

MINUTES

MARCH 13, 2001

Corbett Water District Regular Monthly Water Board Meeting

Chairman Jeff Grover called the meeting to order at 7:30 p.m. Board members, Sandra Redfern, Ed Kalberg and Ken Blanc were present. Also present were Superintendent Randy Stark and District Clerk Kathie Cicerich.

Guests present: Rick Weaver, Barb Giddeon, Bob Colclessor, Roland Beebe, Barb Adams, Ted Rudiger, Dave Mysinger, Troy Falconer and Jim Leckron.

WATER BILL REDUCTION REQUEST - TED RUDIGER

Mr. Rudiger requested the Board to consider a leak adjustment for his January 2001 water bill. His water usage consisted of 137,000 gallons that amounted to \$350.30. There was some discussion regarding his previous water leak adjustment for the months of October, November and December 2000. Each month was adjusted to \$25.30. Mr. Rudiger commented that his January 2001 water usage was up because of a second leak. Mr. Stark mentioned that his February usage went down to 5000 gallons and it appears the leak has been fixed. Mr. Rudiger stated the January 2001 water bill in the amount of \$350.30 is a hardship. He has numerous medical bills and is also a single parent. Mr. Kalberg moved to adjust the January 2001 bill to \$25.30 on the condition that a hardship exists and no adjustments in the future will be made. Ken Blanc seconded the motion. Sandra Redfern and Jeff Grover voted against the motion. Tied, motion failed. Ms. Redfern suggested that the whole line be replaced based on the leaks the customer has encountered. After more discussion Mr. Grover moved to reduce the water bill to \$100.00. Sandra Redfern seconded the motion. Ken Blanc and Ed Kalberg voted against the motion. Tied, motion failed. There was discussion regarding what a hardship is. Mr. Kalberg moved to freeze Mr. Rudiger's water bill until the April 10, 2001 Board meeting when all five Board members are present. Sandra Redfern seconded. Board members voting for the motion were Ken Blanc, Ed Kalberg, Sandra Redfern and Jeff Grover.

APPOINT BUDGET COMMITTEE MEMBER

One three-year position is open on the Budget Committee. Members of the audience were invited to volunteer as a Budget Committee member. Barbara

Giddeon volunteered but then withdrew after Barbara Adams volunteered. Mr. Grover asked what Board members were in favor of Barbara Adams. Mr. Kalberg, Mr. Blanc, Ms. Redfern and Jeff Grover were all in favor of Barbara Adams. Passed unanimously.

APPROVAL OF MINUTES

Mr. Kalberg moved to accept the February 13, 2001 minutes as read. Before any more votes were made Ken Blanc requested correction of the February 13, 2001 minutes on page 4, third paragraph to only read; In the employee handbook, Mr. Blanc would like to see an addition under the (Causes For Suspension Or Dismissal For Regular Employees Only) section. Mr. Blanc made a motion to add, "Failure to Obey any Federal, State or Local Laws." Motion died for lack of second. Mr. Kalberg moved the minutes be accepted with this correction. Mr. Blanc seconded. Board members voting for the motion were Jeff Grover, Sandra Redfern, Ken Blanc and Ed Kalberg.

The regular Board Meeting was adjourned at 8:10 for the purpose of holding the first Budget Committee meeting for the 2001-2002 Budget for Corbett Water District.

FIRST BUDGET COMMITTEE MEETING FOR 2001-2002

The Budget Committee Meeting was called to order at 8:10 p.m. Budget Committee members; Rick Weaver, Jim Leckron, Dave Mysinger, Troy Falconer and Barb Adams were present. Nominations were opened for Budget Committee Chairman. Mr. Blanc nominated Rick Weaver. Jim Leckron seconded. Members voting for Rick Weaver were Barb Adams, Troy Falconer, Dave Mysinger, Jim Leckron, Ken Blanc, Ed Kalberg, Jeff Grover and Sandra Redfern. None opposed.

Ms. Redfern and Mr. Leckron declared they had a potential "conflict of interest" because they each have relatives working for the water district.

The Budget and Board members established rules for public comment. After some discussion it was decided to accept public comment after each section of the budget and limited to three minutes each. Comments may be submitted in writing. Chairman Rick Weaver requested a cap on the length of the meeting to extend to no later than 10:30 p.m.

Mr. Stark presented his Budget Message for the 2001-2002 Corbett Water District budget. He explained why he was proposing the figures and how he calculated the amounts. Mr. Stark introduced six new reserve funds to set money aside to fund depreciation of existing assets. This is a new concept for the District. The six reserve funds are for reservoirs, vehicles, equipment, shop & office, water treatment plant and system improvements. These funds will require an additional source of revenue. A purposed 96% rate increase over last year's increase would supply the reserve funds. A \$5.00 Reservoir Rate Surcharge to each customer's monthly bill would supply the Headwork's Project Fund. Following his presentation, copies of the Budget Proposal were handed out to the committee and the audience. The Budget Committee examined the proposed budget, asked questions, and discussed the rate increase to supply the reserve funds and the \$5.00 rate surcharge to fund the Headwork's Project Fund. The \$5.00 rate surcharge would end once the reservoir is built. Barb Adams questioned the need for additional property to build a new District shop and office. Mrs. Adams also raised questions regarding a brush cutter, herbicide sprayer and excavator. Mr. Leckron would like to see an increase every two years not each year. Mr. Weaver would like a steady low rate increase each year. Mr. Mysinger suggested a 25% rate increase plus the \$5.00 rate surcharge. Mr. Weaver asked that projects be prioritized. Mr. Stark stated that reservoirs and system improvements are the top priorities. There was discussion on hand held radio read. The Budget Committee will meet again on April 10 at 8:00 p.m. to further discuss and consider the Budget Proposal.

Public comment pertaining to the 2001-2002 budget was opened up for audience comments. Mr. Colclessor asked how many Board and Budget members had read the articles regarding the Water District in the Gorge Gazette. He mentioned the overhead presentation that Steve Wilson put on at the February 13, 2001 Board Meeting. The presentation gave alternatives for water storage and partial funding to construct a new reservoir. Mr. Colclessor stated he purposed a surcharge back in 1996.

Barb Giddeon stated she would have her comments in writing. She will get them to the Budget members before the next meeting.

Barb Adams moved the meeting be adjourned. Rick Weaver seconded. Members voting for the motion were: Sandra Redfern, Jeff Grover, Ken Blanc, Ed Kalberg,

Troy Falconer, Dave Mysinger, Jim Leckron, Barb Adams and Rick Weaver.
Meeting ended at 10:25 p.m.

Mr. Grover reconvened the regular monthly Water Board Meeting at 10:28 p.m.

FINANCIAL REPORT REVIEW

Kathie Cicerich briefed the Board on the February 2001 monthly financial report. Water sales were down in February. Water sales will be down \$30,000 to \$40,000 for the budget year if it keeps going the way it has been. Personal Services looks like it will be over. If so, money from Operating Contingency will need to be transferred over to Personal Services. The plan for the unspent \$87,620 under System Improvements & Replace lines is for line replacement on Chamberlain Rd. The District Engineer has started on the project. The bids are being set up for May 2001.

OFFICE SAFETY

Mr. John Lammert will be out next week to install the front office security barrier. The cost is approximately \$2800.

WATER LOSS

District Personal thought a large leak might be in a 10" pipeline that crosses Buck Creek. Pipelines above the reservoirs on Loudon Rd. and Larch Mtn. were shut down to isolate leaks. There were no sizeable leaks discovered. Next the Water Treatment Plant was cut off from the water system. There was still water production of 360 gpm when there should be none. An elbow that is intended to slow the velocity of the water as it enters the clearwell was turned so that it pointed up. Water flow dropped considerably which indicated an air incursion problem. This would account for 20% of the District's water loss.

MEASURE 7

District Attorney Tom McPherson recommended no action on the resolution at this time. Judge Lipscomb rejected the measure and a Court of Appeals could take up to two years.

FINANCING OPTIONS FOR RESERVOIRS

Mr. Stark and Mr. Schwartz attended the "Environmental and Infrastructure Workshop for Small Communities". Low interest loans and grants for state and federal agencies were discussed. Also mentioned at the seminar was that there is

money available to develop or update a Master Plan. Mr. Stark put together a timetable showing dates to meet certain goals.

PERS - EMPLOYER CONTRIBUTION RATE INCREASE

PERS has offered two different employer contribution rates. The Default rate would be 14.08% and the Optional rate would be 14.16% effective 7/1/2002. Randy Stark and Kathie Cicerich recommended the Default rate. There was some discussion. The District will go with the Default rate.

AUDIENCE COMMENTS

Bob Colclessor commented on the Employer contribution rates to PERS.

Barb Giddeon asked if any of the information in the current Master Plan would be used to generate a new one. MR. Stark stated it would be used by the Districts Engineer as a starting point for a new Master Plan.

Meeting adjourned by Jeff Grover at 11:20 p.m.