

The meeting was called to order at 7:30 p.m. by Chairman Bill Finney. Board members present were Peter Grant, Joe Riehl, Henry Schwartz and Edith Mastne. Also present were USFS Representative Alan Smart, District Engineers Tom Tye and Gil Meigs, District Lawyer Tom McPherson, Supt. Vance Hubbard, Ass't Supt Randy Stark, District Clerk Carol Quinn, and visitors Jim Mastne and Cloudy Sears.

The minutes of the last meeting were read and approved as printed.

Mr. Smart, hydrologist with the USFS, advised the Board that the Forest Service would like to work more closely with the District. There will be a public meeting concerning the environmental analysis study that the FS is currently conducting on March 18, 1992, at the high school library from 4 to 8 p.m. The original task force established in September, 1991, was disbanded because a number of people felt that the task force did not represent all the various groups interested in the public use issue of the watershed. A meeting of FS employees will be held February 24 to discuss options regarding data and information to fashion alternatives. It has been suggested that the USFS and the Water District develop a Memorandum of Understanding defining areas and issues of joint responsibility, monitoring plans, etc. They would like to work with us to inventory and identify problem areas. At this time the temporary closures have not been too successful. The gates require weekly maintenance to repair damage done on the weekends. The FS hopes to have the results of the environmental analysis done and a decision made regarding permanent closure by the first part of April or May.

The Board's position is that it is responsible to supply clean, good quality water to the District's customers. Oregon State Health Division regulates drinking water requirements. The FS manages approximately 80 per cent of the watershed and BLM and private ownership hold the remainder (approximately 1/2 section each). As a result of all the shooting that takes place within the area, there has been some concern regarding lead leeching into the soil. The hazard of lead is not immediate. When it is in the soil it becomes bound by clay and other organic material which makes a seal around it. Oregon State University is going to make a study on lead leeching in the near future.

Mr. McPherson of Rankin Mersereau and Shannon read a letter from Mr. Mersereau outlining the legal issues regarding the line extension for Mr. Maxson. Although the line extension for the property next to his was not done properly in accordance with rules and policy in 1979, since this was not condoned or approved by the Board, it does not nullify nor set precedent to alter those rules and policy. The Board does have discretion to make exception if circumstances should warrant it. Because of the number of years passed, there would not appear to be any way of receiving reimbursement for the improper extension by either Mr. Maxson or the District. The Board may consider a compromise in this situation if they so desire, but they are not legally bound to do so. Two alternatives that might be considered are a deed restriction on the Maxson property that would require Mr. Maxson put the line across his property if someone else below or across from his parcel would need water service; or the Board might agree to finance a certain portion while requiring Mr. Maxson to pay a certain portion. In either case, Mr. Mersereau recommended that the record reflect that this is a unique case and is not setting precedent for future extensions. Mr. Grant moved that the District require Mr. Maxson to extend the line to his property line with a deed restriction requiring that should additional

customers want to hook up to this extension, Mr. Maxson will be required to pay to put the extension across his property. This is a specific case offered as a compromise to Mr. Maxson and sets no precedent for future considerations. Mrs. Mastne seconded. Passed. Mr. McPherson will advise Mr. Maxson of this decision in a letter and also advise him that this is the Board's final decision and it will not consider his extension further.

Mr. Tye advised the Board that the Water Treatment Plant is complete, however it was not completed until 120 days after the contract completion date. There is still a dispute between Gresham Sand & Gravel and Emery & Sons Construction Co. This dispute does not have an effect on us except that the contract specifies that all sub-contractors be satisfied before the contract is considered as complete. Emery & Son has requested final payment of \$27,835.23. Mr. Tye submitted a change order for \$425.00 plus \$225.00 for work on the plant. Mr. Rhiel moved that the money part of the change order be approved. Mrs. Mastne seconded. Passed. The Board discussed payment and agreed that our lawyer should send a letter to Emery & Sons' lawyer advising him that the District does not feel that payment should be made until we have been notified that all indebtedness to subcontractors has been paid. Neither does the District feel an obligation to pay interest on the money being withheld as the delay is the fault of the contractor, not the District. The District does have a possible claim for liquidated damages because of the delayed completion, but we are open to negotiation for a resolution of the entire matter. Mr. McPherson will send the letter right away. Mrs. Mastne so moved. Mr. Riehl seconded. Passed.

Mr. Tye also advised the Board that a claim has been filed against J. L. Arndt Construction Co. with small claims court and will keep us advised of any action.

Mr. Stark was appointed Budget Officer for the 1992-1993 Budget. The first Budget Committee Meeting will be next month.

Mr. James Wilson sent a letter to the District asking for consideration of a further reduction of his water bill. There was a leak on his rental property that was not discovered for some days, however it was fixed immediately upon discovery. Mr. Grant moved to reduce the bill to the highest bill in the last six months. Mr. Schwartz seconded. Passed.

Victoria Cloud Sears submitted a proposal for the Board's review that she had presented to the USFS at its last meeting regarding the watershed. The Board thanked her for her interest and input and will study the proposal and discuss it at the March meeting. It appears that much of what she proposed was included in a letter from Mr. Hardman of the USFS outlining goals for the watershed and cooperation between the District and the USFS. Mrs. Sears did state that since it was the multiple use philosophy of the FS that caused the problem of garbage dumping, etc. in the watershed area, that the FS should be responsible to pay for the cleanup necessary.

The meeting was adjourned at 10.00 pm.