

**REGULAR MEETING OF BOARD OF DIRECTORS
ROGUE VALLEY SEWER SERVICES
May 18, 2016**

TIME AND PLACE OF MEETING

A regular meeting of the Board of Directors of the Rogue Valley Sewer Services, Jackson County, Oregon, was held at the Rogue Valley Sewer Services Office, 138 West Vilas Road, Central Point, Oregon, May 18, 2016 at 7:00 a.m.

PLEDGE OF ALLEGIANCE

PRESENT

Bob Dunn, Chairman; Kay Harrison, Director; Wayne Brown, Director; Jim Lewis, Director; Bill Stults Vice Chairman;

ALSO PRESENT

Carl Tappert, Manager; Brenda Baldovino, Finance Director; Shane Macuk, Operations Manager; Joan Pariani, Executive Secretary; Jennie Morgan, Stormwater Manager; Nick Bakke, District Engineer; Mark Knouff of Reeder, Knouff, Thomas, LLC; Luke Murphy, Mark Bartholomew of Hornecker Cowling

INTERESTED CITIZENS

Mark Knouff of Reeder, Knouff, Thomas LLC and Luke Murphy returned to discuss the complaint made at the April Board Meeting. Carl introduced RVSS attorney Mark Bartholomew. Mark Knouff requested a change be made to the April minutes. He is requesting just the CSDC and WCSDC be waived, not all fees.

Carl stated that prior to 2010 RVSS collected the CSDC and WCSDC before we would accept a new subdivision. In November 2010 the Board changed this policy to collect these fees at the time the connection permit is issued. Several projects that began under the old policy had deferred fee agreements which required them to pay the fees before the project was accepted. With the change, these agreements were dismissed. The dismissal documents state that fees are due at the time of development.

Reeder, Knouff, Thomas LLC and Luke Murphy purchased some foreclosed property in White City that had deferred fee agreements dismissed. The developers feel that the CSDC and the WCSDC should be waived because it was not discovered to be owing when they purchased the property and should have been the responsibility of the original developer.

Luke Murphy pled his case regarding not knowing about the fees until after the purchase was made and the land was started to be developed. He states that he would not have purchased this property for the amount he did if he had known about almost \$18,000 in development fees. He feels that he is being treated unfairly and questions the integrity of the Board. Carl invited Attorney Mark Bartholomew to answer Luke's monologue. Mark presented the recorded Discharge of Deferred Fee Agreement which states that "development fees will be owed prior to the initiation of sewer service". This document should have been presented to them by the title company.

Kay Harrison motioned and Jim Lewis seconded to reject the dismissal of the SDC fees for the White City Properties owned by Reeder, Knouff, Thomas LLC and Luke Murphy. The motion carried with a unanimous vote of all board members.

CONSENT AGENDA

Jim Lewis motioned and Bill Stults seconded approval of the Minutes of April 20, 2016 Board Meeting with the recommended amendments and the approval of the assessment order for Patricia Baird. The motion carried with a unanimous vote of all board members.

PROJECT UPDATES

Nick Bakke presented the Project Updates.

J111 Crater Lane: Six of the 11 easements have been signed and recorded. When all easements have been received, this Job will continue, hopefully this summer.

J200 Southern Oregon Ready Mix Bank Protection: The nationwide permit from the National Marine Fisheries Service has not been obtained yet. This is anticipated to start this summer.

J262 Hwy 62 Bypass, Phase 2: The plans are ready to be reviewed by ODOT,.

J266 Misc. CIPP Project: There is a sewer line off of West Main behind Roadhouse that is in poor condition. This line is a good candidate for a cured in place pipe (CIPP) technology. There are other lines that may be rehabilitated this summer, as well.

STORMWATER UPDATES

Jennie held a training for more than 30 municipal staff members on riparian maintenance. Some of the speakers to the class included ODA, DEQ, ODFW and DLCD.

Terry Buntin has paid the notice of non-compliance fine issued to him in February.

A 1200-C permit was issued for Patriot Station in White City.

Jennie is still working on adopting the Low Impact Development Guidance Manual. This could be a yearlong process.

The stormwater management plan had been approved for the Jackson Soil and Water Conservation District Building expansion.

A new draft permit has been received from the DEQ. Jennie has been going over this extensively. There are a lot of changes to the new permit. The current timeline of September 30th still stands.

O&M UPDATES

RVSS Maintenance staff have flushed 53,963 feet of pipe and the video inspection crew has inspected 54,434 feet.

The Special Cleaning Staff have flushed a total of 7,051 feet of pipe and video inspected 304 feet.

Staff have root sawed 1,696 feet and video inspected 2,009 feet.

Shady Cove Treatment Plant received 131,600 gallons of hauled septage in the month of April for a total of \$19,740. This is a record for the treatment plant.

The special cleaning totals for April are 163.5 combined hours of labor & equipment for a total cost of \$6,398.13.

Sixteen FOG inspections were completed in the last 30 days. Of those, three were in violation of not maintaining their interceptor, one was in violation of not maintaining their log books and four had water temperature higher than 140 degrees. Two did not have a grease removal device installed.

Shane also noted that RVSS is approaching a milestone. Next month it will be 10-years since that last time loss injury.

MANAGER'S REPORT

Carl presented the board with a red-lined copy of the Shady Cove contract extension. The annual contract amount for operations and maintenance would be increasing. The capitol amount would also increase to \$60,000 per year for repair. If a capitol project exceeded \$100,000, the city would pay for that outright. Carl would like to identify all those projects in advance. The city has also agreed to pay the current operating deficient. They are proposing a ten year contract with a five year revision clause. This will also include an annexation election after five years. Carl is willing to agree to a 10 year agreement as long as the Septage Program is still profitable. The discharge permit from the DEQ has not yet been renewed. This will also play into the new contract extension.

Director Kay Harrison left the meeting at 7:52.

Eagle Point is moving forward to impose a Franchise Fee. It will be modeled on the Central Point Finance agreement with a few changes. RVSS currently pays the city of Eagle Point to bill for sewer service. Carl would like to change this to be included in the franchise fee. And since the city will be collecting the fee, it's not something that will be administered by RVSS.

Last month a request was made by several employees to waive sewer service fees for Wounded Warrior Cpl. Jed Morgan. After consideration, Carl feels that there is no ways to do this without setting a precedence. He has suggested to the employees to take up a collection to be credited to the Morgan's account to help defray service fees.

CLAIMS LISTING

Jim Lewis motioned and Wayne Brown seconded to approve the Claims Listing of \$536,251.17. The motion carried with a unanimous vote of the remaining board members.

ADJOURNMENT TO EXECUTIVE SESSION

RETURN TO OPEN MEETING

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:14 a.m.

ROGUE VALLEY SEWER SERVICES

Robert Dunn, Chairman
Board of Directors

Joan Pariani, Executive Secretary