

**Pete's Mountain Water Company
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS**

DATE: July 9, 2018

TIME: 7:00 p.m.

PLACE: 2480 SW Gregory Dr.
West Linn, OR 97068

BOARD MEMBERS

PRESENT: David Pollack
Ken Roberts
Bruce Tabor
Max LaBar
Kay Pollack
Dana Yip

BOARD MEMBERS

ABSENT: Jim Battan

OTHERS PRESENT: Bob Willis of RH2 Engineering and Phillip Merrill of Merrill Water Systems.

Call to Order

David Pollack acted as chair for the meeting and Mr. LaBar served as secretary. Mr. Pollack convened the meeting, noting that the meeting had been called in accordance with the bylaws and that a quorum of board members was present.

Old Business

Mr. Tabor presented the Treasurer's report. RH2 Engineering presented bills of \$15,670.59 and \$28,253.78 for engineering services performed. A motion was made and approved to approve engineering payments (bills) of 15k and 28k ONLY if within the contracts terms. Outstanding bills are RH2 engineering \$43K, new pump replacement well #2 \$28K approximate, water truck \$4K approximate, new pump for well #1 \$10K approximate. Electric bill for June was \$2,800.

The Board reviewed our Delinquent Customer List. Two customer will be contacted by Ruth at Tabor Accounting to get caught up on their bill.

The Board, Mr. Willis, and Mr. Merrill discussed operational details. The pump in well #2 is pumping 150 to 160 gallons a minute for 5 hours straight on pump test. Performance is great. Static water well level started at 875 feet and at the end of 5 hours static water well level was 890 feet. The water level stabilized at 890 feet. Previous system levels in mid July were 880 feet to 890 feet. So 890 feet seems to be a stabilizing point. Merrill and Board have concerns if water level hits 900. This is getting in the danger zone. Board will discuss in the future water curtailment policies. Mr. Merrill said when pump was malfunctioning (before the well #2 repair this month) only about 70 gallons a minute output. Now after repair the pump's output is double. In the last 24 hours, the well is producing 145 gallons a day. Discussion whether PMWC should pursue emergency non-competitive bidding repair of the non-operating well #1 because of latest water issues (Boil notice, water shortage, pump problems etc.). Mr. Willis and Mr. Merrill lean towards yes because it might shorten process. Mr. Roberts mentions if we are hurrying for summer it may not be a good reason because the well may not be fully operational until summer is almost over. RH2 could not guarantee the well would be fully operationally before summer. Also, the board was concerned because this could add additional cost to the project. RH2 recommended using Schneider drilling. Advantage is expertise and quality work. Potential disadvantage is higher cost. Mr. LaBar mentioned many people in the community including himself are growing concerned about this cost of the project and some things need to be contained better and the board will not tolerate excessive costs. It was motioned and approved to find out from State of Oregon if we can do a sole contractor bidding because of the latest emergency. Mr. Roberts will be creating a letter to send to the State of Oregon to ask if this is possible and David will follow up with Becky at State of Oregon to see if they will finance a non-competitive bidding process.

New Business

None.

There being no further formal business, the meeting adjourned.

Respectfully Submitted,

Jim Battan, Secretary