

MINUTES
PENINSULA DRAINAGE DISTRICT #1
ANNUAL LANDOWNER'S MEETING
July 19, 2007

Pursuant to advertised notice, the Annual Landowner's Meeting of Peninsula Drainage District No. 1 was held at 1:30 P.M. on Thursday, July 19, 2007, at the Portland Expo Center Office, Building D, Portland, Oregon.

CALL TO ORDER

Board President Chris Bailey called the meeting to order at 1:40 P.M.

ATTENDANCE

Those present were:

Chris Bailey, President
Bill Briggs, Supervisor
David Ernst, Supervisor
Kurt Redd, Supervisor
Mark Wigginton, Supervisor
Bob Eaton, Executive Director
Dave Hendricks, MCDD Deputy Director
Kim McRobbie, Secretary Pro Tem
Scott Carter representing the Port of Portland

QUORUM

Bob Eaton announced that 84% of landowner acres were represented which exceeded that needed for a quorum.

APPROVAL OF MINUTES

Dave Ernst moved to approve the minutes from the July 27, 2006 landowner meeting as presented. Bill Briggs seconded and the motion passed unanimously.

ELECTION OF SUPERVISOR

President Bailey explained that Board seat #3, currently held by Dave Ernst, is up for election for a term ending June 2010. He stated that Ernst is willing to serve again if elected.

Chris Bailey nominated Dave Ernst to Board seat #3 for a term ending June 2010. Bill Briggs seconded and the motion passed unanimously.

President Bailey added that Board seat #4, currently held by Kurt Redd, is up for election for a term ending June 2010. He stated that Redd is willing to serve again if elected.

Dave Ernst nominated Kurt Redd to Board seat #4 for a term ending June 2010. Chris Bailey seconded and the motion passed unanimously.

Bob Eaton administered the oath of office for the newly elected supervisors.

FISCAL MANAGEMENT AND BUDGET

FY 2005-2006 Audit – Eaton reported that the District budget is small enough that a full audit is not necessary. Only an accountant review, which is nearly the same as an audit, is required. The review finds that the District financial statements fairly reflect the District's financial position according to generally accepted accounting practices; in other words, a clean report. Eaton pointed out the reserve policy of the District and how the District is within \$25,000 of meeting the reserve goals. There were no questions.

FY 2006-2007 Financial Summary – Eaton provided a one page FY 2006-2007 Unaudited End of Year Budget summary, which, through graphs, reflected revenues, expenses, and reserves for FY 2006-2007. Total revenues exceeded total expenses by about \$37,000. Reserves total \$108,700.

FY 2007-2008 Budget Summary – Eaton presented an overview of the FY 2007-2008 budget. The adopted budget is \$200,500, a 25% decrease, with a landowner assessment to balance of \$167,200, a 9.9% increase. The increase is necessary to balance since about \$80,000 of the FY 2006-2007 budget came from one-time only, non-assessment sources used primarily for capital projects. About \$27,000 of FY 2007-2008 expenses are one-time only and can be expected to drop out of the FY 2008-2009 cycle.

Intergovernmental Agreement (IGA) between PEN 1 and MCDD – Eaton reported that the IGA has been approved for FY 2007-2008. The IGA reflects one change - no cap on costs. Projected expenses are included in line items within the budget and will be managed using budgetary procedures just like any other line item. Services include all routine maintenance of pump station, levees and ditches, and routine engineering, administrative, planning, and accounting services.

REPORTS

Work Completed in FY 2006-2007 – Hendricks reported on the work done which included:

- Tree inspection of the Railroad embankment.
- Vanport pump station break-in and theft, and how District staff was able to have it up and running the next day.
- Inspections, mowing and spraying of levees and ditches.
- Annual pump station maintenance.
- Inspected and maintained pump stations at least twice weekly. Pumps are in good condition.
- Completed project to install two culverts between Northern and Midwestern Slough.
- Graphic Packaging discharge pipe sleeving was completed and paid for by Graphic Packaging and Flint Group.

City of Portland Activities – Eaton reported on the Stormwater IGA with the City of Portland and how the current IGA will be in place until 2012 or until a new one is negotiated, whichever happens first.

I-5 Widening – Hendricks reported the project would have an impact on the levee and flood wall so the District is working with planners and engineers to address the impacts.

Upcoming Projects and Issues –

- Hendricks reported that on September 4 & 5, 2007 the United States Army Corp of Engineers (USACE) will be doing annual inspections. Hendricks will send email to Board members to follow up on the results.
- The District will prepare a cost estimated design for the PIR pump station for future discussion and possible budgeting.
- The District will be removing trees on the levee that are within the critical section.
- In the next few weeks, Cornforth Consulting and an oil drilling contractor will be drilling 8 shafts at four different areas in the four drainage districts and will spend approximately 1 ½ days at each site. The PIR levee will be one location for the drilling. The contractor wants to prove to the geotechnical profession that the same data can be collected using a sonic drill machine as from the conventional mud-drilling machine. Hendricks added there is no cost to the District for this service.

LANDOWNER REPORTS

- Bill Briggs spoke on the superfund project at his property. He is trying to get some research completed on the project. Currently testing for contamination on site and possible off site and he will follow up with any new information. Hendricks would like to know the findings for sediment testing in Force Lake or the ditch system adjacent to Force Lake when testing has been complete.
- Eaton talked about the upcoming golf tournaments; one is in July at Oregon Golf Club sponsored by the Special Districts Association of Oregon (SDAO); the other is sponsored by Columbia Corridor Association (CCA) and will be held in September.
- Eaton talked about SDAO recognizing the Districts by presenting the 2007 Outstanding Special District Program Award.
- Dave Ernst spoke about the possible sale of the Graphic Packaging Plant. The vacant land adjacent to the property would be retained.

PEN 1 Landowner Meeting Minutes
July 19, 2007
Page 4

ADJOURNMENT

There being no further business to be brought before the Landowner Meeting President Bailey adjourned the meeting at 2:30 p.m.

APPROVAL

These minutes were approved at a duly called meeting of the District landowners on *July 17, 2008*.

Signed: _____
Supervisor

Attest: _____
Secretary