

**PENINSULA DRAINAGE DISTRICT #1
BOARD OF SUPERVISORS MEETING
Thursday, May 28, 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 8:00 AM, on May 28, 2009.

President Chris Bailey called the meeting to order at 8:00 AM. 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
Kurt Redd, Supervisor
Bob Eaton, Executive Director
Dave Hendricks, Deputy Director
Adam Zucker, District Engineer
Kim McRobbie, Secretary Pro Tem

APPROVAL OF MINUTES

Mark Wigginton moved to adopt the minutes from April 9, 2009 as submitted. David Ernst seconded and the motion passed unanimously.

BUSINESS

Review and Possible Award of Contract for PIR Pump Station – Dave Hendricks presented two handouts reflecting the PIR Storm pump station replacement bids. He stated the bid openings were yesterday and three bids came in that followed all of the proper protocol. Zucker added that 10 general contractors showed up for the pre-bid walk through. Five registered as possible bidders with only three submitted bids. He added this is a specialized pump station and feels that may have lowered the number of bidders. Staff had hoped the bids would come in at about \$500,000, but Hendricks stated, as you can see by the numbers, they did not. Hendricks spoke to the alternative options available including value engineering as well as helical anchors. Hendricks noted that TRIAD Machinery did come in with the lowest bid. He then directed all to turn to the second handout showing the breakdown using the TRIAD bid and project costs estimates. When you look at the total funding requirements coming in at \$594,000, and the 2009 Flex Lease at \$555,162, there is still a shortfall of \$39,378. He did state that if he continues to watch interest rates there could be a possibility of a larger Flex Lease with a lower interest rate. With that, Hendricks stated he talked about sitting down with TRIAD and setting a “not to exceed” amount contract. Redd spoke to his experience with TRIAD being notorious for change orders, which can be very costly. He concluded by saying that despite that he feels they do good work. Hendricks directed attention to item line number 6 on the bids, Shoring, Cribbing & Cofferdams. He feels this is a low number compared to all the other bids and that is concerning. Hendricks is asking the Board for a decision on going forward with a flex lease and he will keep watch on interest rates. Alternatively, the Board can look at reserves or pay the COP stormwater IGA payment in July rather than in June. He added the Board needs to look at what is realistic for the District to accomplish. He is recommending to redesign and put out for bid next summer rather than now. He added the permits would still be valid if the District chose to wait. Hendricks was asked what he feels the crossover point would be. How much would interest rates have to come up to washout savings of waiting? Hendricks responded the average rate has been about 5.2% so it would have to go up quite a bit. Redd asked what the downside is to waiting until next summer to go back out for bids? Hendricks responded that his main concern would be something going up into the pump as well as the possibility of interest rates increasing dramatically.

Review and Possible Award of Contract for PIR Pump Station Continued from previous page –

Ernst asked how much the assessment would have to be raised in order to complete the pump station rebuild this year. Eaton and Hendricks both stated that at least a 20% increase would be needed. All agreed that would not be an option. Hendricks stated that he is looking for specific direction from the Board on what they would like to do with the pump station rebuild. Zucker added that he feels that if the Board was to wait, that more and better bids may come in. He stated that there was only three weeks time between the ad and the bid due date and that made things tight. Zucker added that at the same time there were five large public bids being solicited and that may have put a damper on the number of bids received. Mark Wigginton moved to postpone the PIR pump station project. Chris Bailey seconded and the motion passed unanimously.

FY 2009-2010 Budget Workshop – Hendricks is suggesting the Board not adopt a number, but rather adopt a percentage due to the last meeting. Wigginton asked about the reason behind Multnomah County's compression increase. Hendricks responded that he has asked many times and still has yet to hear an answer. Wigginton asked if the District had stopped adding to the emergency funds. Hendricks responded yes, that all current goals have been met. Staff suggested the Board give them either a percentage or a flat dollar amount in order to sign resolution. Bill Briggs moved to balance the budget with an assessment of \$193,000. Mark Wigginton seconded and the motion passed unanimously. Zucker asked if monies would still be available for permitting. Hendricks responded yes. The District would still have to make those payments out of this budget. Dave Ernst moved that the balance remaining be transferred to the emergency reserves account. Kurt Redd seconded and the motion passed unanimously.

Resolution 0952 – Approval of FY 2009-2010 Budget – Hendricks said that since the pump station rebuild is being tabled for now, he would rework the budget numbers and email out for a vote. Wigginton stated he will be gone from Tuesday through the following Monday.

STAFF REPORTS

Programs/Policies

None at this time

Projects

None at this time

Planning

Tree Ordinance Update – Eaton has met with the City of Portland's Planners, BES, Forester and others on tree ordinance options. They will work on a tree process for the districts featuring a programmatic approach. Eaton added the City Planners would be attending the 4MAT in July to explain what they have in mind.

4MAT Roundtable April 30 – Eaton reported the 4MAT Roundtable was hosted by PEN 2. He stated there were a couple of things to share. The first is a list of potential training topics prioritized by those present to cover the next year to eighteen months of 4MATs and annual board training. Eaton also spoke about guest Derek Itinarelli, Manager of Columbia Edgewater Golf Club. Over the years, Derek has compiled some great surveys and Eaton thought it would be good for him to talk with the 4MAT group idea about the different types of survey that could be used by the districts. It appears that only PEN 2 is interested in a landowner survey. Eaton concluded saying the 4MAT was a great session and thanked those who attended.

Peninsula Drainage District No. 1
Board of Supervisors Meeting Minutes
May 28, 2009
Page 3 of 3

Discussions From the Floor – Mark Wigginton asked Eaton if staff had gone further down the road with talks on lobbyist. Eaton responded he has remained in touch with a lobbyist in DC on a pro bono basis who has forwarded documents on stimulus funds and other items of interest to the district. He said that Friday the District is taking Earl Blumenauer’s local staff for the stimulus issues on District tour.

Hendricks stated he has spoken with Homeland Security about the SCADA system. They suggested putting their federal hackers on the SCADA system to see if they could hack into it to determine if more firewalls are needed to be put in place. The group asked about stimulus money and if the Districts’ would be seeing any of it. Hendricks stated the best the District has heard is maybe in 2011 when the Lower Columbia River Bank Protection Act is funded.

District Engineer, Adam Zucker spoke to the large amount of work going on in PEN 2. He spoke to all of the new data that has been collected. He announced that he has found a company to gather the LIDAR data and for about \$1,000 will turn the data into a surface topography map.

Eaton asked the Board how they felt about meeting at the District office rather than the EXPO center. He also asked about the time of 8:00 AM meeting rather than a noon meeting. All members agree that they would prefer the meetings to be first thing and be held at the District Office. Eaton stated that beginning at the July Landowner and Board meetings, all meetings will begin at 8:00 AM, and will be held at the District Office rather than at the EXPO Center.

ADJOURNMENT

There being no further business to be brought before the Board, President Bailey adjourned the meeting at 9:00 AM

APPROVAL

These minutes were approved at a duly held meeting of the Board of Supervisors on July 16, 2009.

Attested: _____
Secretary