

REGULAR MEETING OF THE BOARD OF DIRECTORS

January 18, 2017

7:00 p.m.

The meeting was called to order by Chairman Nicholson with John Handler, Curt Lorenz, Jim Hickey and Mike Sims. Also present was Manager Halverson, Keri Scott and Janet Lease. There were no members of the public present.

MINUTES

Jim Hickey made a motion to approve the minutes of the November 10, 2016 workshop meeting as presented. The motion was seconded and passed unanimously.

John Handler made a motion to approve the minutes of the November 16, 2016 meeting as presented. The motion was seconded and passed unanimously.

FINANCIAL REPORT

Mike Sims inquired about the Vehicle Repair & Maintenance/Gas/Oil/Tires line item (#5601) on both the October and November reports. The October total was \$5208.68 and November total was \$3612.58. The costs include the extra fuel for the pumps that were online to keep B Cell low during construction as well as major repairs on the Vac Con. The Vac Con has gone through three radiator replacements, which were under warranty and the transmission controller failed which was not under warranty as well as the towing required to get the Vac Con to Portland for the repairs. Also included were tires for one of the other vehicles.

After a brief discussion of the Vac Con and its repairs, John Handler made a motion to approve the financial report for the month ending October 31, 2016. The motion was seconded and passed unanimously. Also, Mike Sims made a motion to approve the financial report for the month ending November 30, 2016. The motion was seconded and passed unanimously.

UNFINISHED BUSINESS

SDAO Conference Reminder/Info

The SDAO Conference will be held on February 10-12 at the Portland Marriott. The information sheet contains the dates, motel reservation information, reimbursement notes regarding mileage and meals especially noting to get a detailed receipt.

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NEW BUSINESS

Appoint Personnel Committee

The Personnel Committee consists of Manager Halverson, the NBWA volunteer (David Wilson, Jr) and a Board Member. The Board Member rotates on a yearly basis by board position number. For 2017, it is Position #2 which is Curt Lorenz. Mr. Lorenz reported he will be out of town from February 24th through April 14th so he will not be able to be on the committee this year as the main time frame for evaluating the salary surveys in preparation for the 2017-2018 budget is during that time. Position #3 is Owen Nicholson who has agreed to serve on the Personnel Committee for 2017. John Handler made a motion to appoint Manager Bruce Halverson, David Wilson, Jr and Owen Nicholson to the 2017 Personnel Committee. The motion was seconded and passed unanimously.

May Elections

The Special District Director elections are this year and the NBWA has three positions up for election: Position #3-Owen Nicholson, Position #4-Jim Hickey, Position #5-Mike Sims. All candidates need to complete the SEL 190 Candidate Filing form (Include either the \$10 filing fee or a petition with 25 signatures) to the Tillamook County Clerk's office beginning February 4th. The deadline to file is March 16, 2017 with the election held on May 16, 2017.

MANAGER'S REPORT

Projects Update

Manager Halverson updated the Board on the following projects:

Administration Building Force Main Project: As of today, the project is 82% complete. The HDPE pipeline was pulled through and tested. B Cell is back in service. The connection on Tohl Avenue is complete. There are some valves to complete at the plant. The connection to the Administration Building will begin soon. The projected overall completion date is still March 16, 2017 which includes the paving. During the whole process, there has been only one complaint of a homeowner on Front Street and Emery & Sons has done everything to solve their complaints and has done it with patience and understanding.

Permit Renewal: The NPDES permit renewal is currently waiting on DEQ. The permit expired on November 16th, however, DEQ keeps the current permit valid until the new one is issued, most likely in February or March. (NPDES = National Pollutant Discharge Elimination System)

Annual Reports for DEQ: The NBWA is required to send DEQ annual reports on the irrigation program (reuse water plan) and the I & I program. The irrigation report has been sent as it is due in January and the I & I report will be sent next week as it is due in February. The I &

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MANAGER'S REPORT CONTINUED

Projects Update Continued

I report includes how many lines were cleaned, manholes repaired, laterals repaired and any projects completed which help eliminate I & I into the system.

LID Request: The NBWA was approached by Mike Malony, property owner on Puffin Lane, who would like sewer extended to the lots on the south side of Puffin Lane. Mr. Malony's report indicated there are 8 lots with 6 property owners involved. Five of the six property owners are in favor of the project and are willing to be included in the project. One property owner, who owns two lots, is not interested at this time. Mr. Malony would like to do a local improvement district which would then put a lien on the properties not participating for reimbursement in the future if they decided to develop their lots. Mr. Malony's report said the overall estimated cost of the project including engineering is around \$34,850. The property owners are proposing to pay for all the engineering and 75% of the construction costs. Manager Halverson is unsure who is paying the other 25%.

The NBWA has two ordinances outlining extension projects: Local Improvement District and a Private Improvement District. They both require public notices by mail and on site along with public hearings before the project and after the project related to the distribution of the costs. With an LID, the construction portion has to go out to bid and is financed by the NBWA with the NBWA being the general contractor and then have to bill each property owner once a year for 10 years to get reimbursed for the project. For a PID, the financing is by the property owners. Both also have a 10 year time limit. Mr. Malony indicates he would like an avenue where the reimbursement cost lien does not expire. The easiest and less costly choice is to have the project entirely paid for by the owners on the project. The engineer then finalizes a cost per lot report and the NBWA can file a "Notice of Sewer Connection Restriction" on the lots who choose not to participate. The notice is permanent until satisfied which means if an owner wants to develop a lot, then they have to pay the reimbursement costs as well as their regular System Development Charges. The NBWA does not want to be a bank and therefore is not interested in a LID. Even though a PID is less restrictive, there are still several required public notices and hearings that have to be done. The procedure is lengthened due to the time requirements of the notices. The discussion continued with the comparisons between the three options available and it is the consensus of the Board to choose the "Notice of Sewer Connection Restriction" process. If after explaining this to Mr. Malony if he still wants to address the Board, he can be put on the agenda for the February meeting.

Whistle Blower Policy: SDAO notified all it's districts about a new Whistle Blower law which became effective January 1, 2017. Enclosed in the packet is the policy and a copy of the Oregon Law (Chapter 73) for inclusion in their Board Binders as well as for their information. There is no action required by the Board.

BOARD COMMENTS

There were no other Board Comments at this time.

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PUBLIC COMMENTS

There were no members of the public present.

There being no further business, Jim Hickey made a motion to adjourn the meeting. The motion was seconded and passed unanimously. The meeting adjourned at 7:41 p.m.

Owen Nicholson, Chairman

Bruce Halverson, Manager