

Crescent Sanitary District

PO Box 265
Crescent, OR. 97733

CSD Board Meeting Minutes

July 14th, 2021



A regular meeting of the Crescent Sanitary District Board was called to order at 5:00 pm on July 14th, 2021, at Crescent Sanitary District office.

Present

Kim Mathers, President (via telephone)
Doris Allphin, Vice President (via telephone)
Lauretta Butler, Member at Large
Marvin Hicks, Member at Large
Scott DeCarlo, Member at Large
Jean Stumbaugh
Doug Stumbaugh
Shea Smirl

Approval of Minutes

Treasurer Report

Doris Allphin presented the Treasurer Report as of July 14th, 2021

Current Bank Account Balance	\$17,412.06
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Bills Paid

Rent	\$1,000.00
Ace Hardware	\$10.55
Government Ethics Commission	\$87.82
Sequoyah Software	\$389.28
Oregon DEQ Wastewater System Operator Certificate	\$180
Verizon	\$289.51
SDIS	\$1,182.08
Republic Services	\$15.80
Selectemp	\$585.86
Kim Mathers	\$492.21
Selectemp	\$598.32
Century Link	\$251.22
Midstate Electric	\$747.77
Secretary of State	\$100
Crescent Water	\$500
Sharon Bayne	\$300
Chuck Lawrence	\$3,000
RCAC	\$1,626.51

Gilchrist Water Company	\$741.00
Outstanding Bills to Pay	
Verizon	\$291.78
One Call Concepts	\$68.60
Century Link	\$126.60
Klamath County Tax Collector	\$351.01
Crescent Water	\$1,341.68
Sequoyah Software	\$500
Ace Hardware	\$86.97
SGA	\$3,600
One Call Concepts	\$24.20
Republic Services	\$15.80
Charles Lawrence	\$980
Gilchrist Water Company	\$632
Klamath County	\$105.58
Federal 941/944/943 – Q1	\$3,271.16
Federal 940 – Q1	\$52.37
OR UI, Transit Dist. And WBF assessment – Q1	\$525.20
OR Withholding – Q1	\$850

Motion was made by Marvin Hicks and seconded by Laretta Butler to pay Charles Lawrence on the 1st and the 15th of every month without express board approval. Motion was approved unanimously.

Motion was made by Laretta Butler and seconded by Marvin Hicks to pay all outstanding bills, Excepting SGA, Sequoyah Software, and paying only \$500 to Crescent water. Motion was approved unanimously.

President's Report

Marvin Hicks and Scott DeCarlo accepted board positions. Kim explained that there is a sworn form that Scott and Marvin need to sign and get notarized to be sworn in as board members. In the interim, Scott and Marvin are authorized to act as board members for Crescent Sanitary District.

Kim explained that the reason our checking account balance was low was because of covid and other related issues. The construction crews were operating at limited capacity due to covid, which delayed the project, which resulted in CSD being unable to collect sewer revenue until January of 2021.

The board discussed The U.S. Forest Service and how they have not been paying their sewer bill. Kim will be reaching out to them to discuss payment.

CSD was informed via email that they will receive covid relief funds from the American Rescue Plan Act (ARPA). CSD is expected to receive \$835,000 of covid relief funds that can be used for upcoming projects (dump station at the pond, pumper jetter trailer, generators, etc.) and lost revenue . It cannot be used for debt relief. CSD is hoping that this money will be able to keep the sewer service rates from being raised to \$63, as discussed at the budget meeting. CSD is hoping that the relief funds can be used for the Gilchrist project to lower the loan payment. Kim discussed possibly using some ARPA funds for the replacing Gilchrist's terra cotta sewer lines project.

Nichole from Anderson Engineering submitted the final engineering report to CSD. She reported that the construction and cleanup portion of the project has been completed. All punch list clean up items have been completed. All paving and flatworks has likewise been completed and cleaned up. The system as a whole is functioning well and as designed. Morello is still responsible for a few items and an appropriate amount of retainage will be withheld until those items are completed. Pending items are as follows; provide the CSD with operations manual for the control panels and pumps for the commercial grinders installed at Big Pines RV park, Kaehn RV Park, and Rosedale forest service outpost, either fix or stub out the new stub out work providing repair contract for the irrigation system at the Baptist church on the south end of Main St. and complete emission system electrical work with alarm signals with alarm systems at each lift station. In addition to the aforementioned items, Morello will return in the Fall of 2021 when the backup generators arrive from the supplier to complete their installation and associated electrical work.

All construction and cleanup activities for the CSD's existing collection system in Gilchrist re-routing has been completed and approved by the inspector and project engineer. Anderson Engineering has been retained by CSD for the upcoming line replacement for Gilchrist and the dump station.

The total cost to date for this project is \$11,163,274. The original estimate was approximately \$7,500,000.

Kim brought up that one of the lift stations is on private property at the homeowner has requested that a fence be constructed around the lift station. The estimated cost for this project is expected to be approximately \$600.

CSD is still awaiting information regarding the Gilchrist Annexation. The health hazard annexation might still be possible. The annexation was approved by the county commissioners in October 2020 based on the information provided to them that they did studies on the Gilchrist ponds that were leaking into the Little Deschutes River, and they approved to proceed with the health hazard annexation, which was then forwarded to the Department of Justice to sign off on. Approximately 6 weeks ago the DOJ said they would not approve the health hazard annexation because Gilchrist's ponds aren't affecting the drinking water, only the river water. The county contacted the DEQ and now the DEQ environmental quality commission and it's on their July 22nd-23rd meeting agenda. CSD is unsure if DEQ will approve the annexation or not, nor are they sure if the DEQ is able to override the DOJ's decision.

If the health hazard annexation is not a viable method of annexation, then CSD will have to petition the homeowners and renters and get 51% signatures to annex Gilchrist. CSD will present the reasons why CSD wants to annex Gilchrist at the next HOA meeting. The main reason is cost. Gilchrist water is a private company owned by the Ernst foundation and they could not afford to replace their sewage ponds, and the cost would cause the Gilchrist customers' sewer rates to double, triple, or even quadruple, and it would be in the best interest for the Gilchrist customers to approve the annex to avoid their rates increasing. Each homeowner will pay 1.03% per \$100 of assessed value on their taxes. If the homeowners decide not to annex, CSD will have to increase Gilchrist's sewer rates.

Meeting was adjourned at 6:48pm by Kim Mathers. The next meeting will be the regular meeting at 5pm on Wednesday, August 11th, 2021, at the CSD office.

Minutes submitted by: Shea Smirl