

MINUTES

April 14, 2005

BOARD MEETING

A quorum was established and the meeting was called to order at 1:05 pm by Chairman Dennis Carter. Board members attending the meeting were Dennis Carter, Beverly Lawlor and James Newton. Staff members attending the meeting were Andy Newton and Sherry Evertson.

James moved to approve the minutes of the March 10, 2005 Board Meeting. Beverly seconded. Motion carried unanimously.

Guests: Bob Cox with Edward Jones Investments attended to present his company's option for a replacement retirement plan for the LSSD staff. He said they can do a 457 plan the same as Penn Associates had been doing for us. He was told that we are also considering AIG as a provider and that we will let him know this month.

Richard Nored attended the meeting to discuss the construction project, the new shop building and the 20 year plan. He presented Change Order #4 and #5. These were the final items we had planned and R&G gave us a reasonable price with the agreement that we not hold them to the original completion date that they exceeded. Dennis signed the Certificate of Substantial Completion for the project. Dick estimated that it will take them about 2 months to finish the change orders.

Dick sent out four requests for bids for the shop building we want to do. He only received one back – from Metal Clad Buildings of Oregon. The bid was discussed by the Board. James moved to accept the original bid plus Alternate #1, with the exclusion of permits, the 200 amp electrical panel, and the overhead doors. Beverly seconded. Motion carried unanimously.

Dick presented an amendment to our Agreement for Engineering Services that allows us to include the 20 year plan. Beverly moved to approve the Amendment, pending approval by our attorney. James seconded. Motion carried unanimously.

Operation Manager's report:

Andy discussed options for the budget that involve a rate increase. He said we need to know if Board wants to do one before we proceed with budgeting. He proposed a 2.8% increase to round off the payments to an even amount instead of the nine cents currently assessed. Dick said he thought the 3% limit only applied to taxes, not our assessments. Sherry was instructed to check with the Attorney – can we do a 3% plus whatever to round up to the nearest whole dollar without having to do special hearings?

Andy also discussed his proposal for "on call" time. He would like to take turns being on call with the two other employees at the plant. The person who is "on call" takes the cell

phone and cannot be more than 30 minutes from the plant during his turn. In compensation, he would receive \$200 for the week that he is on call, plus one day off the same or following week. If called in to work while on call, would receive time and one half pay. Sherry instructed to check with the attorney to see if this is legal, and perhaps have the attorney draw up an agreement to have the employees sign if she thinks necessary.

Pump Station Project is nearly complete. There were a few minor things found during the walk through. The project should be complete within one month.

Andy met with Pahlsh and Deschutes County at the Crescent Creek Community Center regarding their SDC rating. After seeing the facility, Andy feels they were mistakenly rated as a restaurant and should be rated two for their public restrooms and one for the meeting room.

Financial Reports were reviewed.

Old Business: Partial payment #9 for R&G Excavation was reviewed. James moved to approve the partial payment as presented. Beverly seconded. Motion carried unanimously.

New Business. Resolution #05-4, making adjustments to budget appropriations for Fiscal Year 2004-2005 was read. James moved to adopt Resolution #05-4 as read. Beverly seconded. Motion carried unanimously.

Frontier Days has requested a \$100 donation again this year. James moved to donate \$100 to Frontier Days. Beverly seconded. Motion carried unanimously.

Delinquent Accounts were reviewed.

Bills to approve were reviewed. James moved to approve the bills as presented. Beverly seconded. Motion carried unanimously.

There being no further business, the meeting was adjourned at 3:15 pm.

Respectfully submitted,
Sherry Evertson