

**CORBETT WATER DISTRICT MAY
REGULAR MONTHLY WATER BOARD MEETING**

The meeting was called to order by Chairman Jeff Grover at 7:30 p.m. Board members present were James Mastne, Sandra Redfern and Henry Schwartz and Board member elect Ed Kalberg. Also present was Bob George from Murray Smith & Associates, staff members Marc Caldwell, Torey Redfern, Superintendent Randy Stark, and District Clerk Carol Quinn along with 11 visitors.

The minutes of the last meeting were read and approved as printed with Jim Mastne declining to vote on the minutes.

Mr. George addressed the Board regarding the opening of bids for the Hurlburt Road project. The bids were closed at 7:30 p.m. Thirteen bid proposals had been received at that time. Several of the visitors represented companies that had submitted bids for this project. Mr. George explained that there were two options included in the specifications with Option A requiring a 6 inch line to be installed and Option B requiring an 8 inch line be installed. Results of the Bid Opening are listed with Option A and Option B amounts:

BIDDER	OPTION A - 6"	OPTION B - 8"
Bill Booker Construction	87,779.05	93,623.05
Cipriano & Sons	119,213.95	127,370.95
Crestline Construction Company, LLC	141,389.00	149,429.00
DM Excavating	99,472.30	105,443.50
Dick Rogers	78,155.65	84,581.55
Dunn Construction, Inc.	87,490.00	94,868.00
JL Arndt Construction	97,610.25	104,170.00
Marshall Associated Contractors, Inc.	128,218.00	134,222.00
Rasch General Contractors, Inc.	86,902.75	93,112.75
Sight Excavation, Inc.	88,005.40	94,849.54
Sun Quest Construction, Inc.	85,260.95	92,082.25
Brown Excavating	99,928.00	108,513.00
3 Bears Excavating	94,962.53	103,022.73

Dick Rogers submitted the low bid. Sun Quest was second and Rasch General Contractors was third lowest bidder. MSA will review the bids for accuracy. Mr. George suggested that the bid could be awarded next Tuesday. There was some discussion of the bids and the process. At this time those visitors who came for the bid opening left the meeting. Mr. Mastne moved that the Board of Commissioners accept the low bid for the Hurlburt Road project contingent on MSA approval that all required paperwork including bonds is accurate and complete. Ms. Redfern

seconded. Passed unanimously. The Board then discussed which option the District should choose. All the Board members agreed that the small difference in price for the additional cost of the eight-inch pipe would be money well spent. Although the six inch pipe would be sufficient for now, the eight inch pipe would insure enough flow for years to come even if the county decided to allow some additional development. Mr. Mastne moved the Board approve the acceptance of Option B for the 8-inch pipe installation. Ms. Redfern seconded. Passed unanimously. Mr. George took the bid proposals with him and will be in contact with the District. He left the meeting at 8:10 p.m.

Chairman Grover opened the meeting for audience comments. Sue Fry advised the Board that as a member of the Budget Committee she felt that there was some misdirection on the Budget Committee regarding the reservoir. She had been advised that the Board had voted unanimously last November to build the new reservoir at the treatment plant site for \$335,000. Instead of this amount of money being budgeted in the Capital Improvement Fund, there were funds diverted to new equipment and other road projects. Mr. Mastne read the motion that was passed from the November minutes verifying this. Mr. Grover answered that this was an estimated amount quoted in a letter from Mr. Goldson of Compass Corporation. Since then the District had response problems with Compass Corporation and has retained a new engineering firm. Also since that time the District was reminded of the fact that a 1,000,000-gallon reservoir cannot be built for this amount.

Mr. Mastne read from a letter dated December 1997, from Lee Engineering, quoting prices of a 1,000,000 pre-stressed concrete tank for \$600,000. The letter from Mr. Goldson in November 1998 is half the price quoted the previous year. It was pointed out that the \$335,000 figure did not include any piping, valves or site preparation costs. Mr. Freund questioned whether the rate increase that went into effect was being used for the reservoir, as was the understanding of the customers. Carol explained the additional money anticipated from the rate increase was \$36,000 and a total of \$95,000 was assigned to the reservoir fund in the current budget year 1998-99. In the proposed budget of 1999-2000 the amount of \$50,000 would be put into the reservoir fund for a total amount of \$145,000 in two years being saved. These amounts would indicate that the District is not forgetting the reservoir fund. This is in addition to the other capital outlay projects amounting to \$79,500 and \$106,500 in those budgets.

Ken Blanc questioned why the Board would vote to build a reservoir when the District doesn't have the money to build it or know how much it would cost. Mr. Grover explained that the policy of the District in the past has been to save money for this type of major project. Last fall the District decided to gather information and study other funding options such as levies, borrowing, and raising rates. At

that time the \$335,000 figure was being used as an example. Now the District has a better idea of what it is going to cost for the tank and the District has saved approximately half of the needed amount. At this time there is no plan to borrow money for the reservoir. Mr. Grover agreed that at the time the Board voted to build the tank, it did not know what it would cost. Ms. Adams asked if there was a written plan for how much the District would save each year. Mr. Stark explained that the District has a 20-year plan but there is not a plan to set aside a specific amount for specific projects each year. A few years ago the District built a treatment plant that cost about 3/4 million dollars, which all had been saved previous to construction. There are different priorities each year. Twenty years ago management of the District was quite different. They took pride in not raising rates for ten years which sounds good to the public. However, this probably hurt the District in that it did allow for improvements and line replacements to be accomplished on a regular basis making it necessary to play catch-up now with limited funds.

Mr. Colclessor mentioned the truck that was bought in 1993 and how crowded the lot is now, and how much time was spent discussing purchasing the Forest Service property or remodeling the current facilities and that the District could have bought a purple pickup for less than the little red 4-wheel drive one. Mr. Redfern said the purple truck was more money and he did the paperwork on the purchase. Mr. Grover mentioned that if the Board wasted time on the facilities study, it was while Mr. Colclessor was in charge as Chairman of the Board. Mr. Grover explained that he had talked with a fellow from Troutdale regarding the white truck and the dump truck. He said that although the city of Troutdale normally keeps a truck for about 15 years, they would have sold the white truck and gotten a bigger one just for the safety factor. The safety factor is the reason the District proposed purchasing the new truck. The frequency of brake failure on the dump truck reflects this reason. With all the steep hills in the area, a life is worth more than a reservoir. The dump truck is overloaded if it is loaded with gravel and pulling the trailer and tractor. Making separate trips for the gravel and the tractor wastes a lot of time and money running back and forth especially when the District has hired flaggers for the job. The district hires flaggers because if staff did the flagging then there would be no one to do the work. The District would have to hire someone to dig, fix the leak, lay the pipe, etc. It would seem more cost effective to hire flaggers. Phil Dearixon, representing the Fire Department, advised the Board that the Fire District is satisfied with the water available for fire fighting.

A letter from the Multnomah County Tax Supervising Commission was read with recommendations for the 1999-2000 budget for a change of the line items in the CIP Fund. These recommendations do not require approval of the budget committee since the figures do not change. They merely make the funds more

easily accessible for the reservoir construction. Mr. Mastne moved the District approve the recommendations of the TSCC for the 1999-2000 Budget. Ms. Redfern seconded. Passed unanimously.

Mr. Grover had requested that the Board consider a policy in response to requests for public information. Mr. Stark told the Board that the Board Members handbook states that the District shall fully comply with the Oregon Public Records law. The person requesting access to public records for inspection or copying shall specify the records requested with particularity furnishing the dates, subject matter and other detail necessary to enable District personnel to readily locate the records sought. To recover its costs for responding to the public records requests, the District shall receive 50 cents per page for records and actual costs incurred for non-standard documents of any kind. If the request for records requires personnel to spend more than 15 minutes searching or reviewing records prior to their review or release for copying the minimum fee shall be \$40 per hour with a minimum charge for 1/4 hour. The District shall estimate the total time required to respond and the person making the request shall make payment in advance for the estimated cost. If the costs are less, the excess money shall be refunded and if they are more the additional funds will be paid at the time the records are produced. The Board may authorize furnishing the information at a reduced fee or at no charge if it determines such information to be in the public interest. If the request is of such magnitude and nature that compliance would disrupt the District's normal operation, the District may impose such additional charges as are necessary to reimburse the District for its actual costs. Ms. Redfern moved that the District update the policy to include the District to prepare a form with the charges included for public information requests so there is no misunderstanding that charges will be assessed and collected. Mr. Schwartz seconded. Passed unanimously.

Ms. Redfern informed the Board that an individual had written a letter on behalf of many concerned citizens to the Oregon Government Standards and Practices Commission asking they investigate whether there is a "conflict of interest" with her being on the Board and Jim Leckron being on the Budget Committee when they have relatives working for the District. Mr. Stark again contacted our lawyer regarding this situation as he had done before Ms. Redfern's appointment. As was previously explained by our legal counsel, Mr. Stark reported the "conflict of interest" applies when the District Board and Budget Committee is specifically discussing their specific relatives' wages, conduct; evaluation. Our lawyer sent a copy of the ORS Revised Statutes Chapter 244 and the Oregon Administrative Rules that are pertinent to this issue. It appears to our lawyer there is no "conflict

of interest" issue with regard to this instance. Ms. Redfern and Mr. Leckron may respond to the inquiry. The GSPC staff will prepare a report to be presented at the GSPC meeting scheduled for July 8 to determine if sufficient cause exists to conduct an investigation.

Mr. Stark further read and advised the Board of specific wording in the ORS regulations relating to who is a relative, definition of class as opposed to specific persons, potential and real conflict of interest, etc. The wage and salary schedule was approved by the Board of Commissioners before Ms. Redfern was appointed to the Board and are the wages that were presented in the proposed budget. She had nothing to do with the wages established for personnel. Her appointment to the Board resulted from interest she had shown in how the District functioned, attendance to some Board meetings, and experience in running a business. She could have filed as a candidate for election to a vacant four-year term, but chose to commit to the two-year appointment to fill a vacancy on the Board.

Mr. Stark stated that when there is a conflict of interest for a public official, whether actual or potential, that conflict must be declared and entered into the official record. Then the public official must not participate in any discussion or vote on any action concerning that relative. If one of the Board members must put up a defense for an ethics violation the District insurance has \$2500 to cover such costs.

It was announced there will be a Budget Hearing at the June 8 Board meeting at 8:00 p.m. A new Board Member Guidelines video from SDAO has been received to replace the one that was lost. It will be available for checkout.

Mr. Stark announced to the Board the shed extension project has progressed to the point where we may be able to get the permit. It has been paid for and the plans have been approved. The contractor has had some difficulties getting his builder's license renewed. He is in the process of getting the mix-up straightened out. There was some discussion of the work report. Results have been received from another round of sampling of the Lead and Copper program. This time there were two samples that did not meet the action levels, one at and one slightly above the limit. However, the general trend is still downward. Our plan is to continue our corrosion control program as is. The Woodard, Ogden, Springhill line is completed except for eliminating a small section of 1 1/2 line on Springhill and tying in another small section of 1 1/2 to the existing 6 inch line. Maintenance has been normal spring stuff. There were some leaks fixed. Torey made more valve wrenches for the treatment plant and Marc successfully completed a one-day Cross

Connection Control update class. The guys have put together a hydraulic power unit for about half price of what purchasing a new one would cost - about \$3,500 as opposed to \$6,500. The unit will make it possible to speed up road pushes, making possible two or three a day as opposed to one. It is constructed in a very professional manner.

Mr. Grover asked Mr. Kalberg, who is a CPA, to express his opinion of the 1999 - 2000 proposed budget. After his review and listening at the meetings, Mr. Kalberg felt the process allowed for plenty of input. He indicated that in the equipment category he would have agreed to spend the funds for the equipment. The long-term benefits would outweigh the current cost. He said the budget was well prepared and presented. He believes personnel issues are pretty much set. Under the reservoir fund, he would like to see a more definite time frame plan. He has served on the school board and other non-profits and thought the budget was very well thought out. If he had been in a position to do so, he would have voted for it.

Ms. Gideon declared the Board was going to raise rates by raising property taxes. She said the 6 percent increase in taxes amounted to a rate increase. District staff advised her that the tax rate would be the same as the previous year. The county may raise the valuation but the tax rate is permanent. The automatic 6 percent increase has not been in effect for several years since Measures 49 and 50 were voted into law. As a matter of fact, the amount of taxes the District projects to receive next budget year is \$7,500 less than it received in the 1996-97 budget year. Ms. Gideon wanted to know who in Oak Lodge Mr. Stark talked with when he was preparing the wage/scale survey because she talked with one of the girls there who didn't know anyone else had called for wages. Randy advised her that he primarily talked with Tom Hoffman and he didn't remember the girl's name that sent the information. He did his survey in January. Ms. Gideon reported some of the results of her survey.

Mr. Schwartz moved to pay the bills. Ms. Redfern seconded. Passed unanimously.

Mr. Mastne moved the meeting be adjourned. Ms. Redfern seconded. Passed unanimously. The meeting was adjourned at 9:50 p.m.