on Port Commission approval of the De-Icing Enhancement Plan. He talked about the Airport SW Condition Assessment and how the POP is looking at the integrity and capacity of the project. Ralston talked about the realignment and construction on Airport Way for the new parking lot and office building. He talked about the new design on Basin 7 and how the POP is currently looking for a seasoned engineer to work on the project. Ralston concluded by saying the POP was notified that drums were found just under the Columbia River surface water off 90<sup>th</sup> & Marine Drive. EPA has taken samples and will have the analysis data in two-three months. He will relay the findings to the District.

**PROJECTS:**

**181<sup>st</sup> Pump Station** – Hendricks spoke briefly saying the pump has been installed, and the SCADA system is in but the electricity is not yet connected. He added that there are some disagreements on the discharge pipe design and who will pay for the modifications. Hendricks said that if all goes well the pump station should be turned over to the District by the end of June.

**142<sup>nd</sup> Cross Levee** – Hendricks reported the project is complete and NW Underwater Construction did a great job. The budgeted cost was \$48,000, and the bill came in at \$41,000. He added they found about nine separating joints while cleaning the pipe. The separations will need to be monitored for future repair.

**Levee Recertification** – Hendricks spoke on the U.S. Army Corps of Engineers (USACE) levee recertification process. All inspection phases have been completed. The USACE will send a letter to the Multnomah County recommending that FEMA recertify the Districts' levee system.

**PROGRAM/POLICIES:**

**City of Portland Columbia Corridor Scoping** – Eaton spoke on the City of Portland’s FY 2007-2008 budget add package of \$55,000 that was proposed for the scoping process. This is for code review as it relates to natural resources management in the Columbia Corridor. Eaton added this is a definite step in right direction and keeps the process moving ahead.

**MCDD/PEN 2 Future Collaboration on cross levee** – Hendricks reported that it was very clear from the USACE certification inspections that MCDD and PEN 2 need to put a plan on the table to fix cross-levee issues. He suggested that the two Boards meet in the fall to discuss USACE regulations and repair requirements.

**Fairview Lake Property Owners Association (FLPOA) Presentation April 25** – Eaton and Hendricks attended the FLPOA meeting and gave a presentation on New Orleans compared to MCDD levees. Eaton added there were great questions and positive feedback.

**4MAT Roundtable, April 25, PEN 2 Hosting** – Eaton noted that guests included Jane Van Dyke, Executive Director of Columbia Slough Watershed Council and Bruce Gillis from DEQ. Gillis talked about the incentive program for landowner involvement in sediment clean up.

**City of Fairview (COF) Presentation May 16** – Eaton stated City Counselors had postponed the presentation due to low attendance for this meeting. The new date for the presentation is June 6.

**PLANNING:**

**2007 90<sup>th</sup> Year Celebration** – Eaton stated the celebration would kick off at this year’s Columbia Slough Regatta on July 29 from 9:00-1:00 here at the District office. He added the contract with IBEX Communications has been signed to do the video and it will have its premier at the Columbia Slough Regatta. Eaton encouraged all to attend. He added that this year MCDD is working to get the 90-year anniversary logo onto the regatta t-shirts. Hendricks added that anyone interested in reserving a canoe or kayak should call Kim to get a time slot.

**ADJOURNMENT:**

There being no further business to come before the Board, President Warren adjourned the meeting at 9:57 AM.

**APPROVAL:**

These minutes were approved at a duly called meeting of the Multnomah County Drainage District #1 Board of Directors on June 28, 2007.

Attested: \_\_\_\_\_  
Secretary