

**PENINSULA DRAINAGE DISTRICT #1
BOARD OF SUPERVISORS MEETING
Thursday, January 7, 2010**

Pursuant to proper notification, the Peninsula Drainage District #1 Board of Supervisors met at the District Office, 1880 NE Elrod Drive, Portland, OR on January 7, 2010.

President Chris Bailey called the meeting to order at 8:05 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
Bob Eaton, Executive Director
Dave Hendricks, Deputy Director
Byron Woltersdorf, District Engineer
Janet Olson, District Bookkeeper
Kim McRobbie, Secretary Pro Tem
Jane Van Dyke, Guest

Excused Absence

Kurt Redd, Supervisor

Dave Hendricks introduced new District Engineer, Byron Woltersdorf, who gave a brief history on his work experience. All welcomed him to the District.

APPROVAL OF MINUTES

President Chris Bailey presented the minutes from the July 16, 2009 Board of Supervisors meeting. After review, David Ernst moved to approve the July 16, 2009 minutes. Mark Wigginton seconded and the motion passed unanimously.

President Chris Bailey asked for a motion to approve the September 10, 2009 Annual Tour minutes. Mark Wigginton moved to approve the annual tour minutes from September 10, 2009. Chris Bailey seconded and the motion passed unanimously.

BUSINESS

Resolution #1011 – Authorizing signing Authority for 2009-2010: Eaton spoke to resolution #1011 included in the pre-meeting packet. He added this is a basic housekeeping measure. Approving this document provides authority to sign checks and do banking. Eaton stated there is a chain of command for transferring of funds with Eaton first, followed by Janet Olson, and then by Chris Bailey. Chris Bailey asked if it would be helpful to staff if Mark Wigginton was added as a Board member able to transfer money if Chris should not be available. Eaton added that officially, there is no reason to do so but the Board could certainly decide to do so with no problems. The Board agreed that Wigginton should be added as a second board member authorized to transfer funds. Bailey also noted one correction in the first paragraph, second line the word *entire* should read *enter*. Chris Bailey moved to adopt resolution #1011 with said corrections. Mark Wigginton seconded and the motion passed unanimously.

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Status of Adopted Goals for 2009-2010: Eaton spoke to the color-coded page included in the pre-meeting packet. He added the green text represents completed goals. The orange text represents goals underway. Red text has yet to be started. Eaton will focus on the goals in red. The City of Portland's Stormwater IGA is red because the District has seemed to have hit a dead-end with the City of Portland. Phone calls made to them have gone un-returned and no correspondence has been received.

On the Capital Improvement Goal #2, Eaton said the District is not there yet. It depends a lot on what happens with CRC and economic issues. Chris Bailey made note that these adopted goals have been acknowledged for the record.

Proposed Goals for 2010-2011: 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. Eaton 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. Eaton noted one change in Administrative goal #4. He added these are items we continually do but should be reflected on a public document. The Board discussed CIP Goal #1, the PIR Pump station. Eaton stated that with that goal it does not mean the District will build the pump station. It means to have plans designed at this point and have on file for a later time. David Ernst mentioned that METRO is working with Graphic Packaging on discussion of purchasing wetlands. Dave Hendricks asked Ernst for the contact name at METRO so he can speak to them about flood storage design. Ernst said he would e-mail Hendricks when he gathers the contact information. Jane Van Dyke suggested Hendricks start with Hillary Wilton as that is her point of contact at METRO. With no further discussions, Mark Wigginton moved to approve and adopt the Proposed Goals for 2010-2011. Bill Briggs seconded and the motion passed unanimously.

Review Program for District Board Member Training on March 18, 2010: Eaton spoke to the staff report included in the pre-meeting packet. Staff is proposing to go on another tour as great feedback was received after the one a few years ago. Eaton stated that the Port of Portland has three large projects across the Districts. One is the Deicing Project. Another is the development and accompanying stormwater improvements being made in SDIC. The final is Hayden Island and what the Port plans to do with the property. Eaton has spoken with Phil Ralston who will see about the Districts using a Port Bus to take the tour. Eaton asked for any suggestions or if this idea sounded good. All agree that another tour would be great as there have been changes since the last tour. With no further questions or discussions, Mark Wigginton moved to approve the Four-Board Training Agenda. Chris Bailey seconded and the motion passed unanimously.

STAFF REPORTS

Financial Report & FY 2008-2009 Audit: Janet Olson spoke to the PEN 1 Audit that was submitted to the State of Oregon on December 31, 2009. Olson stated the audit was submitted as a clean report. Robert Yingling does, however, have to disclose any deficiencies he may find. Olson stated this is only because we have him prepare our footnotes. We could hire a CPA to create the footnotes but it would be very costly. Olson stated the deficiencies noted are not a big deal but Yingling has to show in writing by law. Olson added that the cost associated with Robert Yingling preparing the audit is \$4,000. She concluded by saying, the Board can take the Audit back to their offices or if they chose, they can leave it on file at the District Office.

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Financial Report & FY 2008-2009 Audit: Olson spoke on the financial reports she handed out this morning. She spoke briefly on the Balance Sheet as of December 31, 2009, adding it is self-explanatory with no surprises. She then turned her attention to the Profit & Loss Budget vs. Actual July through December 2009. Olson stated all looks in line with where it should be at the point. She added the figures in black are over budget and the figures in red are OK. Olson stated she has not received the numbers for the second quarter so those figures will not be reflected in these reports. Olson said the City of Portland's Stormwater billing would be due mid January or February of about \$29,000. Wigginton asked about current revenue status. Olson replied the District is right where things should be at this time. Hendricks noted the District is over budget in Ditch and Culvert maintenance. This, he states, will be even a larger number as the year goes on. This is due to an explosion of beaver activity especially in the Vanport and Broad Acres areas. The District currently has two trappers on staff but beavers are popping up everywhere causing damage. Hendricks showed some HDPE piping from SDIC where the beavers chewed through the pipe causing expensive repairs. He added that the District still prefers to use HDPE but they are looking at designing the diffuser differently.

Eaton stated that last year the District's internal financial procedures were brought into question. It was decided that some duties would be moved around in order to protect the District. Eaton stated the Districts already required two signatures on the checks. One signature must be staff and the other must be a Board member. A procedure put in place is the Bank of America bank statements go directly to Eaton unopened. He reviews and reconciles the checks enclosed and the statement is sent to Olson for full reconciliation. For deposits, Gloria Gallego, who opens mail, receives the checks and forwards them to Olson. Olson records them in the system and forwards to Eaton for deposit. Olson determines the amount to be transferred from the LGIP to the District checking account and notifies Eaton who makes the phone transfer. Eaton stated these extra security measures do not add any time to staffs duties, but better protect the District.

PROGRAMS/POLICIES

Levee Recertification: Hendricks received a letter from the Army Corps of Engineers stating all levees will be recertified every five years. He is not sure if the five-year period begins from the letter date or from the last certification date, but he will find out. Hendricks said the District could potentially have problems, as the criteria had not been established until after our levees were certified. Now, the standards are changed and one of the new requirements is borings along the levee every 1000'. Also all drainpipes have to be TV'd. Hendricks is working with the Corps to figure out which standards the Districts fall into. He added the Corps has identified pipes that have to be TV'd this year. Hendricks will be requesting bids in hopes of receiving three responses. Some he has spoken to say the project would be a waste of time and money because the water is very turbid. Hendricks also spoke to Army Corps changes in specifications and procedures. He pointed out two changes in particular. The District will need to get with an arborist, as the trees between Marine Drive and the Flood Wall must be removed. New standards also state that any tree within 25' of a floodwall must come out. Hendricks stated that after the Corps finds deficiencies, the District will have two years to rectify or have its levees become uncertified.

Hendricks spoke about the City of Portland's arborist who is taking the position that the District needs to go through a Land Use Review. Even though the City of Portland planted the trees, they state it was proper code at the time; therefore, it is not their responsibility to remove them.

The question was asked "How much will it cost to do the boring every 1000'?" Hendricks responded about \$250,000 for PEN 1. He did state that once the boring had been completed, it should not need to be done again.

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PROJECTS

PIR Pump station: Hendricks stated at the last Board meeting the group discussed the PIR bids that received were much higher than anticipated. It was decided to do value engineering instead. The District chose not use the same firms and decided to hire a civil engineer at a cost of \$3,000 to have the design done. The District hired CSA, a firm that estimates costs for projects and they estimate the PIR pump station rebuild to come in at \$668,000. He would like the Board to consider finishing the design so it is done. He does not want to do any more than the design because the District will be looking at other funding sources. In the interim, he is concerned about the uptake of the pump. He would like District Engineer Byron Woltersdorf to design brackets that bolt to the existing pile and cantilever out then put in steel grating around two sides. Hendricks said that the grates would be reusable when the pump station is built. The costs associated with the grates are \$40,000 to \$50,000 to build. He added the permits are currently on hold and a decision will need to be made by March 1. Dave Ernst asked if the permit was to construct the pump station. Hendricks replied yes, and the grates would be maintenance not construction. Hendricks spoke with CRC about paying a one-time fee rather than an annual fee, which would fund the cost of the grates.

Vanport Wetlands Pump Station: Hendricks spoke to the rebuild that is needed at the Vanport pump station. He stated the motor is a vintage 1940's model and the structure itself is rotten. Before any decisions are made Hendricks is recommending the District wait to find what flows are going to be coming from CRC.

City of Portland Stop Log Installation: Hendricks stated that a few meetings back he went to the City of Portland to enter into an IGA for the District to install Stop Logs in an emergency event. City of Portland said the District might have the responsibility of installing, but the city will not provide any funding. The District has entered into an IGA for the City of Portland to be the responsible party to put the stop logs in place.

PLANNING

City of Portland Trees: Eaton said the City is currently re-writing the codes and are looking at a one-stop shop format. Eaton will inform the Board of any updates.

OTHER

4-MAT January 28 – PEN 1 Hosting: Eaton has not heard from the City of Portland so he is unsure where things are with the Stormwater GA. He suggests that the IGA be included in the discussions for the January 28 4MAT Roundtable.

Hendricks spoke to the outfalls and the pipes that are still in place. He added the perspective is there is a lot of money right now. However, there are many drainage districts in the United States looking at millions in repairs. He feels the United States Army Corps of Engineers will have to help financially or totally fund federal levees. Mark Wigginton asked how much cost would it be to repair the levee per mile. Hendricks said he is not sure but is speaking to Kleinfelder, a geo-tech consulting firm working with the Port of Portland and working out of Sacramento. He has invited them to come to the District in February. They have used electro magnetic imaging that can penetrate deeper into the soil than infrared. Hendricks said he plans to talk with them about using this method.

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Jane Van Dyke spoke to the upcoming Slough Celebration on January 29. She extended invitations to all Board members and spoke to the recognition awards that will be presented.

ADJOURNMENT

There being no further business to be brought before the Board, President Bailey adjourned the meeting at 9:50 AM

APPROVAL

These minutes were approved at a duly held meeting of the Board of Supervisors on April 8, 2010

Attested: _____
Secretary