

**PENINSULA DRAINAGE DISTRICT #1
BOARD OF SUPERVISORS MEETING
Thursday, January 8, 2009**

Pursuant to proper notification, the Peninsula Drainage District #1 Board of Supervisors met at the District Office, 1880 NE Elrod Drive, Portland, OR at 12:00 PM, on January 8, 2009.

President Chris Bailey called the meeting to order at 12:06 PM. Bob Eaton said all notifications had been done. Bailey asked for a roll call.

ATTENDANCE

Chris Bailey, President
Bill Briggs, Supervisor
David Ernst, Supervisor
Mark Wigginton, Supervisor
Bob Eaton, Executive Director
Dave Hendricks, Deputy Director
Janet Olson, District Bookkeeper
Adam Zucker, District Engineer
Kim McRobbie, Secretary Pro Tem
Jane Van Dyke, Guest

EXCUSED ABSENCE

Kurt Redd asked to be excused from this meeting as he had prior business arrangements.

APPROVAL OF MINUTES

Chris Bailey moved to adopt the minutes from July 17, 2008 as submitted. Bill Briggs seconded and the motion passed unanimously.

Mark Wigginton moved to adopt the minutes from September 11, 2008 as submitted. David Ernst seconded and the motion passed unanimously.

BUSINESS

Proposed Goals for 2009-2010: Bob Eaton referred to the staff report included in the pre-meeting packet. He noted each year the Board adopts goals as part of its budget process. These adopted goals are then cranked into the budget process where dollars, as needed, are set aside to accomplish them. Hendricks added that these are brought before the Board each year to discuss which ones need to be there, which ones should be a higher priority and how to keep in compliance with federal standards. The Board decided that they would remove proposed goal #3 and add two additional goals that fit the Districts needs more. Wigginton inquired as to any development freedom in the District. Ernst asked about outfalls. Hendricks responded he is not sure, but there will be probable upgrades needed to meet the new standards. Wigginton asked about the required timeline associated with meeting the standards. Hendricks replied September 2009. Dave Ernst moved to adopt the goals as amended. Bill Briggs seconded and the motion passed unanimously.

Adopt District Calendar: Eaton presented the annual calendar of PEN 1 scheduled events for FY 2009-2010, stating this is just a guide to assist in looking ahead to the future. By consensus, the annual calendar was adopted by the Board.

STAFF REPORTS

Financial

Financial Report – Janet Olson spoke to the handouts she prepared for today's meeting. She began with the balance sheet as of January 1, 2009 stating the total assets come in at \$407,559.23. She added that the FlexLease Series 1999G will be paid off this year. Moving on to the Profit & Loss budget to actual, Olson spoke to the assessments being right on target with about \$20,000 collected to date, but that interest will be down slightly from last year. Olson added that overall instead of \$180,000 the District will be closer to \$176,000 which is not too bad. The Board's focus moved to debt services. Olson stated the 2006 principal came in at about \$5,000 with next year down about \$15,000. Wigginton asked Olson if at the next meeting the Board could see reports that would show year to date comparisons. Olson said that is not a problem at all and she will prepare the reports in that manner at the next meeting. Bailey suggested to Olson some color coding might make things stand out a little more. Olson again stated she is happy to comply and will begin that for all future reports.

FY 2007-2008 Audit – Olson reported that PEN 1 has been given a clean and clear financial review. She pointed out a note on page 1 of the review and on pages 11-16 concerning cash equivalents. Wigginton asked both Olson and Eaton if Robert Yingling has any non-printed suggestions. Eaton stated that neither he nor Olson had heard any, but feels Yingling would let them know if he found any. Wigginton also asked Eaton if he expected assessments to go down or collections to go down for 2009-2010. Eaton stated that he plans to talk with Multnomah County and will let the Board know if he finds out any updated information. Hendricks added he thinks it is reasonable to believe that compressions will be greater. David Ernst made a motion to adopt the FY 2007-2008 financial review. Mark Wigginton seconded and the motion passed unanimously.

Programs/Policies

Levee Recertification – Hendricks began by saying PEN 1 has been recertified and will be shown as such on the FIRM Maps. Cross levees are not included in the recertification process. United States Army Corps of Engineers (USACE) suggested to FEMA that the cross levees be looked at as well.

COP-Stop Log Installation Test – Hendricks stated the City of Portland Bureau of Maintenance tried to install the stop logs on North Marine Drive at Graphics Packaging and ran into some problems with the beams and holes the beams are set into. The City and District will select a future Saturday morning at about 1:00 AM, to close down Marine Drive, install the flood wall correctly and figure out what the problems are so they can be fixed. Wigginton asked about a future IGA with the City of Portland to take over the responsibility of installing the flood wall. Hendricks stated the District will explore our options and check into costs associated with the operations, but he always assumed the District did not want the liability that goes with that responsibility.

Projects

PIR Pump Station – Adam Zucker began with a brief history of the PIR pump station. He stated the structure is aging and the threat of breaking down is a possibility. Zucker stated he researched the replacement costs that are coming in at \$1.5 million if the station is moved to another location. Using existing pipes and some of the better existing pilings, the cost is closer to \$400,000. The Board requested that the District look into doing a temporary repair of the pump station. Zucker stated costs associated with a temporary fix are about \$100,000-\$200,000. The Board requested the District move forward to avoid further damage.

Zucker stated the District is currently at a 30% design level and the actual cost of rebuilding the pump station in the modified version would be around \$400,000 instead of the \$1.5 million. That would include a new structure and forebay. Hendricks has reviewed and he feels the design and cost are in line. David Ernst asked about the Columbia River Crossing (CRC), and if the water would go to the pump station. Hendricks stated the stormwater would eventually go to the PIR pump station and has calculated the added flows into the new pump capabilities. Hendricks added with the economy the way it is, the District may be able to get lower construction bids for the re-build of the pump station this year instead of waiting another year. Wigginton asked what the impacts to their budget would be if the district financed the project this budget cycle? Hendricks stated we would contact SDAO and get a flex lease payment schedule for \$400,000 over a 20 and 25 year pay back and send to the board members for their review.

Planning

City of Portland IGA – Eaton stated that he and Hendricks sat down last fall with Dan Vazzini with the City of Portland to discuss the future status of the IGA. Eaton added that to date the District has not heard back from the city. He stated the City would like to see it completed by June 2009, but it is doubtful that can be done.

Other

4MAT Roundtable – Eaton reported the next 4MAT Roundtable is hosted by PEN 1. Eaton has spoken with Bailey on some possible topics so stay tuned for an agenda coming your way soon. If anyone would like to give suggestions for meeting ideas, please let Eaton know.

ADJOURNMENT

There being no further business to be brought before the Board, President Bailey adjourned the meeting at 1:56 PM

APPROVAL

These minutes were approved at a duly held meeting of the Board of Supervisors on April 9, 2009.

Attested: _____
Secretary