

CORBETT WATER DISTRICT

APPROVED MINUTES

Budget Hearing 6:30 p.m.

Tuesday, May 17, 2005
Corbett, Oregon

Commissioners Present: Bob Colclessor, Lee Wyatt, Malcolm Freund, Ken Blanc, and Robert Gaughan.

Also present were District Manager Frank Sterzinar and District Clerk Jamie Simms.

Audience Members Present: Torey Redfern, Donna Colclessor, Dan Graff, Tom Layton, Brian James, Janet Helus, Dave Mysinger, Dan Marsh, Ed Kalberg, Troy Falconer and Marion Kirkhan.

Chairman Colclessor called the meeting to order at 6:33 p.m. at the Corbett Fire Hall.

Review / Approve Agenda.

Commissioner Freund asked what the rework historic data was about. Frank Sterzinar said there had been corrections made to the LB forms and budget detail sheets to reflect actual historical data.

Commissioner Freund moved to approve the agenda. Commissioner Blanc seconded the motion. Motion passed unanimously.

Rework Historic Data, TSCC Recommendations.

With the help of Shannon from TSCC, Frank Sterzinar had made corrections to the budget forms. He said that these corrections were needed to satisfy TSCC. The historical data presented under 'prior budget years' was now updated to show the actual representation of what had occurred.

Commissioner Wyatt arrived at 6:45 p.m.

Public Testimony on the Budget.

Chairman Colclessor called for public testimony on the 2005/06 budget.

Ed Kalberg asked about the \$100,000 in additional cost that was mentioned at a prior meeting. He questioned where the additional cost could be found in the current budget and if this amount had also been considered for the 2005/06 budget. Commissioner Wyatt replied that she had considered the additional cost and it was her estimate for unanticipated cost related to the union. She said that the previous and current budgets had not anticipated these expenses and as an attorney she considered this cost as "Extraordinary Expense."

Ed Kalberg then read from Frank Sterzinar's 2005/06 budget message the following: "One of the major priorities is to borrow the least amount of money from the OECDD and to pay that loan back as soon as possible." After reviewing the 2005/06 budget he could see that all of the available loan funds would be required to perform the necessary repairs. He said it had not been his original intention to use all the money, but he knew the current Board had good reason to use the \$250,000 previously transferred from the 'Loan Repayment Fund.'

Ed Kalberg thought the budget for the WTP upgrades looked to be tight on funding. He questioned if there was a backup plan in case cost overruns occurred. Frank Sterzinar replied that each phase of the construction contract included a 10% fudge factor and the Board also has the authority to move work into the next budget year. Commissioner Wyatt spoke about a prior meeting with Lee Engineering and cutting project cost. Chairman Colclessor said the WTP Upgrade contract had not been approved until the budget committee had dedicated the needed funds.

Barb Adams questioned if the additional funds in 'Contingency' set aside for a possible drought could be moved into the Upgrades. The District Clerk asked Ed Kalberg if funds in the General Fund 'Contingency' category could be moved into the Headworks Fund. Ed replied no, but the cost could be moved into 'System Improvement.'

With there being no other comments, Commissioner Freund moved to adjourn the budget hearing. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Meeting adjourned at 7:00 p.m.