

BEVERLY BEACH WATER DISTRICT MINUTES

MAY 17, 2017

IN ATTENDANCE: Board President Jack Barbay, Board Members Gene Hogan, Tim Gross, Leon Nelson, and Kendra Holloway; Water Operator Ted LePine (arrived at 7:18 p.m.).

Gene Hogan passed out copies of the minutes from the meeting on April 19, 2017. Tim Gross passed out copies of the latest draft of the revised bylaws, and copies of the Fiscal Year 2017-2018 Proposed Budget. Jack Barbay handed out a copy of a form he is proposing the board send to residents as a "Notice of Disconnection of Water Service." He also handed out two copies of "Income and Expense Budget Reports," one through November 2016, and one through December 2016.

The meeting was called to order at 7:09 p.m. by President Jack Barbay.

Jack made reference to the "Notice of Disconnection" he prepared for 11576 NE Avery. Apparently this address is on the books as delinquent in payment of water bills. Discussion of non-payment of bills ensued. Tim mentioned that it is against the law, and our bylaws, for water customers to disconnect or tamper with service connections. Discussion was also had regarding fees to charge for non-payment and disconnection. Tim said we need to stand fast, and be sure to treat everyone equally.

Jack said Ted was still at the plant and would be at the meeting soon.

PAST MEETING MINUTES:

Regarding items in the minutes, the topic of phone numbers on the district web page came up. Jack asked Leon if the 541-265-8083 phone number could be on the front page and in boldface. Tim also commented that he looked at the tree that was supposedly ready to fall on the spillway in the creek at the plant. He said it really is not a threat, and would probably be too costly to remove. A motion was made by Tim to accept the minutes for the April 19, 2017 meeting, which was seconded by Jack. In Favor: Jack, Gene, Tim, Leon, and Kendra. Opposed: None. The motion passed un-opposed.

*****Ted LePine arrived at this point (7:18 p.m.)*****

The board started to discuss the budget, and the fact that we are still seeing errors in the SDC entries, but decided to switch to the Water Operators Report, as Ted was finally at the meeting.

WATER OPERATOR'S REPORT:

Ted stated that he had been working with Craig, from TAG, fine-tuning the PID loop on the

effluent pumps (the "finish water" pumps). Other than that everything's working well. He said that water use was subdued since the leaks have been fixed. There is 37 feet of water in the tank. He explained that he let the plant sit all weekend (he did not have to do anything Thursday through Monday)! The creek is fine and clear. On a side note, Tim mentioned that Newport had had six feet of rain since October. Ted said we are not using PAC anymore since the temperature has risen high enough. He also mentioned that we need to order an actuators for the influent valve (raw water in).

Gene mentioned to Ted that the Myers had indicated that they thought the service line to the A-Frame on Avery was leaking again, but both Ted and Gene felt it may still be seepage from the bank along the driveway wall after all the recent rain.

Jack mentioned that the district had gotten another yellow card from the state for a late report from Darrel or Ted. Jack also reminded Ted that the Consumer Confidence Report was due out after the turn of the new fiscal year in July, and that there was a new form for the report.

Jack told Ted about 11576 Avery not paying their water bills, and the possibility of having an upcoming disconnect. It was decided we need to post a notice on the house, and shut off the water in ten days if still unpaid.

Ted said everything at the facilities is working well.

Tim asked about the possibility of cleaning up all the old barrels and debris at the plant so that it can be mowed. He said it would also avoid potential environmental consequences. He asked if there was room in the plant to build racks to hold PVC pipe supplies. Tim asked the board for permission to clean it up, and the board okayed it.

Jack mentioned that we had received a bill from the Oregon Health Authority for the water systems survey they completed on the district. Ted stated that it was required by the state, so he wondered why we were being charged for it?

Ted said he had been approached by a customer who asked if a bond had passed that was going to require meters and new piping for all water customers. Once again this seems to be a carry-over from the USDA loan and bond process when the new treatment plant was put in.

*****Ted left the meeting at 7:34 p.m. since all water operations discussion was complete*****

FINANCIALS:

\$1200 was collected in hookups in April

\$1517 was collected in hookups from July-March 2016

\$6500 + \$1200 + \$7700 in hookups is correct for July 2016-April 2017.

Apparently Mr. Rubbert(?) on Benton Street, who is building the new huge house, has paid the SDC fee, but not the hookup fee.

At 7:38 p.m. Ted came back and said he had driven to 11576 Avery Street and it is a vacant lot. Maybe there was a house there at one time. The lot is between Lee Weichselbaum's place and the big gray house to the south of him. Ted left again at 7:41 p.m.

Tim said that he would re-compute "water sales" for the upcoming budget so that the figures are more accurate. We have approximately 110+ customers.

The board went over the figures in the FY 2018 Proposed Budget for quite awhile. The budget has to be submitted in the end of June. The board will have a public hearing on the same night as our regular meeting on June 21st, for the purpose of approving the budget. A public notice will need to be put out immediately to announce this.

Tim said he would talk with Lurlyn and nail down our personnel costs, etc. and then will e-mail everyone to OK the budget in time for June's budget meeting.

There is \$98,520 in projected income as of tonight's working on the budget. We may need to increase water rates by 5% (\$59/month), to make budget. We will need to post a notice on a rate change and changes to the bylaws. This should be done in July.

Tim said he will add a section to the proposed bylaws changes on delinquent water bill payment.

It was discussed that we should add an announcement of the upcoming budget meeting on the water bills as well as the web page. It should also be put on the bulletin board at the base of 121st Street.

The board decided not to put the 5% rate increase on the proposed budget for the budget meeting.

Tim said that Lurlyn had a few items to discuss with or ask the board:

- For the lot at 11576 Avery Street she wanted to know what to do about the outstanding bill. The board opted to drop the bill as there is no house there.
- She initiated a 6-month payment plan with Tracy Goudy to pay off her outstanding debt for water bills. It has already been mailed out. The board felt Lurlyn had over-stepped her authority to offer this. The payment plan was not divulged by Lurlyn.
- Lurlyn asked for a "Notice of Change of Service" (basically a disconnect and connect service notice). Leon has drafted a proposed one of these.
- We also need to include outstanding water bill amounts in the escrow charges to new owners of recently-purchased properties.

Tim said that tenants can be allowed to pay for water bills, with the owner's permission, but they have to agree to be liable if the tenant doesn't pay.

Jack asked Gene what the status of the issue with ODOT and the pond was. Gene explained that Dennis Bartoldus had researched the issue and determined where the right-of-way was and whether the state was on our property. Gene passed around an overlay of the right-of-way on the pond property. He said that the state should have needed to get a permit to do anything that mitigates bodies of water, something which Tim also stated. Dennis said that ODOT pretty much does what they please, and that he would contact them either by phone or in writing to initiate some kind of agreement. In terms of the fence that was torn down being replaced, he said perhaps mentioning that they might not want the liability of providing access to the water would prompt them to replace it. He is going to proceed with the issue.

Leon asked again if we want the meeting minutes included on the web page, to which the board replied "Yes."

RENTAL REQUEST FROM TAPANENS:

Gene gave the board a synopsis of the request Larry Tapanen made to rent the district office for storage of church furniture. He said that Larry had become angry when he had mentioned that the board had some concerns, and preferred they clean the furniture and agree to a "hold harmless" clause in the rental agreement. Apparently they found another storage facility as they had planned to attend this meeting, but did not show.

Jack asked if the board was still interested in trying to hold an open house for the district office building this summer. Such an event had been proposed a while back, but was never done. He said we could also offer tours of the plant. The board said it sounds like a good idea for this summer.

Gene brought up the rental agreement that the board drafted a few years back, and showed his copy to the board. Kendra mentioned that it would still be a good idea to include a "hold harmless" clause in any future copies of the agreement. Jack asked if Gene could scan and e-mail copies of the rental agreement to the board members, and he agreed.

Tim made a motion that the meeting be adjourned, which was seconded by Gene. In Favor: Jack, Gene, Tim, Leon, and Kendra. Opposed: None. The motion passed unanimously.

The meeting was adjourned at 8:30 p.m.

Signed and respectfully submitted

Gene Hogan, Sec. Beverly Beach Water District- May 18, 2017

