

PACIFIC CITY JWSA BOARD OF DIRECTORS
BUSINESS MEETING MINUTES

April 13, 2006

Chairman Kellow called the meeting to order at 5:00 pm, in the Cape Kiawanda Community Center meeting room.

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

Guests present were Betty Robinson, Carolyn McVicker, Jeff Schons and Stephanie Welch.

MINUTES:

A. 1/3, 1/18, 2/7, 2/14, 2/21, 2/22, 2/28, 3/7 & 3/21/06 Business Meeting.

Motion

Director Baumgardner moved to approve the 1/3, 1/18, 2/7, 2/14, 2/21, 2/22, 2/28 3/7 & 3/21/06 Business Meeting minutes with corrections to the 2/14/06 minutes. Director Olson seconded, and the motion carried with four ayes.

FINANCIAL REPORT

A. Accounts Payable: 3/15, 3/29, & 4/12/2006.

Motion

Director Olson moved to approve the payables for 3/15, 3/29, & 4/12/2006. The motion was seconded by Director Baumgardner, and carried with four ayes.

B. Fiscal year 2005-2006.

As presented.

GUEST QUESTIONS AND COMMENTS.

None

MANAGER'S REPORT

As presented.

Mr. Owen stated that PCJWSA received the application for renewal of permit which expires in December of 2006 and should take two weeks to complete. DEQ takes another year to process and approve the permit.

UNFINISHED BUSINESS

A. Pacific Sunset Development

Mr. Owen noted that Pacific Sunset has completed a majority of the water and sewer, but testing remains to be done.

B. Seawatch Development

Director Olson declared before this subject take place that he has a potential conflict of interest. Director Olson stated that he has leased his business to one of Jeff Schons companies for a minimum of one year with an option for a second and/or purchase.

Mr. Owen stated the water and sewer installation of main lines and services is completed for Seawatch. The water system has passed pressure testing, was disinfected and the quality tests sent to an outside laboratory have not returned. Mr. Owen stated that the balance of items required are minor and need to be finished before water can be served. Mr. Owen recommended that final acceptance be issued under the condition that the testing from the laboratory is received favorably and that the PRV be set and calibrated correctly. Director Olson stated that Mr. Owen should be given authority to proceed or not based on acceptance of testing from the laboratory and the PRV issue being cleared. Director Olson said that other Developers in the same situation should be given the same courtesy in the future. Director Carter stated that we are dealing with a firm that has a long track record with PCJWSA.

Motion

Director Baumgardner moved to issue a letter of final approval for Seawatch Development Phase I and II, which are planning department designations, contingent upon the developer's completion of punch list work items and further restricting a letter of availability for Phase III and IV unless these items are completed. The motion was seconded by Director Olson, and carried with four ayes.

C. Resort/Brooten Waterline Project

Mr. Owen said that in March PCJWSA received bids in the amount of just under \$900,000.00 to complete the Resort/Brooten 12" waterline project. Mr. Owen continued that an alternative bypass method has been developed and is currently in process. Mr. Owen stated at the March 12, 2006 meeting approval was given to proceed with Phase I work based on a "Notice to Proceed" which was not issued. Mr. Owen recommended the Board reject both Phase I and Phase II bids and rebid this in late July or August.

Motion

Director Olson moved to formally reject both Phase I and Phase II bids for work on the Resort/Brooten waterline project and have them rebid at the end of summer. The motion was seconded by Director Baumgardner, and carried with four ayes.

NEW BUSINESS

A. Fiscal Year 2006/2007 Budget

Mr. Owen distributed new copies of a draft budget and noted that the 005 Fund has increased with a \$750,000.00 short term loan to fund the waterline project along Resort and Brooten Road. Mr. Owen stated that if a bond levy passes the short term loan will be paid back with the proceeds and if it fails PCJWSA will need to raise water capital improvement charges in November by approximately \$5.40 per month per user.

UNSCHEDULED BUSINESS

None

CHAIRMAN/DIRECTOR COMMENTS

None

Chairman Kellow adjourned the meeting at 5:30 pm.

The PCJWSA Board of Directors approved these minutes on May 2, 2006 by the following votes:

Aye_____ Nay_____ Abstain_____ Absent_____

ATTEST:

Doug Kellow, Chairman

Tony Owen, Authority Manager