

GLENEDEDEN SANITARY DISTRICT
SPECIAL MEETING
6595 Gleneden Beach Loop
February 27, 2023
4:00 PM

OPENING

President Phil Jensen opened the special board meeting at 4:00 p.m.

ROLL CALL

Present in person were President Phil Jensen, Director Kent Stevens, Director Gary Wakeman, Director Ray Burleigh, Contract Superintendent Michael Bauman, and Office Manager Danielle Hutton. Present via Microsoft Teams were Director John Alita, Engineer Ken Condit, Attorney Adam Springer, and Recording Secretary Nancy Noteboom.

OLD BUSINESS

Director Burleigh started off by thanking Director Alita for keeping the meeting on focus with Depoe Bay. He questioned Attorney Pete Gitner referring to GSD as DB's customer as opposed to partnership which is what GSD should be considering we are in a contractual agreement. No customer pays 58%.

President Jensen asked members of the Board their opinion on making a proposal to DB.

Director Alita feels we should strike out on our own, nothing will ever change with DB. The mind set of how the meeting went shows how they feel. DB does not want to negotiate, there is zero trust and no one wants to rebuild it.

Director Stevens feels we should make DB an offer, up 1 or 2% on EDU's, keep the rest the same. He did say that if DB were to reject our offer he agrees with moving forward with building a treatment facility.

Director Wakeman feels that DB will never change their mind. Essentially, they just want us to subsidize their rate payors. Director Wakeman doesn't feel that GSD should pay DB outrageous amounts to remain under a contract with DB.

President Jensen feels we should go with FLOW as opposed to EDU's. Keep Capital Improvements separate. He asked Ken Condit how much would it cost to upgrade DB's WWTP. Ken estimated approximately \$20-25 million and suggested having Civil West revise their proposal to a shared facilities plan to accommodate rate payor issue.

Ken Condit also mentioned that DB would have to shut down their older donut reactor if they didn't have our flow. Capacity would be OK but they'd need major improvements.

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Attorney Springer feels there are some good reasons to make DB an offer. He suggested a rate per gallon which has to be a percentage for their rate payors and NO Capital Improvements as DB has made it clear this is their facility. Also have a termination clause that would protect GSD. If DB decides to reject an offer we have done our due diligence.

President Jensen will work up some numbers based on his research. He plans to send an email out to the group in a day or so.

ADJOURNMENT

There was no other business to come before the meeting. The meeting was adjourned at 4:57 p.m.

Respectfully submitted,

 , President

 , Secretary