

The meeting was called to order at 7:30 p.m. by Chairman Joe Riehl. Board members present were Henry Schwartz, Jeff Grover, Bob Colclessor and Jim Mastne. Also present were Todd Knepper of Compass Engineering, Budget committee members Mike Grover and Delbert Riehl, several contractors, plus district personnel Marc Caldwell, Torey Redfern, Jan Leckron, Supt. Vance Hubbard and Dist. Clerk Carol Quinn.

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

Six bids were submitted for the bid opening at 7:30 p.m. for the Gordon Creek South Fork Line Replacement Project. Mr. Riehl opened the bids and referred them to Mr. Knepper for review by Compass Corp. to confirm the accuracy and specifications of the the bid proposals. Results were as follows:

	Base Bid	DIP bid
Three Dimensional Contracting, Inc.		\$324,389.00
Hubco Excavation, Inc.		292,160.00
Werbin West Contracting, Inc.	\$297,485.00	280,586.00
D.M. Excavating Co., Inc.		266,843.94
Ken Hood Construction		239,155.00
Davidson Utilities, Inc.		350,898.01

The original plans called for PVC pipe which required a large amount of rock. The DIP Bid covers ductile iron pipe instead which allows native fill. With the difficult terrain and high rock costs, the DIP appears to be a better choice. All bids included bid bonds and acknowledgment of receipt of Addendums 1, 2, and 3. The apparent low bidder was Ken Hood Construction. The budget for this year allows for a \$200,000 construction cost with a \$45,000 contingency. Provided that the low bid checks out okay, the District has funds to pay. If it costs more, it will require that some of the work be rescheduled to be done next year. Mr. Mastne moved that the Chairman of the Board be authorized to sign the contract for the project to begin provided the low bid passes the engineer's review for requirements and accuracy. Mr. Colclessor seconded. Passed unanimously.

The Board was advised that Frank Lumber plans to start logging their right-of-way land this week in preparation for the South Fork Line Replacement Project. The BLM will not allow the logging on their land until July. Frank Lumber will not bring in their equipment for the few trees on the BLM land. So, the District will buy the trees from BLM and at this time they will probably just lay unless someone wants to get them for firewood. However, they are in difficult terrain for accessibility. They are only valued at between \$1,000 and \$2,000. BLM will allow work in the creeks to be done only from July 15 to August 30. As long as the work is completed before September 1, we can go ahead and contract for the work this fiscal year. The bid project covers the headworks, the installation of the pipe, the hook-up to the existing main, meters, and valves.

The Board was informed of the official results from the March 11, 1997, election for Board Positions 2, 4, and 5. There were 720 ballots cast for each position. Mr. Colclessor running unopposed received 390 votes with 307 left blank and 23 write-ins. Mr. Mastne running unopposed received 372 votes with 308 left blank and 40 write-ins. Mr. Grover received 329 votes, his opponent David Groman received 239 votes, with 141 left blank, 7 write-ins and 4 over votes.

Mr. Hubbard gave his monthly report listing leaks repaired, a new service installed and overtime hours

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Mr. Riehl read a letter written by Courtney Wilton from the TSCC, in response to a request from Mr. Colclessner, advising the Board that he would be willing to attend one of the District's upcoming Board meetings. He would give the Board members more information on the possible impacts of Measure 47 and its rewrite Measure 50.

Mr. Hubbard advised the Board that the District is planning to install the Gordon Creek line replacement this month. The locates have been done and the District anticipates that this project will take about a week. Clearing has begun in order to build the fence around the Merston Road reservoir. Currently the District is planning the installation of the PRV valves to decrease water loss.

Mr. Riehl mentioned that he had gotten a phone call from Lance and Cherry Houck regarding an adjustment on their billing due to a leak they believe they have had since their line was installed a few years ago. The District had received a letter from them and replied that from their record, it had no way of knowing they had a leak as their use had been consistent since they hooked up to Corbett Water. The District does not know the personal habits or requirements of individual households and the Houck's use was not unusually high. Therefore, the District would be unable to grant an adjustment. Mr. Riehl had advised them that if they sought further recourse, they should come to a Board meeting.

Additional members of the Budget Committee Sue Fry and Jim Leckron arrived for the Budget Committee meeting. At 8:30 p.m. Budget Committee Chairman Mike Grover called the Budget Committee Meeting to order.

A summary of the minutes of the previous meeting was presented.

The question regarding raising rates in reference to Measure 47 was answered that rates cannot be raised to replace the revenue lost from Measure 47 without a favorable vote of the people. The proposed budget did not include a rate increase proposal. The District reduced its budget to reflect the loss of approximately \$16,000 from Measure 47 and did not request additional funds at this time to cover this amount.

Mr. Colclessner commented that he was concerned that it would be difficult to complete capital outlay projects if additional funds were not collected. He favored looking into options for additional revenue. He prefers that the District raise money from user fees rather than the use of a tax on property for part of our revenue source as we do now. He read a letter from District Clerk Carol Quinn sent to him regarding her not asking Mr. Wilton from the TSCC to speak at this budget committee meeting.

Mr. Mastne agreed that he felt it was important that the District complete the capital projects that the engineering study indicated were of highest priority to complete and that would take money.

Comment was made that the District is proceeding with these projects as time, plans, permits and funds allow. The study covered 20 years of projects.

Mr. Grover mentioned that he felt that this discussion was somewhat beyond the scope of the budget proposal before the committee at this time. He said the purpose of the committee at this time is to either accept the proposed budget, reject the proposed budget, or make changes by moving numbers around. If the Board wants to meet and make changes in policy for revenue collection, then that should be done at another time.

There was discussion of the wage proposal. Some thought the proposal was too high. Delbert Riehl thought the wages paid were not too high, perhaps on the low side when compared with similar jobs and responsibility. Mr. Colclessner moved that all salary proposals for the 4 per cent increase be lowered to 2.6 per cent. Mr. Mastne seconded. This would lower the budget by about \$2,000 and maybe the money should go to the contingency fund. Jim Leckron advised the committee that since he has relatives working for the District, there could be a possible conflict of interest if he voted on this motion. Sue Fry objected to discussing the salaries in an open meeting with personnel present. Those in favor of the motion were Bob Colclessner and Jim Mastne; those opposed to the motion were Delbert Riehl, Jeff Grover, Joe Riehl, Henry Schwartz and Mike Grover. Jim Leckron and Sue Fry abstained. Motion failed.

Jeff Grover moved to adopt the 1997-1998 budget as proposed by the Budget Officer. Delbert Riehl seconded. Mr. Leckron commented that he was pleased with the proposal and felt that the District had a good job of planning with what was available. Mike Grover mentioned that in the future, perhaps a personnel change issue or request for voter approval of a rate increase might be needed. However, at this time the budget seemed adequate to him. A vote was taken with seven in favor, none opposed and Bob Colclessner and Jim Mastne abstaining. The motion passed.

The Budget Committee meeting was adjourned at 9:35 p.m.

The regular Water Board reconvened. There were no audience comments. Jeff Grover moved that the bills be paid. Henry Schwartz seconded. Passed unanimously.

The meeting was adjourned at 9:40 p.m.