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Board of Directors

Position 1 – Mike Griffith
Position 2 – Jim Bellet, Board Chairman
Position 3 – Charles R. Dehlinger

District Manager/Secretary

Michael Fritschi

REGULAR BOARD MEETING MINUTES November 17, 2020

1. **Call to Order** – Director Bellet called the meeting to order at 5:00 P.M.
2. **Roll Call of Directors** - Director Griffith, Director Bellet, and Director Dehlinger was present. District Manager Michael Fritschi and District Council Mike Rudd. There were no Zoom participants from the general public.
3. **Meeting Minutes October 20, 2020** – The Board reviewed the meeting minutes from the October 20, 2020 Board Meeting. Director Griffith moved to accept the minutes, Director Dehlinger seconded the motion, and the motion was approved by a unanimous vote.
4. **Monthly Financial & Investment & Accounts Payable**
The Board reviewed the October 2020 financial and accounts payable report. After a few minor questions, Director Griffith moved to accept the reports, Director Dehlinger seconded the motion, and the motion was approved by a unanimous vote
5. **Public Comment** – There was no public comment
6. **New Business**
 - a. The Board discussed the Request for Proposal for Preliminary Engineering Services for the District Recycled Water Project. The Secretary mentioned that the District is under a strict compliance schedule by DEQ and it would be wise to move forward on the project as County permitting efforts are moving closer to resolution. Director Dehlinger moved to approve the RFP, Director Griffith seconded the motion, and the motion was approved by a unanimous vote.
 - b. Director Griffith made a motion to approve Resolution #217 Appoint Charles Dehlinger to Representative to Irrigation Districts, Director Bellet seconded the motion and motion was approved by a unanimous vote.
 - c. The Secretary discussed the bid results for the Lagoon 4a Grit removal project. The Secretary recommended that the Board award the contract to the low bidder Synagro. Director Griffith moved to award the Grit removal project to Synagro, Director Bellet seconded the motion, and the motion was approved by a unanimous vote.

7. Old Business

a. 18704 N. Poe Valley Property Updates

- i. The Board reviewed (7) sealed bids for the pasture lease at 18704 N. Poe Valley Rd property. The Secretary will set up a special meeting to for the Board to discuss the bids tentatively for the 23rd of November at 10 AM. The Secretary mentioned that the District will likely need to comply with the new GASB 87 lease interest requirements for the new lease. The Secretary mentioned that he has not received guidance from SDAO or the District Auditors on example lease language to include the interest and does not know how to proceed with contract language that would satisfy this peculiar requirement. Mr. Rudd mentioned that that particular requirement could probably be disregarded for now, the Secretary and the Board concurred. Director Bellet and Director Griffith noted that they have a perceived conflict of interest with one of the applicants as they know one of the applicants personally, Director Bellet stated that he and Director Griffith will not abstain as it is only a perceived conflict of interest and that they will be impartial during the selection process.
- ii. The secretary mentioned that he has secured the services of Morehouse Property Management for 18552 and 18704 N. Poe Valley Road residences. The Secretary advised the Board that because Jason Chapman entered into a rental agreement during escrow for 18552 N. Poe Valley, that the District is legally bound to continue renting to the existing tenant for the existing price. That tenant has signed a lease agreement with Morehouse, and the District will get \$1200/month rent for the home. Mr., Chapman was offered a month to month rental agreement for \$1900/month to stay in the 18704 N. Poe Valley home. Mr. Chapman never returned a rental agreement to Morehouse, and it was later discovered that he had vacated the home. The Secretary relayed that the property manager stated that substantial clean up will need to occur, and that the property will be made available as soon as the property can be cleaned up.
- iii. Mr. Rudd discussed the upcoming lease agreements for the District:
 1. Land lease for the internet tower – Mr. Rudd to create this based on the terms provided by the Secretary
 2. Moxon extension lease – The Secretary mentioned that Ms. Moxon will pay “dry-land” rates for the 1-month extension and due to the lease being up in a few weeks, and there is no need to make a formal agreement
 3. Irrigation Pump Station transfer and easement agreement for DeJong– Mr. Rudd needs the legal easement that is to be created by Rhine-Cross group, the Secretary will follow up with Rhine-Cross group.
- iv. The Secretary informed the Board that he has arranged major improvements/repairs to the N. Poe Property including: pump both residential septic tanks and have risers installed, bring the well head up to code on 18552 N/ Poe Valley, clean up mess left at 18704 N. Poe Valley, and install a fence and gate to prevent access to the original homestead. Director Bellet asked the Secretary if he had received more than one quote for the (\$2,226.17) fence work, the Secretary explained that he had hired Bowers fence directly in the interest of getting the fence up sooner than later in order to prevent unwarranted access. The Secretary also mentioned that a bill for the cattle scale recalibration has been submitted to the District. The Secretary was informed that this may be based on misuse by Chapman or Chapman employee. The Secretary will attempt to get Mr. Chapman to

pay for the scale recalibration and the \$2,500 that is due to the District for (1) month of a grazing lease during District ownership.

- b. HWY 39 Property Updates
 - i. Mr. Rudd notified the Board that he will put together a lease agreement for the land lease at the District HWY 39 property with the same terms as the Balin/Bryant agreement. The Secretary requested that he include good standard liability language missing from the Balin/Bryant agreement.
- c. The Secretary informed the Board that to date, 57 out of 78 Skyline residents have been connected to the system. This includes the decommissioning of the existing septic tanks and yard restoration. It is likely that the contractor will have all project residents connected to the sewer by the first week of December, and that there may be some yard restoration that extends into the spring. The contractor will likely submit for substantial completion in the next few weeks. Overall, it appears that Bob's Excavating has worked well with the residents.
- d. The Secretary informed the Board that LUBA hearings have taken place and the District expects rulings on the 14th of December for site 1 and site 2. Mr. Rudd brought up a concern as to the narrow targeting of the new County Ordinance to the District. A discussion was held on whether the District should comment ensued with no formal action taken by the Board.
- e. The Secretary mentioned that the District received a \$10,000 check from Vison after the small claims case was filed for non-performance.
- f. Mr. Rudd mentioned that he has yet to receive the SORT report for 6320 Harlan Drive.

8. Other Business

- a. The Board reviewed the Treatment and Collection System Staff Reports and thanked the supervisors for their reports.
- b. There was no major correspondence

9. Adjourn – Director Bellet moved to adjourn, Director Dehlinger seconded the motion, and the motion was approved. The meeting was adjourned at 6:04 P.M. The Board will meet for a special meeting on the 23rd of November at 10 AM. The next regular board meeting is set for December 15, 2020, at 5 P.M.

Secretary _____

Board Representative _____