

MULTNOMAH COUNTY DRAINAGE DISTRICT #1
MINUTES OF THE BOARD OF SUPERVISORS MEETING
June 25, 2009

Pursuant to advertised notice, the Board of Supervisors' meeting of Multnomah County Drainage District No. 1 was held at 8:00 a.m. on Thursday, June 25, 2009, at the District's administrative office, 1880 NE Elrod Drive, Portland, Oregon.

Board President, Tim Warren, called the meeting to order at 8:00 a.m. and requested that the secretary note the role. Eaton acknowledged that the proper meeting announcements had been made.

Those present were:

Tim Warren, President
Larry Cooper, Supervisor
George Lingelbach, Supervisor
Bob Eaton, Executive Director, and Secretary/Treasurer
Dave Hendricks, Deputy Director
Janet Olson, District Accountant
Kim McRobbie, Secretary Pro Tem
Phil Ralston, Port of Portland Liaison

Those with excused absence:

Bruce Holte, Supervisor

Those with unexcused absence:

George Donnerberg, Supervisor

APPROVAL OF MINUTES

Larry Cooper moved to approve the minutes from the May 21, 2009 meeting as written. George Lingelbach seconded and the motion passed unanimously.

Review Draft FY 2009-2010 Budget – Eaton spoke to the drafted budget spreadsheet that he emailed out late Wednesday afternoon to Board members and he has given a hard copy to everyone today. He added there are a couple of minor changes that he has made. Eaton noted it has been great to be able to work on the budget right up to now. He added that 2008-2009 is as good as he has seen it since he has worked for the District. He gave a big thanks to District accountant, Janet Olson who updated the budget as recently as yesterday to include the recent payments made. Eaton stated the actual expenses are within percentage points of being accurate. Another reason Eaton is happy to have had additional time to work on the budget is it gave him an opportunity to work on the proposed budget for 2009-2010 and mess around with the numbers. Eaton went through, balanced the 2009-2010 budget, and came in at about \$300,000 less than last year. Eaton estimates that the numbers are coming in just under 3 million. He extended his thanks and appreciation for all of the help in getting to this point of a balanced budget.

Eaton talked about funds that were allocated to bond payments before the District refinanced the bond. He said the District looked at options for a way to add in an additional \$100,000 to the FY 2009-2010 budget. Eaton created a visual aide to address the difference accounts within the budget. Eaton went to Tim Iltz, Bond Representative for the District, as well as Robert Yingling, District Auditor, to see if there would be any reason that \$100,000 could not be taken from the bond account for bond payment in FY 209-2010. Both responded to Eaton that there is not a reason it needs to stay in the bond account. Eaton is recommending that \$100,000 be taken from the bond payment account to allow budget to balance with the agreement to be paid back within the next five years. Eaton added that he spoke to Phil Ralston to verify this would not hurt the Port of Portland in any way.

Review Draft FY 2009-2010 Budget continued – Ralston explained that after he had a chance to review the numbers, he feels that as long as the bottom line is the same, the Port is OK with this decision. Warren suggested that if this is the route the Board chooses to take, he would recommend that the Board do a good job of documenting the reasoning behind the transfer so future Board members understand the logic behind the decision.

Eaton returned to speaking about the draft budget and made note that this budget includes no capital improvement projects and a very modest transfer to reserves. Warren asked if this budget would affect any employees and if the District looked into furlough days. Eaton stated that this budget, if approved, would maintain all current employees and their status. There would however be no large increases or bonuses. Furloughs were considered, but with a skeleton crew, it was difficult to plan for furloughs that saved the District about \$3,000 per day of furlough.

Warren suggested that Eaton and Hendricks have conversations with staff, as it is important to let employees know what is happening. He would like staff to know that the Board supports them and does not want to have to cut any positions or hours. He, along with the entire Board, appreciates all that District staff has done and continue to do. Eaton and Hendricks stated they have relayed that message on several occasions and would be happy to do so again. The Board's continued support is appreciated.

Review and Approve Resolution 0961 Adopting a Budget for FY 2009-2010 and Authorizing a Landowner Assessment – Eaton gave a brief breakdown stating the District budget in the amount of \$3,096,921 is proposed for adoption for fiscal year 2009-2010. The general assessment of \$1,909,547 is authorized to be distributed among the districts landowner under the districts assessment methodology and policies using the billing and collection services of the Multnomah County Tax Assessors Office. The final item, the bond assessment amount of \$588,650, is authorized to be distributed among the districts landowners.

With no further discussions, Larry Cooper moved to approve Resolution 0961 adopting a budget for fiscal year 2009-2010 and determining the assessment amounts to be forwarded to landowners George Lingelbach seconded and the motion passed unanimously.

Approved Resolution 0962 Authorizing Signing Authority for FY 2009-2010 – Eaton stated this is a housekeeping issue the District has acted on each year and identifies check signers and those authorized to make money transfers. With no further discussions, Larry Cooper moved to approve Resolution 0962. George Lingelbach seconded and the motion passed unanimously.

Approve Resolution 0963 Adopting Budget Adjustments for FY 2009-2010 – Eaton stated this resolution clarifies the transfers from reserves to reserve revenue in the FY 2008-2009 budget to cover the following expenditures. Eaton noted that \$50,624 would be transferred from the Operational Reserves. The amount of \$27,915 is being transferred from system failure to cover costs of repairing the pump and motor #3 in Pump Station #1. Eaton noted an error on part "B" of the Resolution and asked folks to disregard the words after "failure", as they are not part of this statement. With no further questions or comments, Larry Cooper move to adopt resolution 0963 as amended in Part "B". George Lingelbach seconded and the motion passed unanimously.

STAFF UPDATES

PDX (Portland International Airport) Report – Phil Ralston began stating that the Port of Portland has saved \$7 million and deferred about \$160 million in capital improvement projects. He added the Port is also asking unions for a 7% decrease. Ralston said the Fire Department voluntarily declined a COLA for this year. He added that the Police Department, as well as the maintenance department, is facing lay offs with nine represented groups having to make cuts somewhere. Ralston also added the Port is looking at labor rate reductions with their larger costing projects as well as looking at negotiation insurance issues in the construction coverage areas. He stated that most vendors and contractors are giving positive feedback. Ralston stated the passenger numbers at PDX are down 15%, while cargo is down 25%. Ralston said the PDX has spoken with the airlines and they do not expect passenger numbers back to the 2007 levels until at least 2012 or 2013. Ralston stated he has sent the District a list of all of the capital improvement projects that had to be cancelled. He added there are certain areas that we cannot expect to cut such as the Drainage District. Ralston concluded by stating the DEQ deicing permit will be issued on June 29 or 30. This is a permit renewal allowing discharge into the slough and Columbia River. Hendricks asked if DEQ and the Port had decided on what constitutes no-flow. Ralston responded that has yet to be determined. Eaton thanked Ralston for all of his continued support of the District.

REGATTA

Eaton invited the Board to attend the Columbia Slough Regatta on July 26. This year they will launch from St. Johns landfill. Please call Kim or Gloria if you are interested in reserving a canoe or kayak.

CCA GOLF TOURNAMENT

Eaton noted on the agenda that there is one date correction. That would be the CCA golf tournament. It is shown to be on September 14 but is actually on September 21. Please let Eaton know if you are interested in playing as he is currently getting teams together.

ADJOURNMENT:

There being no further business to come before the Board, Chairman Tim Warren adjourned the meeting at 8:31 a.m.

APPROVAL:

These minutes were approved at a duly called meeting of the Multnomah County Drainage District #1 Board of Supervisors on November 12, 2009.

Attested: _____
Secretary