

PACIFIC CITY JWSA BOARD OF DIRECTORS
BUSINESS MEETING MINUTES

May 6, 2008

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

Directors present were Doug Olson, Dick Carter and Carolyn McVicker. Larry Rouse was absent.

Guest Present: George Baumgardner, Tim Hirsch, Betty Robinson, Jeff Schons, Mary Jones, Stephanie Welch-Starotska, Ron Larson and Lee Cronemiller

Staff Present: Tony Owen, Ray Cloud and Pat Hurliman

MINUTES:

A. 04/ 01/08 Board Meeting Minutes.

Motion

Director Carter moved to approve the 04/01/08 Board Meeting Minutes. Director McVicker seconded, and the motion carried with four ayes.

FINANCIAL REPORT

A. Accounts Payable: 04/14, 4/15, 4/24 and 5/6/08.

Motion

Director Olson moved to approve the payables for 04/14, 4/15, 4/24 and 5/6/08. Director Carter seconded, and the motion carried with four ayes.

B. Fiscal Year 2007-2008

Discussion ensued regarding items going over budget.

MANAGER'S REPORT

Mr. Owen reported that the Consumer Confidence Report was mailed on the 18th of April.

Mr. Owen stated that one of the PCJWSA fire hydrants was run over on Circle Drive and will have to be replaced at a cost of about \$5,000.00

UNFINISHED BUSINESS

A. Beachy Bridge Pipeline Project

Mr. Owen reported that the permanent sewer line is in use and the temporary sewer line has been removed. Mr. Owen continued that the water line turnover is scheduled for May 7, 2008. Mr. Owen said that there is still no substantial completion. Director Olson asked where PCJWSA stood on liquidated damages and Mr. Owen replied that PCJWSA is ready to proceed if needed.

B. Horn Creek

Mr. Owen said that archaeological borings began May 5, 2008 and found nothing so far. PCJWSA and the engineers are finishing the contract documents for the pipeline so the project can go to bid. Director Olson asked about the status of Water Watch and Mr. Owen replied that the attorney met with both Water Watch and Water Resources and that he had not received full details of the meeting yet.

C. Aspen Pacific Development

Mr. Owen reported that after discussions with Tillamook County and Tom Nielsen, PCJWSA will put off water modeling and availability letters until a later date. Mr. Owen continued that this may be by July when it goes before Tillamook County.

Mr. Ron Larson of HLB Otak in Manzanita and Lee Cronemiller of Kerr Construction introduced themselves and Mr. Larson continued that they are working with Aspen Pacific City LLC which is a group of individuals and firms that are the owner/developers of what was the Meyerstein property, a 53 acre piece that is residentially zoned. Mr. Larson said that they were in the process of submitting documents to construct an additional road in a resource area. Mr. Larson said that they were anxious to get the water modeling completed, it is not a long process but they understand that it won't be immediately and that they understood Mr. Owen's point of view that it is a busy time of year. Mr. Larson continued that they are not asking for overnight service but hope to move it up from the July 1, 2008 date. Discussion ensued regarding the benefits of an earlier date.

Mr. Owen stated that he understood that there were several steps in the development that need to occur; goal exception, ordinance amendment, major partition and subdivision plat. Mr. Owen continued that those things would not be handled concurrently, that they will all be separate issues and it could be 6 – 8 months out. Mr. Larson stated that has changed and Tillamook County said that they wanted all three applications at the same time. Discussion continued.

Mr. Owen asked what has developed regarding the connection between the Meyerstein property and Sea Watch. Mr. Larson responded that Tim Kerr of Kerr Construction has had conversations with Jeff Schons and Mary Jones about the particular lot that will connect the two properties. Mr. Larson continued that the county set it aside for an emergency access route to the Meyerstein Property and is in the Meeting Minutes as part of the conditions of approval of Pacific Sea Watch. Mr. Owen said if there is no looping or continuation of the PCJWSA water line from the Meyerstein property into Sea Watch that water modeling will be completely different than if it is a static closed system. Discussion continued regarding Lot 5 in Sea Watch, the water modeling and availability letter. Mary Jones stated

that there has been no discussion regarding Lot 5 in Sea Watch or any other lot in the Sea Watch Development being used as an emergency exit road. Mr. Larson apologized stating that it was his understanding that there was. Discussion continued regarding the emergency exit road and using the lot for utilities. Mr. Owen said that those issues will need to be resolved before PCJWSA goes forward with the water modeling. Mr. Larson concurred.

D. 2008/2009 Fiscal Year Budget

Mr. Owen asked if there were any questions regarding the proposed budget of \$9,876,416.00 and Director Olson asked for an explanation of the new water rate structure. Mr. Owen described how restructuring the volumes and removing the middle section would affect the budget and start a conservation plan. Discussion continued about rates structures with regards to water and sewer.

NEW BUSINESS

None

GUEST QUESTIONS AND COMMENTS

None

UNSCHEDULED

None

CHAIRMAN/DIRECTOR COMMENTS

None

Director Kellow adjourned the regular meeting at 5:52 PM.

The PCJWSA Board of Directors approved these minutes on June 3, 2008 by the following votes:

Aye_____ Nay_____ Abstain_____ Absent_____

ATTEST:

Doug Kellow, Chairman

Tony Owen, Authority Manager