

**MULTNOMAH COUNTY DRAINAGE DISTRICT #1**  
**MINUTES OF THE BOARD OF SUPERVISORS MEETING**  
**May 21, 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, May 21, 2009, at the District's administrative office, 1880 NE Elrod Drive, Portland, Oregon.

Acting Chair George Lingelbach called the meeting to order at 8:01 a.m. and requested that the secretary note the role. Eaton acknowledged that the proper meeting announcements had been made.

Those present were:

George Lingelbach, Acting Chair  
George Donnerberg, Supervisor  
Bruce Holte, Supervisor – Via Teleconference  
Phil Ralston, Port of Portland Liaison  
Bob Eaton, Executive Director, and Secretary/Treasurer  
Dave Hendricks, Deputy Director  
Janet Olson, District Accountant  
Kim McRobbie, Secretary Pro Tem

Those with excused absence:

Tim Warren, President  
Larry Cooper, Supervisor

**APPROVAL OF MINUTES**

Bruce Holte moved to approve the minutes from the April 16, 2009 meeting as written. George Donnerberg seconded and the motion passed unanimously.

**FY 2009-2010 Budget Workshop** – Eaton spoke to the drafted budget spreadsheet included in the pre-meeting packet. He noted the budget is balanced at \$3,460,000.00, which is down from last year by about \$200,000. Eaton has gone through the document and is looking for comments and questions so he may finalize the numbers for the June meeting. Eaton added this budget covers just the basics only of maintenance and operations. He added there would be no capital improvement projects or transfers to reserves with this proposed budget. He said the primary reason for the shortage came last year when staff over estimated the cash reserves by about \$305,000. Eaton stated the budget presented today included all current staff and benefits. He added that last year the Board approved a modified health insurance policy to cut costs and that is maintained.

Eaton stated that at the last Board meeting there was one issue related to an expense that came up. That is the payment on the City of Portland's Stormwater IGA. Eaton spoke to the payment schedule where half of the payment is typically paid in January with the second half in June. The City of Portland's billings have differed over the last few years and the only way the District was able to pay in June was for the District to push to get a billing invoice in June. Otherwise, the bill was paid in July. Eaton is suggesting the second payment be made in the first part of July. That will allow the monies to come out next fiscal year and by doing that, it will also alleviate using the reserves to balance the budget. Phil Ralston asked if this is consistent with methodology. Olson responded this is just a bookkeeping issue. Eaton added that if you were to do the calculations, the estimated expenses would be \$2,941,603.00 and the transfer from reserves would be \$63,000 rather than \$322,088.00. Eaton added he is looking for thoughts and suggestions stating they would be helpful at this time. Eaton spoke again on the stormwater IGA saying three years ago, the District made three payments. That is what put us where we are today. Eaton is looking for direction from the Board asking if they feel it acceptable to change the payment period for the Stormwater IGA. He spoke to the debt service being on about the same payment schedule as the IGA.

**FY 2009-2010 Budget Workshop** – continued from previous page

Eaton gave a brief breakdown of the major expenses and they are the Bond at \$675,000, the IGA at \$525,000, the electricity totaling about \$142,000, and personnel totaling about \$1.3 million. Eaton also wants to know if the Board is content setting aside capital improvement projects this year knowing they will be put back on in the future. Ralston asked if any maintenance projects have been put on hold that could put the District in danger. Hendricks said no, nothing crucial. Eaton added there is no vote needed on this document, but if all agree, he will put this in its final format and bring back for approval in June. All agreed.

## **STAFF UPDATES**

**Fiscal Updates** – Olson stated the District is preparing for the year-end process. She has also begun talks with Robert Yingling to begin the audit process the first part of August. The Board thanked her for being proactive and stated it is refreshing to know things will be done in a timelier manner.

**Letter from Port of Portland (POP) RE: Robert Yingling's Material Weakness Letter** – Eaton stated he has received a comment from Port staff suggesting a District staff response to all the areas Mr. Yingling addressed in his letter to the Board. Eaton stated with Janet Olson's help, they have drafted a letter pointing out each specific area addressed and have included staff responses to each. Eaton read over each comment followed by each change he has or will be putting in place. Eaton added that Olson initiated at least 75% of the procedures and he must commend her for doing such an outstanding job. Ralston stated the response was what the Port felt was necessary.

Lingelbach stated that in the past there has been a need for financial consultants to assist with the accountant duties and asked Olson if she feels this will be necessary for her to complete her duties. Olson responded no, this job, while four Districts, is still quite a bit smaller than what she is used to doing and she feels things will be completed on time with little or no additional assistance from outside.

**PDX (Portland International Airport) Report** – Phil Ralston reported that the deicing project is at a 95% design phase. The Port is hoping to install under the levee soon and he appreciates the Districts cooperation in working together. The North runway project is in full tilt and all the groups are working very closely together. The final item is the Port's directors have adopted a "Not Now" CIP list deferring all non-urgent projects for a year or two. He will share that list with District staff.

Eaton stated he and Hendricks went on a great tour recently in the Sandy Drainage Improvement Company with three staff from the Port of Portland: Teresa Carr, Ryan Parker, and Sebastian Degens.

**4-MAT Roundtable April 30, PEN 2 Hosted** – Eaton stated this meeting turned out better than he had expected. He asked the each Board President to prioritize a list of training topics. Those have been compiled and provide a year and half worth of training topics for either 4MATs or March board trainings. He added that the PEN 2 Board might be looking at creating a landowner survey. This was the second topic of the 4MAT roundtable and staff will work with PEN 2 on this.

**COP Tree Ordinance** – Eaton and Hendricks met with the City of Portland to go over the “trees on levees” issue. COP is suggesting a programmatic approach to tree issues. Hendricks said the District is pleased to hear that. Eaton said the planning staff for the City’s tree issues would attend the 4MAT on July 30 to discuss current plans. Hendricks said the District will push for the programmatic approach and then we can deal with other agencies up front to determine mitigation before hand. Hendricks added that he does not understand the tree for a tree concept when trees are not allowed to be planted on levees in the first place. He is suggesting that mitigation should include any work that improves water quality. Ralston asked if the District was under Urban Canopy Goals. Hendricks stated no, and out of the four Districts, there are 80-90 trees needing to be removed. Ralston told Hendricks and the Board that if he can be of any assistance, the Port is willing to lend its support.

**United States Army Corps of Engineers (USACE) Permit** – Hendricks spoke to the new DEQ regulations for water quality. He went to a DEQ meeting last week with about 20 folks in attendance to discuss regulations. He gave an example: if a slide happens, there would be major testing of the slide materials needed. Hendricks does not think this makes sense. He explained his point on this and other district issues, but to no avail. He walked out of the meeting after calling the assembled staff’s boss, Bruce Gillis, to schedule a meeting with him on the issue. They met last week and he and Hendricks agreed to enter into a memo of understanding to place the District in a clean up program rather than the solid waste program, which would require less testing. Hendricks agreed that the sediment could not exceed 10% of background limits. Hendricks stated this still has to be approved by Jennifer Sutter of DEQ and she may not agree with the testing standards.

Hendricks also stated that USACE issued their permit and it is good for five years. Ralston said Hendricks should be commended for that, as it was a huge accomplishment to get the USACE to change the Districts specific program.

**ADJOURNMENT:**

There being no further business to come before the Board, Acting Chair Lingelbach adjourned the meeting at 8:58 a.m.

**APPROVAL:**

These minutes were approved at a duly called meeting of the Multnomah County Drainage District #1 Board of Supervisors on June 25, 2009.

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