

**OAK LODGE SANITARY DISTRICT
BOARD OF DIRECTORS
MINUTES OF THE REGULAR MEETING
May 8, 2007**

CALL TO ORDER

President Paul Savas called the Regular Meeting of the Board of Directors of Oak Lodge Sanitary District in Clackamas County, Oregon to order at 6:30 p.m. in the District office, 14611 SE River Road, Milwaukie, Oregon.

PERSONS PRESENT

Declaration of a Quorum: Directors present were Paul Savas, President; Doug Woods, Vice President; Dave Seigneur; Chuck Petersen; and Elton Storment.

Staff present were R. Kent Squires, General Manager and Secretary of the District; Clark Balfour, Attorney for the District; Brett Arvidson, Manager of Planning and Engineering; and Faith Paddock, Assistant to the General Manager.

OTHERS PRESENT

Jerry Foy, 15242 SE Fair Oaks Drive, Milwaukie, Oregon 97267
Mike Grant, 13704 SE Maloy Street, Milwaukie, Oregon 97222
Jim Martin, 15163 SE LaBonita Way, Milwaukie, Oregon 97267
William Wild, 2633 SE Tarbell Road, Milwaukie, Oregon 97267
George Payne, 16950 SE Shadybrook Drive, Milwaukie, Oregon 97267
Thelma Haggemiller, 3405 SE Westview Road, Milwaukie, Oregon 97267
Henry Schmidt, 14201 SE Bunnell Street, Milwaukie, Oregon 97267
Jack Perry, Operations Manager, Oak Lodge Sanitary District

CONSENT AGENDA

President Savas called for discussion and approval of the Consent Agenda.

President Savas stated that at the April 10, 2007, Regular Session the Board deferred approval of the minutes of the March 13, 2007, Regular meeting; the March 13, 2007 Executive Session; the March 15, 2007, Pre-Budget Submittal- Budget Committee Meeting; and the minutes of the March 22, 2007, Work Session, pending further review.

President Savas requested the following changes be made to the meeting minutes.

Amend the March 13, 2007, Regular meeting minutes on page 6 and change "citizens advisory committee" to "technical committee made up of local engineers with expertise in wastewater treatment facilities."

Amend the March 15, 2007, Preliminary Budget Presentation and Discussion meeting minutes on page 1 and change 1.3 million to 5.5 million dollars.

Amend the March 22, 2007, Work Session meeting minutes and change the

page header date from March 20, 2007, to March 22, 2007.

Amend the March 22, 2007, Work Session meeting minutes to add a statement on page 3 that reads, "The Board's preference was to select the least cost baseline alternative with maximum flexibility to upgrade to any option."

Amend the April 10, 2007, Regular meeting minutes on page 7 to add that the 16.0 million dollar estimate was published in the "2005 Spring edition of the District's newsletter" as well as the 2001 Spring edition.

Amend the April 10, 2007, Regular meeting minutes and remove the Note: on page 8, which refers to information that was not discussed during the meeting, but was included for informational purposes.

M/S Storment/Seigneur Approve the March 13, 2007 Regular meeting minutes as amended. The question was called and the motion passed unanimously

M/S Storment/Seigneur Approve the March 13, 2007 Executive Session minutes. The question was called and motion passed unanimously.

M/S Woods/Storment Approve the March 15, 2007 Preliminary Budget Presentation and Discussion meeting minutes as amended. The question was called and the motion passed unanimously.

M/S Woods/Seinguer Approve the March 22, 2007 Special Session meeting minutes as amended. The question was called and the motion passed unanimously.

M/S Woods/Storment Approve the April 10, 2007, Regular meeting minutes as amended. The question was called and the motion passed unanimously.

M/S Seigneur/Storment Approve the April 10, 2007 Executive Session minutes. The question was called and the motion passed unanimously.

There was no further discussion regarding the meeting minutes.

MONTHLY REPORTS:
Acceptance

President Savas called for discussion and approval of the Internal Monthly Reports.

Internal Reports

Director Woods asked questions pertaining payments made to equipment suppliers and checks issued for electrical maintenance done at the treatment plant.

M/S Seigneur/Storment Approve the March 2007 Internal Monthly Reports. The question was called and the motion passed unanimously.

External Reports Director Seigneur stated that the volume of Metro documentation included in the Board's packets is substantial; therefore, he requested that staff not include materials from Metro in the Board's packets unless the information is relative to District operations.

M/S Seigneur/Storment At the Board's request information pertaining to Metro related activities will not be included in the Board's packets going forward; however, Metro information will be sent directly to President Savas for review. The question was called and the motion passed unanimously.

PUBLIC COMMENT PERIOD There was no public comment.

CORRESPONDENCE REVIEW There was no correspondence for review.

DIRECTORS REPORTS:

CLACKAMAS COUNTY COORDINATING COMMITTEE: President Savas President Savas reported that at the May 3, 2007, C4 meeting topics of discussion focused primarily on charging bridge tolls in various areas of the Portland metropolitan area, which potentially may include the Abernathy bridge and the sunrise corridor.

President Savas gave a brief update on the recent activities of the Wastewater Committee.

CLACKAMAS COUNTY SERVICE DISTRICT No. 1 COMMUNITY ADVISORY COMMITTEE REPORT: President Savas President Savas did not attend meetings of the Clackamas County Service District No. 1 Community Advisory Committee last month; therefore, there was no report.

JENNINGS LODGE COMMUNITY PLANNING ORGANIZATION (CPO) REPORT: Director Woods Director Woods was not able to attend the Jennings Lodge Community Planning Organization (CPO) meeting last month.

William Wild 2633 SE Tarbell Road Milwaukie, Oregon 97267 Mr. Wild gave a report on the recent activities of the Jennings Lodge Community Planning Organization and the meeting update.

RECESS REGULAR President Savas recessed the Regular meeting at 7:09 p.m. to convene the

SESSION/CONVENE
BUDGET COMMITTEE
MEETING

Budget Committee meeting.

RECONVENE REGULAR
MEETING

President Savas reconvened the Regular meeting at 8:38 p.m.

ORDINANCE NO.76:
Kent Squires

President Savas expressed his concerns related to the proposed 15% increase in sanitary sewer charges.

There was brief discussion between Manager Squires and President Savas regarding the proposed 15% increase.

M/S Woods/Seigneur Directing Manager Squires to read Ordinance No. 76 by title only. The question was called and the motion passed unanimously.

Second Reading

Manager Squires read Ordinance No. 76 by title only explaining that, if adopted, the Ordinance serves the purpose of establishing new charges and rates for sewage and the use of the sanitary sewer system. The sewer service charge will increase the fixed component average monthly charge from \$12.65 to \$14.55, and increase the variable component from \$1.34 per 100 cubic feet to \$1.54 per 100 cubic feet for water consumption as measured during the non-irrigation season.

Public Hearing

President Savas opened the public hearing on Ordinance No. 76 at 8:45 p.m.

There was no public testimony. The hearing was closed at 8:45 p.m.

Adoption

M/S Woods/Storment Adopt Ordinance No. 76 to be effective on July 1, 2007. The question was called and the motion passed with Storment, Woods, Seigneur, and Petersen voting aye; President Savas vote nay.

RESOLUTION NO.07-01
RELATED TO
WORKERS
COMPENSATION
COVERAGE FOR
ELECTED OFFICIALS:
Kent Squires

Manager Squires reviewed the staff report included in the Board's packets pertaining to worker's compensation coverage for elected officials. The staff report was accompanied by a resolution providing for worker's compensation coverage for elected officials of Oak Lodge Sanitary District.

M/S Petersen/Storment Adopt Resolution No. 07-01 providing for workers compensation coverage for elected officials. The question was called and the motion passed unanimously.

TROLLEY TRAIL
BRIDGE AND 27TH
AVENUE STORM
DRAINAGE
IMPROVEMENTS
PROJECT BID (NO.07-
01) AWARD OR
REJECTION: Brett
Arvidson

Brett Arvidson, Manager of Planning and Engineering, briefed the Board on the Trolley Trail Bridge and 27th Avenue Storm Draining Improvements projects stating that the bridge project will replace an inadequate culvert on Boardman Creek with a pedestrian bridge, and the 27th avenue project includes a storm sewer and catch basins in an un-served area. Bids were opened for work on April 24, 2007, with bid results as follows:

Andy Corp/DBA Oregon Earth Enterprises	\$121,355.00
PRC, Inc.	\$164,550.00

M/S Storment/Seigneur Award the contract for the Trolley Trail Bridge and 27th Avenue Storm Drainage Improvements projects to the low bidder, Andy Corp/DBA Oregon Earth Enterprises in the amount of \$121,355.00. The question was called and the motion passed unanimously.

RIVER FOREST LANE
PUMP STATION NO.4
IMPROVEMENTS
PROJECT BID (NO.07-
002) AWARD OR
REJECTION: Kent
Squires and Brett Arvidson

Manager Squires stated that Mr. Arvidson outlined in the staff report the current situation with the Pump Station No. 4 Replacement Project. This project involves replacing a small pump station located off River Forest Lane. The station, constructed in 1964, is well past its useful mechanical life and will be replaced by newer technology. The contract documents were prepared, the project was advertised for bid, and bids were opened on April 24, 2007. Bids came in much higher than originally anticipated. Therefore, staff is investigating potential cost savings measures for this project. At the Board's Regular meeting on June 12, 2007, staff will present a recommendation for moving this project forward.

Thelma Haggemiller
3405 SE Westview Road
Milwaukie, Oregon 97267

Ms. Haggemiller asked that the District prepare and display signage along the trolley trail to communicate to the public that construction of the Trolley Trail Bridge will be ongoing for a period of time. Ms. Haggemiller feels that it is important to let the public know that they should be using an alternate route off the trail during the construction period.

Manager Squires stated that the District would notify the public about the trail closure by posting signage and by press release.

PROJECT STATUS
REPORTS:

Mr. Arvidson reported that proposals for the bar screen replacement project equipment were received from three manufacturers of bar screens and staff is reviewing the proposals.

DRAFT BOARD GOALS
– REVIEW AND
ADOPTION: Kent Squires

The Board briefly discussed whether to approve the draft Board goals for 2007-2008 considering there are two new incoming Board members; Mr. Jim Martin and Mr. William Wild. Neither Mr. Martin nor Mr. Wild were available to attend the work session discussions and did not have an opportunity to participate in the drafting of the 2007-2008 goals. Some Board members felt that the two new incoming Directors should have some input before the goals are established and adopted.

M/S Petersen/Seignuer Defer approval of the 2007-2008 draft Board until Mr. Jim Martin and Mr. William Wild, the new incoming Directors are officially sworn in after July 1, 2007. The question was called and motion passed unanimously.

William Wild
2633 SE Tarbell Road
Milwaukie, Oregon 97267

Mr. Wild, candidate for the Board of Directors expressed his frustrations with the Board scheduling the goal setting session on a day and time that prevented him from attending the meeting. Further, Mr. Wild felt that the Board should not approve next year's goals considering these adopted goals affect him during his tenure on the Board.

OTHER BUSINESS:
Directors and Staff

Manager Squires provided information to Director Woods regarding the invoice from the City of Milwaukie that Director Woods had inquired about earlier during the monthly reports segment of the meeting.

DIRECTOR
COMMENTS: Directors

President Savas stated that he still had concerns about the proposed budget and the process by which the budget was approved. Therefore, he felt a Special Meeting of the Board to further review the Budget document was necessary.

The Board did not make a decision to hold a Special Meeting.

MONTHLY EXPENSES


M/S Woods/Seignuer Approve the March 2007 expenses in the amount of \$366,475.24. The question was called and the motion passed unanimously.

ADJOURN REGULAR
SESSION

There being no further business to come before the Oak Lodge Sanitary District Board of Directors, President Savas adjourned the meeting at 9:21 p.m.

Paul W. Savas, President
Paul W. Savas, President of the Board

Attest:


R. Kent Squires, Secretary