



**MINUTES
DEVILS LAKE WATER IMPROVEMENT DISTRICT
SPECIAL MEETING**

**Oregon Coast Community College
3788 SE High School Drive
Lincoln City, OR 97367
6:00 P.M.**

PRESENT: Brian Green, chairman
David Skirvin
Kip Ward
Randy Weldon
Kent Norris

ABSENT: None

PUBLIC SPEAKERS: None

STAFF: Paul Robertson, Lake Manager

I. Roll Call

Four directors present. Kip Ward arrived late.

II. Comments from Citizens Present on Agenda/Non-Agenda Items: none

III. Lake Contractor Contract (Agenda Support Item A)

Lake Manager states that the contract with Mr. Sexton is 120 days effective July 1 for \$300/month.

Skirvin has concerns about going out to bid since he is going to be a board issue. Skirvin said he is also concerned about the situation where Sexton would be the Lake Manager's boss while the Lake Manager is the lake contractor's boss.

Skirvin moved to approve contract as written with consideration that Skirvin would be point of contact instead of directly interacting with Lake Manager with Green and Norris as back up so no direct reporting/boss issues. Green seconded.

Norris discussed. He felt that Sexton considered the issues. Norris feels Sexton does an excellent job and has for 4 yrs. He doesn't see any problems with contract as written.

Green agrees that Sexton does an excellent job but is concerned with the potential conflicts. The concern of public perception of conflict is a big issue. In terms of Sexton being a board member and lake contractor, Greens says there is not a legal conflict but just potential eventuality that the manager has to exercise some part of control.

Skirvin says that even with some of these issues, Sexton does a great job and going forward he should not be excluded from bidding in future.

Weldon states that this is not about Sexton but about position. Weldon also expresses that Sexton does a great job. Public perception worries him the most, ie a sitting board member being paid through the staff. Weldon doesn't want to set precedence.

Ward says it is a potential ticking time bomb. The appearance of impropriety and media sound bites could be problem.

Green states that even if Sexton does get long term contract after bidding, at least they went through the process and have the information that they don't have now. Green suggests a 60 day contract instead of 120 days and get request for bids out right away and get it ready for August meeting.

Skirvin says he is more apt to leave it so they can get through primary work time and then do it.

Tina French states that she wonders if there are two motions happening now instead of one.

Green states that is still discussing Sexton's contract so it is still one motion.

Norris says that 60 days too short.

Green says okay for 120 days.

Skirvin says that the motion should state that Skirvin will be Sexton's point of contact with Green and Norris as back up instead of Lake Manager.

The motion carries, with 4 approvals. Weldon abstains.

IV. Harmful Algal Blooms

a. Aeration Design Contracts

Update from Lake Manager: We have been working with Dr. Horne to get a contract together for the design of aeration system for Devils Lake. He has to work with an engineer that has an Oregon engineering license. He has found a group out of Newberg, HBH Consulting and

Engineering of Newberg, OR. The proposed contract is \$116,000.00 and most of it is engineering out of Newberg. Dr. Horne's part of that is \$26,500.00 and the balance would be HBH Engineering.

Often there is a primary individual and a secondary or sub. When it is done this way, the primary may take more, They would take more for administrative costs but Horne is willing to be only a primary and so he is taking 10% less over having a sub or secondary. There is still a primary this way but instead there are 2 bills instead of secondary ie administrative costs. It is a cost saving measure.

On the HBH side of it, there is permitting services and the bid not included in the costs so it could be negotiated down because of it but there is a lot of work goes into it the permitting part.

However, the Lake Manager said that after looking through the statute the direct appointment must be limited to \$100,000. There doesn't seem any leniency in law. Green agrees. Lake Manager replied back to them and said that if it has to go under \$100,000, they would have to figure something out. They say have to work on it but principle says can do it. Robertson says that one of the places to cut costs may be permitting. Permitting seems most wise because it was not asked for.

Dr. Horne suggested permitting might work as a secondary contract.

Some of the things not included in the bid which may add extra cost, soil investigation or design, design of structure,(which may be added to bid packet), environmental impact statement (which you may have do that for permit which is time and money), telemetry (talking to pumps by remote control not needed), offside improvements(including electrical, lighting, irrigation, landscaping),fees for permits stormwater report, and oversight of construction (which is critical).

Skirvin says that it sounds like permitting might be the place to cut costs.

Robertson says there would be a need to have contact with agencies ahead of time to discuss this proposal.

Green asks if there is no further discussion. No response.

However, Green, wants to know if there other places for cutting costs.

Robertson says bid assistant services is one they were hinting at. They have to talk it over and they want to talk with Dr. Horne as well for cost savings.

Norris wants to know what they provide can contractor do some of it? Are we do it up front? What do the potential contractors normally provide? Are we overdoing it?

Green says Horne is proposing a different system from the standard and providing them with design. We are likely getting a non-traditional system. Reminder, our initial rfp so complicated and complex that none of the traditional contractors wanted to tackle it. It was too multi-disciplinary. Dr. Horne was able to come up to this.

Robertson says all true and complex. ORS 552 needs design plan so they can put it out to bid.

Green: No further discussion oh HBH proposal?

None.

Green asks for public comment.

Tina French asks if they are talking about diffusers, compressors all in one building?

Robertson says that it is the desing would be to be put into one space.

French: Where would this be put?

Robertson: Some good ideas would be Holmes rd, Regatta? Maryland pump station and other spots, public lands.

French asks if we can chat about the details.

Skirvin suggests when new board sits that Robertson does a presentation to explain this plan. There will be no decision until they know all ins and outs

Robertson: Horne says that a small system is insufficient. The patented regulators control the amount of air and allows it to be done from one location.

Sexton says brief overview of lake suggested 5 but with Horne it only one control point so may be more efficient than 5 or 20.

Robertson: 5 would need more power. It would be cost saving with one spot and more efficient if there is only one spot to locate problems.

French: Have they done this somewhere else?

Robertson: Cherry Creek, Colorado where the size and depth are similar.

Ann Norris: What happens when we get to goal of aeration once lake is improved, then will regulator operate less frequently?

Robertson: Maybe but probably would need to run to spec otherwise may just shoot self in foot.

Specifics of proposal not here for materials, etc.

Weldon. Dr. Horne internally loading occurs at 15-22 feet. Do you agree?

Robertson: There is definitely internal loading down there. It is worse where there is more anoxia. There is internal loading throughout.

Weldon: The statement says that is where it is happening. Is that exclusive?

Robertson: Highly doubts it. It is more conceptual now.

Green: The diffusers are being placed in deepest part of lake is his understanding.

Robertson: The cost to build it is a concern so efficiency is important. Achieving goal for less construction costs is important.

French: We had hard time finding someone to reply to our initial bid.

Robertson: Zero came forward. Horne came out subsequently. We were seeking measurable outcomes based on standards. Good algae versus bad algae may not meet chlorophyll advisory.

French: Have we tried going backward to identify other contractors with similar design systems?

Robertson: We have to a certain degree. However, engineering is expensive and within the statute we are required to find most qualified and that is who we have to go with and Dr. Horne seems to be that person.

French: Let's be extra diligent. Without something to compare it to how do we know we are being most diligent. If we are privy to other replies, it might be easier for us to see this is best use of dollars.

Robertson: Absolutely. We can bring those back to share.

Green: End of discussion? Green adjourned the meeting.

Adjournment 6:55pm.

Respectfully submitted,
Marilee Harrison