

BEVERLY BEACH WATER DISTRICT MINUTES

MAY 16, 2018

IN ATTENDANCE: Board President Tim Gross, Board Members Gene Hogan, Leon Nelson, and Kendra Holloway; Water Operator Ted LePine; and Guest Lee Siegel.

Gene passed out copies of the minutes from the previous meeting (April 18, 2018). Tim passed out copies of the BBWD "Profit & Loss Budget vs. Actual-July 2017 through May 2018" Report (on Accrual Basis).

The meeting was called to order by President Gross at 7:06 p.m.

WATER OPERATOR'S REPORT:

Ted said the plant is working well. Regarding the UV unit, the new ballast that was sent did not work, so Ted put the old one back in and it worked. He is sending the faulty one back, and there will be a replacement coming for the future.

We are back to using alum in the system, rather than PAC, which stopped working. We are getting shorter runs as a result. Tim asked if there was a marker in the water that indicates a change is due, and Ted responded, "No."

[AT THIS POINT INTRODUCTIONS WERE MADE BETWEEN BOARD MEMBERS AND GUEST LEE SIEGEL, WHO IS A RESIDENT OF BEVERLY BEACH]

Continuing with the water report, Ted said the creek is running well.

Tim asked Ted if there is any kind of an alarm when the UV ballast goes out. Ted said there was not, but that it would shut off the plant. Apparently the plant can shut down and Ted would not be notified until he took the initiative to check on what the plant is doing. He said he will probably replace the ballast once the new one arrives rather than try to get more mileage out of the old one that suddenly kept working. TAG helps to do this.

We currently have 34'-38' of water in the reservoir and the quality is good. Water usage has gone up in the district as of late.

Mr. Siegel asked what the percentage of rentals was on this side of the district. Ted replied probably 12-14 out of the 120 total customers; he estimates approximately 25%.

Ted said the leak on 115th Street had been fixed, and the wet hollow area just south and east of the intersection of 115th and Benton had dried out (next to 156 NE 115th).

Mr. Siegel asked how old the piping is in the water system. Ted replied about 15-30 years old.

Ted said we have enough chemicals on hand for the plant except for anthracite, which is on the way.

Mr. Siegel asked how old the water district was, and Gene answered that it was probably since the 40's or 50's since he had heard stories from some of the original board members who put in the system.

Mr. Siegel asked Ted about the trichloromethanes that were showing they were over the limit in our water quality report. In the same group (EWG) he stated that the radium levels were high above the guidelines. He also inquired about monitoring violations that occurred between October of 2014 and September of 2017. As Tim explained, the content of the reports was not a violation, but the promptness of filing the reports was at issue. Tim explained the arrangement the district has with a certified water superintendent that is offsite and who signs off on the reports Ted completes. There were instances in the past, where in the transfer of the reports for signing, they arrived late at the state. Tim emphasized that we have never had a violation on the quality of the water.

Mr. Siegel asked if Hancock Forest Products sprays pesticides in our watershed. Tim and Ted both replied, "Yes," and that we test for it (volatile organics).

[WITH WATER BUSINESS COMPLETED, TED LEFT THE MEETING AT 7:32 P.M.]

PAST MEETING MINUTES:

After the board finished reading the minutes from the previous meeting (April 18, 2018), Kendra made a motion that the minutes be approved as written. The motion was seconded by Leon. In Favor: Tim, Gene, Leon, and Kendra. Opposed: None. The minutes were approved unanimously.

PROPOSED BUDGET MEETING:

Kendra made a motion to officially open the Public Hearing for the Discussion of the Proposed Budget. The motion was seconded by Gene. In Favor: Tim, Gene, Leon, and Kendra. Opposed: None. The public meeting to discuss the proposed budget was officially opened.

Tim reiterated the board's intention to use practically the exact same budget as last year with some minor modifications. The board has decided not to change the water rates being charged.

Mr. Siegel asked what the SDC account was, and Tim explained all about system development charges. Mr. Siegel asked why water sales appeared to be less than they should be, and Tim explained that it was because it did not include the commercial water rates. Mr. Siegel asked if there were still a significant number of unidentified vacation rentals in the district, to which the board replied, "Yes." It was explained to Mr. Siegel that we have to surmise which residences are being used as vacation rentals, report them to the sheriff's office, and only after they are

added to a vacation rental list can we charge them the commercial water rates. Leon and Kendra stated that there are others besides "Vacasa" that offer vacation rentals in our district, such as "Home Away" and "Air B&B."

Kendra asked if we were paying Ted more as a result of the past meeting, and whether the increase was reflected in the proposed budget. The board discussed when and what we had agreed to pay Ted. Tim mentioned that if we eventually hired Ted as the Water Superintendent we can give him what we take from Darrel Lockard's old salary. Tim wondered if we can void Darrel's contract, and Gene replied that he thought Darrel never was officially under contract as he never gave us proof of having contractor's insurance. Gene seemed to think he was still being paid as an employee.

Mr. Siegel asked if our accountant was the same person who did the billing, which the board confirmed.

Gene asked if we wanted to add some money to the line item for "Legal" in the budget. It was discussed and decided to not enter any funds there as there was no reason to anticipate use of our attorney.

The board decided to change entry "1-0406: Income-SDC Account" to \$13,000 instead of \$6,500, and also changed entry "1-0405: Hookups" to \$2,400 instead of \$1,200. Tim asked if there were any other changes needed other than those two. He said he would ask Lurlyn why no property taxes had come in yet for this past year. Discussing the \$745 spent under "Licenses and Fees" last year, the board decided to add \$750 into next year's proposed budget under that entry. Kendra said she would ask Lurlyn what the \$745 from last year had been spent on in "Licenses and Fees." The board also decided to put \$600 under entry "1-0753: Bonding" to match last year.

Kendra made a motion to approve the proposed budget for the upcoming year. The motion was seconded by Tim. In Favor: Tim, Gene, Leon, and Kendra. Opposed: None. The proposed budget was passed unanimously.

At 7:58 p.m. Tim made a motion to close the Public Meeting for the Approval of the Proposed Budget and to return to the regular meeting of the Beverly Beach Water District. The motion was seconded by Gene. In Favor: Tim, Gene, Leon, and Kendra. Opposed: None. Approval was un-opposed to close the Proposed Budget Meeting and return to the regular meeting.

Mr. Siegel asked why taxes for water were so high in Beverly Beach based on the actual assessed values of homes and the levy. Tim explained that it was a complicated formula and the combined value of Beverly Beach homes figures in.

OLD BUSINESS:

ODOT AND THE POND:

The board filled in Mr. Siegel on all that has transpired to this point regarding the issues the board was having with ODOT's plans to modify the drainage from the pond at the intersection of 121st Street and Beverly Drive.

Tim said he had not followed through on contacting Nicki Hendrickson regarding water rights. Mr. Siegel asked if there was proof that there's affected areas. Tim said we should approach this with the water diversion right because we have the right to divert a certain amount of water over time, and that accumulated amount might not be possible if ODOT drains down the pond to a lesser amount.

Gene mentioned that he had contacted Congressman Kurt Schrader's office asking for help in dealing with ODOT and obtaining a compromise for not putting in the drainage culvert so low into the bank, and possibly lining the pond to prevent seepage.

NEW BUSINESS:

BOARD VACANCIES:

Mr. Siegel made notice of the fact that we had a vacancy on the board. He asked what the legal liabilities were of filling such a position. Tim mentioned that board members are insured by SDAO. Gene mentioned that Patti and Mike Frazier had expressed an interest in possibly getting back on the board. Gene invited Patti to tonight's meeting but she might have had another obligation for tonight. The board said it would be great to have Mr. Siegel, and the Fraziers, and anyone interested in being on the board at the next meeting so we could hear about their desires to be on the board.

BUDGET FORMS:

Kendra said we need to follow up with Jack about the procedure on completing and submitting LB Form 50 to the county.

Kendra made a motion to adjourn the meeting, which Gene seconded. In Favor: Tim, Gene, Leon, and Kendra. Opposed: None. The motion passed un-opposed and the meeting was adjourned at 8:21 p.m.

Signed and respectfully submitted _____
Gene Hogan, Sec. Beverly Beach Water District- May 17, 2018

