

**PENINSULA DRAINAGE DISTRICT #2**  
**BOARD OF SUPERVISOR'S MEETING**  
May 6, 2010

Pursuant to an advertised notice, the Board of Supervisors' meeting of Peninsula Drainage District No. 2 was held at 12:00 p.m. on Thursday, May 6, 2010 at the District Office located at 1880 NE Elrod Drive, Portland, OR 97211.

**CALL TO ORDER**

Chair Dick Shafer called the meeting to order at 12:08 p.m. Secretary Bob Eaton acknowledged that proper notification of the meeting had been done.

**ROLL CALL**

**Those present were:**

Dick Shafer, Supervisor  
Vic Stibolt, Supervisor  
Walter Valenta, Supervisor  
Karen Myers, Supervisor  
Jason Ashe, Supervisor  
Bob Eaton, Executive Director  
Dave Hendricks, Deputy Director  
Byron Woltersdorf, District Engineer  
Janet Olson, District Bookkeeper  
Kim McRobbie, Secretary Pro Tem

**Guests:**

Rich Halston, Machinery Sales

**MINUTES APPROVAL**

Vic Stibolt moved to approve the meeting minutes from February 18, 2010, as written. Karen Myers seconded and the motion passed unanimously.

**BUSINESS**

**Review and Approval – Intergovernmental Agreements for 2010-2011** – Eaton spoke to the IGA saying there are two parts to the document. Eaton will go over the generic sections of the IGA and Hendricks will follow up with the specifics. He added that since the District entered into the IGA back in 2009 the draft carries on each year. He referred to the drafted IGA he presented today stating all will remain the same with the exception of appendix B. He then turned things over to Dave Hendricks to speak further on the changes. Hendricks spoke to the operational rates and how the document shows a pay scale range but all jobs will be billed at the actual rate. He added the rate schedules, labor rates, as well as equipment rates are updated every year. The labor rates include direct and indirect cost. The district will use weekly rate comparisons showing the low to high-end rates and in most cases the district will use the low end rate unless the piece of equipment has high maintenance cost. Then the rate will be towards the higher end. Hendricks estimated the fuel costs to be at \$3.00 a gallon but it may have to be increased if fuel costs go up substantially. All District equipment rates must be within market rates as stated by the State of Oregon.

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**Review and Approval – Intergovernmental Agreements for 2010-2011-Continued**

Dick Shafer asked if anyone had any questions regarding the IGA. With none, he called for a vote to adopt appendix B. Walter Valenta moved to adopt the revised Appendix B. Vic Stibolt seconded and the motion passed unanimously.

**Budget Workshop – FY 2010-2011 Draft Budget**

Eaton drew attention to the draft budget that was included in the pre-meeting packet. He asked Hendricks to take over as he handles the budget for PEN 2. Hendricks began by saying he is looking for a lot of guidance from the Board today to the level of engineering and design work the board would like to see on the capital improvement projects. He discussed the different design levels for the levees, stormwater master and pump stations. The board agreed to design the projects to a point where bid documents could be generated if funding became available. He gave a brief explanation on the current budget overages. He has structured the proposed draft budget to reflect no assessment increase. He identified sources of revenue from reserves, gave an overview of the CIP's and cost, and requested direction from the board on which projects they would like to budget for. The board requested staff to prepare several budget options identifying different projects and present at the June 17 meeting.

**FINANCIAL**

**Quarterly Financial Status**

Olson referred to the staff report included in the pre-meeting packet. She stated the report is run through April 30, 2010. Olson said there is not really a lot to add as her report would be identical to Dave's report. Olson stated the District is on track for assessments, with the next big batch of assessments to come in June. Olson added that although the District has received assessments on a weekly basis, they would now be received on a monthly basis. She concluded stating the District is close to current with 96% of expected revenue in at the end of April.

Vic Stibolt asked Olson if she thought the audit would be done before the landowner meeting this year. Olson stated, yes, she has been working with Robert Yingling to get ahead of the end of year taxpayers.

**PROJECTS**

**Camera Inspection Portholes Installed**

Byron stated the District needed to have all metal pipes video inspected because of new USACE Standards. He knew it was going to be difficult to get a camera into the pipes. He and Steve worked to design viewing ports in the landward side of the pipes. The process worked great, and he added the NE 13<sup>th</sup> Pipe is in better condition than originally thought.

**PROGRAM/POLICIES**

**4MAT Roundtable, April 29 PEN 2 Hosted**

Eaton and Shafer stated the April 29 4MAT was a good session with the best attendance ever. The topics included Drainage District Authority and Environmental Overlays.

## **PLANNING**

### **City of Portland Tree Ordinance**

Eaton stated he believes things are down to the final push now. He will be meeting with the Planning Commission and the Joint Planning Commission on the 11<sup>th</sup>. Eaton feels there will be more flexibility available during the mitigation process. Mitigation will still happen, but with more negotiating options because of a programmatic agreement the Districts have sought.

### **City of Portland Natural Resources Inventory/ESEE**

Eaton spoke briefly to the fact he met with Mindy Brooks and Jay Sugnet on May 5. He added the maps would be out on May 10 to show environmental overlays on most of the areas in the Districts. Eaton stated that PEN 2 is effected a tad on the East side of the District. Eaton feels the City staff will not budge on their decision, but are willing to give the District exemptions to P-zones. Eaton does appreciate that they respect the duties of the District. Eaton stated it is time to get the CCA on board as part of Phase II. Shafer said at least one USACE property appraisal reduced the value by 50% when it had a P-zone overlaid on it. This is the same zone proposed in the Airport Futures Plan and Goal 5. Hendricks is suggesting that all landowners call to have their property assessed when they receive the letter. This will help determine if the property is actually in an environmental zone.

### **COP Portland Plan**

Eaton attended one workshop held on economics that he found very interesting. Eaton added there were nine points of discussion with one being infrastructure. He was surprised to learn that with about 30 people there, there was no one else to talk about levees. He added the folks at his table thought the levee system should be moved up on the ladder of infrastructure importance. Eaton concluded saying he has offered language for agency use.

## **BUSINESS FROM THE FLOOR**

### **CRC Update**

Valenta spoke to the final environmental statement that the group discussed about two weeks ago. He added there are significant changes on the way. The group will meet again in five weeks to hear some new ideas with changes that reflect less impact on Hayden Island. He will keep the Board posted on new events.

### **Bridgeton Neighborhood**

Hendricks noted that he is in need of direction from the Bridgeton Neighborhood Association on the Magnolia Tree re-planting. The cost associated with transplanting the tree is \$10,000, which the neighborhood has in their mitigation funds. Hendricks needs to know if the neighborhood wants to fill at the school for planting or not. Valenta said he would ask the neighborhood and let Hendricks know ASAP.

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**Children's Arboretum**

Eaton spoke to the Children's Arboretum Funds that are still on the books. The problem is there are no projects planned at the arboretum. The District Auditor has asked what the plan is for the funds. Eaton suggested if there are no projects coming in the near future, the District should cut a check to ECNA. Hendricks stated with the money available, if the Board chooses, the District could do trail or moat improvements. He will put on the agenda for the June 17 meeting.

**MEETING ADJOURNMENT**

There being no further business to come before the Board, President Shafer adjourned the meeting at 2:55 p.m.

**APPROVAL** These minutes were approved at a duly held Board meeting on June 17, 2010

**ATTEST:**

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Secretary