

PACIFIC CITY JWSA BOARD OF DIRECTORS
BUSINESS MEETING MINUTES

October 3, 2006

Chairman Kellow called the meeting to order at 5:00 pm, in the Authority's meeting room.

Directors present were George Baumgardner, Jack Brooks and Doug Olson. Dick Carter was absent.

Guests present were Betty Robinson, Carolyn McVicker, Larry Rouse, Bob Elledge, Jack Doyle and Daryl Jimerson.

MINUTES:

A. Business Meeting Minutes.

None at this time

FINANCIAL REPORT

A. Accounts Payable: 9/13, 9/27 and 10/3/2006.

Motion

Director Brooks moved to approve the payables for 9/13, 9/27 and 10/3/2006. The motion was seconded by Director Baumgardner, and carried with four ayes.

B. Fiscal Year 2006-2007

As presented

MANAGER'S REPORT

Mr. Owen stated that there was another rupture in the waterline on September 20, 2006 going over Beachy Bridge and fortunately it was an easy repair. Mr. Owen said that the PCJWSA engineers are working on plans for this project and it is included in the bond levy monies if approved. Mr. Owen said that if the bond is not approved prioritizing of projects is needed and the Beachy Bridge should be done as quickly as possible.

Mr. Owen reported that a new paper shredder was purchased and asked the Board to declare the old one as surplus so it could be disposed of.

Motion

Director Brooks moved to declare the old paper shredder as surplus equipment and disposed of. The motion was seconded by Director Olson, and carried with four ayes.

Mr. Owen said that PCJWSA employee Josh Armstrong and his wife had their first child on September 20, 2006. Mr. Owen reported that Mr. Armstrong had not accrued enough sick and vacation time to take the entire time off paid and could not afford to take it off unpaid. Mr. Owen continued that PCJWSA does not have within the provisions of the personnel policy the ability to transfer vacation from one employee to another, but, Mr. Owen asked the Board to make a one time exception for this and allow the transfer of about twenty four hours vacation from other employees to Mr. Armstrong.

Motion

Director Brooks moved to authorize the Authority Manager to transfer vacation time from other employees to Mr. Armstrong. The motion was seconded by Director Baumgardner, and carried with four ayes.

Mr. Owen stated that he received a letter from the Water Resources Division that they had reviewed a 1993 certification request from the former PCWD for the lower Horn Creek intake water right. Mr. Owen continued that within the notice was a determination to reduce PCJWSA water rights from 2.0 cfs to 1.35 cfs, which represents a reduction of 300 gallons a minute, a situation PCJWSA cannot afford given that PCJWSA wants to place a water treatment plant at that location. Mr. Owen said that after discussing it with Chairman Kellow and due to the time sensitivity of the matter, Mr. Adam Zucker, a Certified Water Rights Examiner of Vigil Agrimis was contracted to handle this matter and Mr. Owen requested a \$5,000.00 retroactive expenditure approval.

Motion

Director Baumgardner moved to authorize the expenditure of \$5,000.00 for the water rights examiners services and a contract with Vigil Agrimis and Adam Zucker. The motion was seconded by Director Brooks, and carried with four ayes.

UNFINISHED BUSINESS

A. Pacific Sunset Development

Mr. Owen said that the pump station for Pacific Sunset has not been approved by the DEQ and PCJWSA cannot approve the project at this time.

B. Bond Levy Advisory Committee

Mr. Owen reported that Director Baumgardner, Betty Robinson, Carolyn McVicker and Michelle Hughes mailed the first bond levy flyers. Mr. Rouse commented that he thought the flyer was too light. Mr. Owen responded is that PCJWSA can only state the facts and cannot encourage anyone to vote one way or the other. Mr. Rouse stated that at his homeowners business meeting he recommended the homeowners to vote for the bond and his impression was that the response was positive. Director Olson said there would be one more forum to talk about this which is the candidate's forum on October 18th.

Mr. Owen asked if a second flyer should go out and Director Olson replied he thought it should come from another group or entity.

Mr. Bob Elledge said he hadn't seen a pamphlet and asked if there were a pros and a cons list. Mr. Owen responded with that there is no voters' pamphlet with this issue in it, only a statewide one without county measures.

C. Brooten/Resort Waterline

Mr. Owen reported that the project is proceeding ahead of schedule with about 40' of piping of 7,600' left to install. Mr. Owen said it had been pressure tested, disinfected and will be flushed Thursday morning with bacteria samples taken and sent to the lab Thursday afternoon. Mr. Owen said that the \$50,000.00 spent on the temporary bypass line had paid for itself and will be removed soon. Chairman Kellow asked if Tillamook County has inspected the project and Mr. Owen responded in the affirmative, that Walt Gile had been down checking the asphalt.

D. Cape Kiwanda Lodge and Spa

Mr. Owen said that Chairman Kellow and himself met with Bill Campbell regarding the project and came away with a better understanding but didn't know whether or not there was going to be a conditional use review application filed to change what is Phase II, the lodge and spa. Mr. Owen continued that a decision could not be made until this was determined. Mr. Owen said that he and Chairman Kellow had a conversation with Mary Jones about NRD plans and her response was that they would go back to the original plan. Mr. Owen stated that the cottage units will not be a fractional timeshare; they will be a motel with a timeshare overlay in which they will sell blocks of time which does not require individual meters. Mr. Owen said that due to the fact that he had not yet spoken to Ray Bartlett and that Director Carter is not at the meeting this week, this should be tabled until later, maybe even scheduling a special meeting next week.

GUEST QUESTIONS AND COMMENTS

Jack Doyle asked what has changed about the lodge and spa and Mary Jones replied nothing.

NEW BUSINESS

CHAIRMAN/DIRECTOR COMMENTS

Director Olson suggested that more work be done on the bond levy in the next week or two. Mr. Rouse suggested an outside of PCJWSA voters’ type pamphlet be mailed out with pros and cons. Ms. Jones suggested using the Chamber of Commerce website. Discussion continued until the meeting concluded.

Chairman Kellow adjourned the meeting at 6:00 pm.

The PCJWSA Board of Directors approved these minutes on November 7, 2006 by the following votes:

Aye_____ Nay_____ Abstain_____ Absent_____

ATTEST:

Doug Kellow, Chairman

Tony Owen, Authority Manager