

PACIFIC CITY JWSA BOARD OF DIRECTORS
BUSINESS MEETING MINUTES

November 6, 2007

Vice-Chairman Olson called the meeting to order at 5:03 pm, in the Authority's meeting room.

Directors present were Larry Rouse and Carolyn McVicker. Doug Kellow and Dick Carter were absent

Guest Present: Daryle Jimerson Ilean Rouse, Betty Robinson and George Baumgardner

Staff Present: Tony Owen

MINUTES:

A. 10/02/07 Business Meeting Minutes.

Vice-Chairman Olson stated that the directors present were incorrect that Doug Kellow was at the business meeting and Doug Olson was not.

Motion

Director McVicker moved to approve the 10/02/07 Business Meeting Minutes as corrected. Director Rouse seconded, and the motion carried with three ayes.

B. 10/10/07 Special Meeting Minutes

Vice-Chairman Olson stated that the Doug Kellow was present at the meeting.

Motion

Director Rouse moved to approve the 10/10/07 Special Meeting Minutes as corrected. Director McVicker seconded, and the motion carried with three ayes.

FINANCIAL REPORT

A. Accounts Payable: 10/05/07, 10/15/07, 10/29/07 and 11/6/07.

Motion

Director Rouse moved to approve the payables for 10/05/07, 10/15/07, 10/29/07 and 11/6/07. Director McVicker seconded, and the motion carried with three ayes.

B. Fiscal Year 2007-2008

Director Rouse asked about the lack of 005 fund Capital Improvement Revenue and Mr. Owen responded that when the budget was completed it was not known whether the bond would pass and since the bond did pass it was not necessary to increase Capital Improvement charges so revenue was down.

MANAGER'S REPORT

Mr. Owen reported that one of the pumps at the Airport lift station failed, but with inventory of replacement parts, it was repaired. Mr. Owen continued that the manufacturer of that pump is no longer in business and parts are no longer available and they may have to be custom manufactured in the future.

Mr. Owen stated that PCJWSA is continuing to work on the emergency preparedness program by obtaining various supplies and with the construction of a small building in which to house the supplies and safety equipment.

Mr. Owen said that the Forest Service inspected the Horn Creek facilities on Forest Service land and were satisfied with the inspection. This inspection has allowed PCJWSA to obtain a lease for five years.

Mr. Owen added to the Managers Report that after the bond issue passed, Oregon Coast Bank offered PCJWSA a one-quarter percent higher interest rate than LGIP offered. Discussion ensued regarding the money and transferring a portion to Oregon Coast Bank.

Motion

Director Rouse moved to transfer \$2,000,000.00 to an Oregon Coast Bank money market account. Director McVicker seconded, and the motion carried with three ayes.

UNFINISHED BUSINESS

A. Beachy Bridge Pipeline Project

Mr. Owen said that A Notice to Proceed was issued to Conway Construction and a pre-construction conference was scheduled for November 8, 2007.

B. Horn Creek

Mr. Owen said that the pre-design report was not complete due to a lack of suppliers cost estimates so the report distribution was postponed.

C. Outside Boundaries Water Fees

Mr. Owen reported that other Water/Sewer entities were contacted regarding their policies for assessing additional water fees to outside users to cover their share of the cost of bond levies. Discussion regarding the entities researched and the outside users continued with the Board's request of obtaining more information.

D. Seawatch Phases II & III

Mr. Owen said that the majority of the water and sewer system is complete, most of the testing has been completed, and bacteriological testing has been started with results not in yet. Mr. Owen continued that the lower section of the water main was replaced on Solita and PCJWSA will be tying in new water lines. Mr. Owen stated that Seawatch might request a special meeting for final approval and acceptance in the new few weeks.

E. Advisory Committee

Mr. Owen reported that the Advisory Committee met on October 11, 2007 and several items were discussed including a public informational outreach program to customers, the bond levy and updates on current projects. Mr. Owen said that the next meeting was scheduled for November 15, 2007 at 5:30 pm. Mr. Owen stated that Allen Willis has applied for the vacant position on the Advisory Committee and Mr. Owen recommended that appointment.

Motion

Director Rouse moved appoint Mr. Allen Willis to the Advisory Committee. Director McVicker seconded, and the motion carried with three ayes.

F. Water Capital Improvement Charge

Mr. Owen stated that several months ago PCJWSA raised the Water Capital Improvement Charge to \$8.50 per month. Mr. Owen said customers asked if the bond levy passed would this increase be reduced. Mr. Owen continued that at that time the response was that PCJWSA would wait and see that it depended on several things. Mr. Owen reported that the Advisory Committee discussed this issue at length and because there were not clear up to date costs, their recommendation was to wait until costs were reached for Horn Creek. Director Olson asked when those costs would be available and Mr. Owen responded with the pre design report. Director Olson said that it seemed to be the consensus to wait until the pre design report before adjusting the Capital Improvement Charge

NEW BUSINESS

None

GUEST QUESTIONS AND COMMENTS

Ilean Rouse asked if the extra money earned in interest was ear marked for something particular or could it be spent on various items. Mr. Owen responded that any additional interest earned on the

\$2,000,000.00 being transferred to Oregon Coast Bank must stay in the 002 Master Plans Fund and be spent on those projects.

CHAIRMAN/DIRECTOR COMMENTS

Director Rouse asked about the

Director Olson adjourned the regular meeting at 5:43 pm

The PCJWSA Board of Directors approved these minutes on December 4, 2007 by the following votes:

Aye_____ Nay_____ Abstain_____ Absent_____

ATTEST:

Doug Kellow, Chairman

Tony Owen, Authority Manager