

**CORBETT WATER DISTRICT
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
December 15, 2020
Meeting Held Electronically through ZOOM**

BOARD MEMBERS PRESENT: Sara Grigsby ,Bob Gaughan, Fred Sanchez and Jeff Hargens.

BOARD MEMBERS ABSENT: Dan Graff

STAFF PRESENT: District Manager Tom Edwards, Assistant District Clerk Lynda Ronell and District Clerk Gail Griffith

AUDIENCE MEMBERS: Malcolm Freund, Chris Augustine of SCS Engineers, David Jacob of Hydra Engineering, Tim Shell of Wallis Engineering, Cloudy Sears and Michael Arion.

President Jeff Hargens called the Zoom meeting to order at 6:30 p.m.

APPROVAL OF THE AGENDA

Fred Sanchez made a motion to approve the December 15, 2020 Agenda as presented. Bob Gaughan seconded, all were in favor, motion carried. *(4 yes votes: S Grigsby, J.Hargens, F.Sanchez & B.Gaughan 0 no votes)*

APPROVAL OF THE NOVEMBER 17, 2020 REGULAR BOARD MEETING MINUTES

Jeff Hargens made a motion to approve the November 17, 2020 Regular Board Meeting minutes as presented. Fred Sanchez seconded, all were in favor, motion carried. *(4 yes votes: S Grigsby, J.Hargens, B.Gaughan, F.Sanchez 0 no votes)*

TREASURERS REPORT – November 2020

Treasurer Sara Grigsby went over the information in the Summary of Accounts and the Revenue and Expenses for November 2020 that was included in the Board Packets. Sara Grigsby went over a few lines in the Summary of Accounts. Sara noted she had looked at the current expenditures and resources and for this month we are in the “red”. Looking at that people might think we are in trouble. However, looking at the LGIP account we have over \$634,000 dollars at this time. The District Clerk explained in the resources or revenue section our retained earnings or cash carryover is not included in the summary of accounts the Board receives. Revenues shows what we will earn from July to June and if you look at one month report you are not seeing a full picture of our finances. Discussion of the Debt Service section.

Jeff Hargens asked when the loan will be paid off. The District Clerk responded 2025. The interest rate on the loan is around 4%. Jeff Hargens said the rate is high for these times. He asked if there was a way to get a lower interest rate for the remainder of the loan. Fred Sanchez said there may only be a one point spread and there could be fees. Bob Gaughan said you also have to look because we have paid most of the interest on this loan. Gail Griffith will look into the possibility of getting a lower rate on the balance of the loan.

Fred Sanchez made a motion to approve the November 2020 Treasurers report as so outstandingly presented by Sara. Jeff Hargens seconded, all were in favor, motion carried. *(4 yes votes: S Grigsby, J.Hargens, B.Gaughan, F.Sanchez 0 no votes)*

WELL PROJECT UPDATE

Chris Augustine reported to the Board. Last update was there was a break in the casing. Schneider Water Service has been able to regain circulation which is key to establishing a full annular seal. The 10” casing got inside the bore hole and it broke about 250’ above the bottom of the hole. They were able to get the casing back into alignment and they perforated the casing and are now beginning to install the 8” lining casing and hope to cement it in on Friday. We are within all the standards for OWRD. There are no issues or limitations on what we will be able to do. When the 8” casing is in we will be able to drill out the production zone below. The test pump should be able to go in the end of January with pumping tests early February. They should be finished by February 19, 2021. We are targeting mid April to have testing done to meet applying for the production well grant.

The project is progressing. Chris Augustine said they are behind on the project. The contract was to be completed by December 15, 2020. At this point liquidated damages could be applied at \$400 per day. Which means since they have not completed the job they would have to pay the District. That is at the District’s discretion.

Sara Grigsby asked if the District decides something like they have been irresponsible so they owe us or they have done the best they could so they don't? Jeff Hargens said it would be yes to both of those. Jeff Hargens asked with this delay in schedule are we going to be behind another year in the cycle. Chris Augustine replied that we should be able to meet the timeline to have the information on testing ready for the application for the production well grant.

Chris continued that Schneider Water Service did up size the well casing at no cost to the District. They have done all they could to address the situations as they arose. The fishing for the tools was done at their cost, no cost to the District. Drilling is drilling and things happen.

Jeff Hargens said we do not have to decide anything right now related to the liquidated damages.

David Jacob noted that Schneider Water Service showed good faith in starting the project on time and continuing to do the project. It would be my recommendation that you not put the hammer down on liquidated damages. Tom Edwards stated that he understands that things come up with drilling, but, if this causes us to miss the deadline for the next grant application that would be the determining factor to assess the damages. Bob Gaughan agreed

Michael Arion asked how much the test well costs. Chris Augustine responded approximately \$525,000.

Chris Augustine stated that there will be no costs related to the loss of the tools or when they had equipment issues at another site where they had to demob. There has been good cooperation during the project. Chris Augustine said he agreed that we should wait on anything related to liquidated damages unless it affects the grant.

Fred Sanchez said the bottom line on it is our grant is critical. As long as the possible penalties are available to us at the end is that a legal question or are we certain we can utilize that option. Chris Augustine said it is in the contract. There isn't any gray area for the District to leverage the penalties. Chris Augustine will have a conversation with Schneider Water that this came up during the Board meeting. Tom Edwards said we will have options at the end of the contract.

Chris Augustine will send a copy of the updated project schedule to the District Clerk for distribution to the Board.

UPDATE ON COVID-19 EMERGENCY PLAN

District Manager Tom Edwards reported new guidance came out from OSHA related to COVID. Gail has been working on it and then we will put out some training for all employees.

The District Clerk stated that now OSHA is providing a one hour training course we will each be taking. Gail continued this helps cover the requirements of the OSHA temporary rule that is in effect through May 2021 unless it is extended. The only other change is Manager Tom Edwards brought both Utility workers back full time. Everyone is masked at all times in the office and any communal areas. Jeff Hargens said he has had to deal with COVID-19 requirements and everything being done in the Water office is great.

HIRING UTILITY I/II

Manager Tom Edwards reported he had plans to go out for one utility worker, which was included in the budget. However, Tyler Sletterink is leaving next week so we are advertising for two positions. We have posted an advertisement for the jobs at SDAO, OAWU and our website. We have had some response back and hopefully we will have interviews soon. Tom continued that he hopes to get more water licensed people on board. It may be difficult because there are fewer licensed people available and it may be hard to get them to come out to Corbett. Tom Edwards said that Corbett is on the lower end of wage scale, but not the lowest. Wage scale and benefits need to be reviewed.

Tom Edwards said one of his greatest challenges is figuring out what has happened in the last few years. There are not many records. He continued it is on his agenda to have evaluations, but, he hasn't established what the expectations are. I am recommending the current Utility II up to the next step. Discussion. It is within the Managers authority to advance an employee without the Boards approval.

Discussion of wage scale. The District Clerk stated that would need to be discussed and decided by the Board. It would not be something that the Budget committee would be deciding. It does affect the budget.

COST OF PURCHASING A NEW VEHICLE

Tom Edwards reported it is his understanding that most of our equipment was auctioned off with the plan we would purchase a used dump truck from a government auction site. Tom continued that he has looked and there is no inventory. The inventory available has 200,000 miles on it and has been used and abused. Which we don't want. We are going to need another service truck with the number of employees. \$24,000 does not give us much. The Manager proposed that we purchase a new service vehicle.

Bob Gaughan suggested putting a snow plow on the current service truck and getting a dump trailer for hauling rock. Tom Edwards agreed that is a possibility and we could buy a pickup. Tom Edwards stated that \$24,000 doesn't buy a truck. Tom said he would have a clearer idea of how to move forward at the next Board meeting.

WORKING WITH ENGINEERING SERVICE TO UPDATE THE MASTER PLAN

District Manager Tom Edwards reported he has been reviewing the old files, contract documents and the master plan. Since Lee Engineering, Pace Engineering were listed all over the information he contacted them to try and get a copy of the 2005 master plan. There apparently isn't a 2005 master plan. There is a 2003 master plan update. We are hitting the time that enough has changed that we need to look at the 5 year, 10 year and 20 year plan. We need an update to see where we are at and where we need to go. Tom said he spoke with Brian Lee from Pace and got some good information. He suggested that they do a roster RFP because we have some small projects that are coming up. Things need to be looked at. Smaller projects under \$100,000 we could go forward. We need a new master plan and should do a rate study with the plan. Tom said he plans to go out for bids to get a master plan completed.

David Jacob said he is qualified and we have an agreement with him if we have some small projects that need to be done.

Jeff Hargens said that we did use PACE for some time and we had contracts with them. The costs got out of control and we looked for other options. It is ok to work with them again, but, we need to control costs.

Tom Edwards said this is not something we would be required to use, but, would have the option of using the roster RFP from PACE at no cost to the District.

MANAGERS REPORT

Tom Edwards went over the Managers report that was in the Board packet.

We are waiting for the meter for the raw water. The control box was damaged in shipment of the first meter. We should be receiving the replacement by tomorrow. We will work with Taurus and David's crew and get that hooked back up.

Tom Edwards received a call from the Oregonian about the status of the Southfork. He went out to Southfork to take a look. After looking at it Tom said he wants to get that source of water back on line. We will be working on getting it cleaned up and start running water through it.

Discussion of another fish screen. Jeff Hargens said in the past sand bags have been used to get water over to the intake. With the bolder placement a lot of it has shifted and it needs to be re-adjusted. Tom Edwards said the area is due for some changes. Jeff Hargens said the last Manager looked at it with Fish and Wildlife last year and they said we would need to re-apply for permits to make changes. Tom said he would be contacting the County and Fish and Wildlife for clarification on what is needed.

PUBLIC COMMENTS

Michael Arion commented that he had never been to a Water meeting before, but, it gives him a great appreciation in what is involved in getting water both by paid and unpaid people. Sara Grigsby thanked all of those from the public for attending the meeting. Malcolm Freund said he appreciates Tom's comments about routine maintenance and it is good to hear things will be getting scheduled.

BOARD MEMBER ADDITIONAL ITEMS FOR THE GOOD OF THE ORDER

ADJOURNMENT OF MEETING

Jeff Hargens made a motion to adjourn the meeting at 7:55 p.m. Bob Gaughan seconded, all were in favor, motion carried. *(4 yes votes: S Grigsby, J.Hargens, B.Gaughan, F.Sanchez 0 no votes)*