

SPANISH VALLEY WATER & SEWER IMPROVEMENT DISTRICT

Regular meeting ----- September 17, 1997

The meeting was called to order by the Chairman, Paul J. Morris at 7:15 P.M. at the District office. Other Board members present were George White, Neal Dalton, and Karla VanderZanden.

ATTENDANCE

Others present were Dale Pierson, Marsha Modine, Val Kofoed, John Chartier, Mike Shumway and Vern Fisher.

After calling for additions or corrections to the minutes of the meeting of August 20, 1997 and the Emergency Meeting of September 4, 1997, and hearing none, the Chair declared the minutes approved as circulated to the Board. Motion: Karla. Seconded: Neal. MOTION CARRIED

MINUTES APPROVAL

SEWER PROJECT UPDATE: Paul stated that we had a 4:00 p.m. meeting with Olsens here at the District office today. Val reported that there were definitely some problems. This summer, Val received letters from Project suppliers that are owed a total of \$709,000.00 by Olsen's. To take care of this, joint checks will be issued to Olsens and these suppliers from now on. Jackie is trying to open a line of credit for \$850,000.00 which will meet her payroll. LeGrand Johnson informed Val today that they will be unavailable for the next two months which is not in agreement with a letter that he had received from them, so he will have to take care of this. The Project is 80% complete. The first priority is to finish line A and the metering manholes. The second priority is completion of the long line on Spanish Valley Drive. Firing Olsen's will require an attorney so it is done properly and the District is protected. The project has had overruns in rock, asphalt and additional pipeline. The project has been extended six weeks. Paving will take approximately six working days which would then put Olsen's in a position to get permission from the County to go back to digging.

SEWER PROJECT UPDATE

WATER PROJECT FINANCIAL PLAN: Val gave a presentation of the Culinary Water System Master Plan and handed out drafts to the Board. The average residential connection on our system uses 5391.2 gallons per month and the average commercial connection uses 12,653.33 gal/mo. The average commercial connection represents 2.5 homes. Sunrise summarized that the District needed a new well, a 3,000,000 gallon storage tank at 5000 ft elevation and larger feeder lines. Dale talked about the pressure problems on the system that started two to three years after completion of the existing system. Vern talked about funding and rates. Dale suggested a look at different rate generation with graduated overage rates. Karla moved to authorize Sunrise to proceed with funding negotiations and the Culinary Water Master Plan study. George seconded. MOTION CARRIED.

WATER PROJECT FINANCIAL PLAN

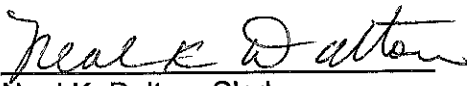
CHECK APPROVAL: Karla Approved. George Seconded. MOTION CARRIED.

CHECK APPROVAL

The meeting was adjourned at 10:00 p.m.

ATTEST:


Paul J. Morris, Chairman


Neal K. Dalton, Clerk