

**OAK LODGE SANITARY DISTRICT
BOARD OF DIRECTORS**

**Workshop
January 28, 2010**

- CALL TO ORDER** President William Wild called the Special Meeting of the Board of Directors of Oak Lodge Sanitary District in Clackamas County, Oregon to order at 5:32 p.m. in the District office, 14611 SE River Road, Oak Grove, Oregon.
- PERSONS PRESENT** Declaration of a Quorum: Directors present were William Wild, President; Jim Martin, Vice President; David Seigneur, Paul Savas, and Tom Foeller.
- Staff present were J. Michael Read, General Manager and Secretary of the District; Brett Arvidson, Manager of Planning and Engineering; Aric Osterlund, Plant Operations Supervisor; and Katie Koellermeier, Office Specialist.
- OTHERS PRESENT** Dave Green, CH2M Hill
Michelle Burkhart, CH2M Hill
Greg Knutson, Mortenson Construction
Kieu-Oanh Nguyen, Western Financial Group
Harvey Rogers, K & L Gates
John Drentlaw, JLD Construction
- RESOLUTION NO. 10-02:** J. Michael Read Manager Read briefly explained the four Resolutions before the Board. Because of the recent elections for the Board of Directors, it is necessary to change the authorized signatories on the District's bank accounts.
- President Wild read Resolution 10-02 by title only.
- M/S Savas/Seigneur Approve Resolution No. 10-02 approving the change to the US Bank Authorized Signatories on the Municipal Checking Account. The question was called and the motion passed unanimously.
- RESOLUTION NO. 10-03:** J. Michael Read President Wild read Resolution 10-03 by title only.
- M/S Savas/Seigneur Approve Resolution No. 10-03 approving the change to the US Bank Authorized Signatories on the Municipal Investor Account. The question was called and the motion passed unanimously.
- RESOLUTION NO. 10-4:** J. Michael Read President Wild read Resolution 10-04 by title only.
- M/S Savas/Seigneur Approve Resolution No. 10-04 approving the change to the Wells Fargo Bank Authorized Signatories on the Investor Account. The question was called and the motion passed unanimously.
- RESOLUTION NO. 10-5:** President Wild read Resolution 10-05 by title only.

J. Michael Read

M/S Savas/Seigneur Approve Resolution No. 10-05 approving the change to the Wells Fargo Bank Authorized Signatories on the Business Checking Account and the Public Funds Premium Rate Account. The question was called and the motion passed unanimously.

GENERAL MANAGER
PERFORMANCE REVIEW:
President Wild

Director Savas requested that staff mail copies of the District checks to President Wild for his review. President Wild accepted this additional duty and directed staff to please mail him copies of the checks.

President Wild requested that all the Directors complete their performance review forms for Manager Read and return them to President Wild. President Wild then requested that an Executive Session be held at 6 pm on February 9, 2010 before the Regular Meeting.

WORKSHOP-
TREATMENT PLANT
UPGRADE: J. Michael
Read, Brett Arvidson, Kieu-
Oanh Nguyen, Harvey
Rogers, Dave Green,
Michelle Burkhart, Greg
Knutson

Manager Read briefly overviewed the status of the Treatment Plant Upgrade Project. Mr. Brett Arvidson, Manager of Planning and Engineering then briefly outlined the plan to fund the project including General Obligation Bonds, SRF Loans, and potentially Infrastructure Funding Authority Loans. He then introduced Kieu-Oanh Nguyen of Western Financial Group and Harvey Rogers of K & L Gates who presented the Board with information on the sale of General Obligation Bonds. There was a lengthy discussion on this issue and a draft resolution to authorize staff to prepare the GO Bonds for sale was presented to the Board for their review.

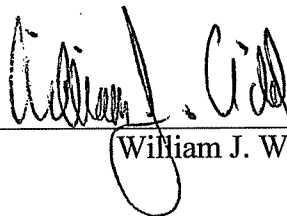
The presentation then shifted to Dave Green and Michelle Burkhart of CH2M Hill and Greg Knutson of Mortenson Construction who gave a presentation regarding status of the project and the schedule for the rest of the project and the cost estimate. There was a lengthy discussion regarding this presentation. Specifically, discussion between the Board, Staff, and the consultants regarding the current cost estimate and the options for controlling costs as the project moves forward.

Mr. Brett Arvidson, Manager of Planning and Engineering, then reviewed for the Board, Staff's plan for managing the District's expenses through the project. There was discussion pertaining to planning for inflation and the increase in operating costs. Staff continues to stress the importance of making rates affordable to the community while providing the community with the best service and treatment plant possible. Mr. Arvidson and Manager Read briefly outlined for the Board the next steps in the project including possibilities for a ground breaking ceremony. There was a lengthy discussion regarding this portion of the presentation including discussion on the impact of the cost estimate on rates and the overall schedule for the project.

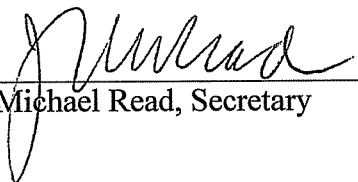
PUBLIC COMMENT
ADJORN MEETING

There was no public comment.

President Wild adjourned the Regular meeting of the Board of Directors at 8:07 p.m.

Handwritten signature of William J. Wild in cursive script.

William J. Wild, President of the Board

Handwritten signature of J. Michael Read in cursive script.

J. Michael Read, Secretary