

CORBETT WATER DISTRICT

APPROVED MINUTES

Regular Meeting 7:00 p.m.

Tuesday, January 18, 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: Janet Helus, Sue Fry, Torey Redfern, Donna Colclessor, Gordon Fulks, Dick Wand, Ed Kalberg, Dave Tobie, Marion Kirkham, Barbara Strasbaugh, Dave & Barb Adams, Al Kimbley, Dave Mysinger, and Woody Davis.

Chairman Colclessor called the meeting to order at 7:25 p.m. He apologized for the late start due to the Special Meeting with the District's attorney scheduled at 1:00 p.m. that ended late.

Review / Approve Agenda.

Chairman Colclessor added the upcoming annual SDAO conference and removed the Headworks project from the agenda. Commissioner Freund added the budget calendar to the agenda.

Commissioner Freund moved to approve the agenda as amended. Commissioner Wyatt seconded the motion. Motion passed unanimously.

Approval of the Minutes.

Commissioner Freund moved to accept the December 20th and 21st minutes. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Financial Report.

The District Clerk stated the financials included a list of all approved purchase orders and 'Transaction List by Vendor' reports. There was also discussion of the 'Budget vs. Actual'.

Jamie also informed the Board of an invoice submitted from a prior Commissioner asking for Per Diem pay for work performed between August 1, 2003 and May 25, 2004. Commissioner Freund said that this request had to do with funds from the prior budget year and it had not been submitted in a timely matter. Chairman Colclessor would like the auditor's opinion.

Utility Crew / District Manager Work Report.

Frank Sterzinar said that the flushing program had been reinstated and was going well. The program included flushing from stand pipes and hydrants. Frank thanked the crew for their cooperation and help.

The crew has been locating leaks for customers. Frank Sterzinar felt that this served three purposes, it solved customer leaks, it reduced water loss, and it fine-tuned the crew's abilities.

As of January 1st 2005 OAR 333-061-0020 thru 0073, which governs cross connection and disinfectant programs, has been modified.

Frank Sterzinar spoke about the reduction of water loss. Sodium Hypochlorite has a 30-day shelf-life and the plant had previously required 6 barrels and now requires only 4 barrels.

Frank also spoke about fire flow and the need for additional fire hydrants. When a fire hydrant is installed within 1,000 feet of a home it could reduce the homeowners insurance.

Frank Sterzinar said that during the ice storm a vehicle had struck the hydrant on Salzman Road, temporarily putting the hydrant out of commission.

Billing Adjustment Request Form.

Commissioner Gaughan asked what would happen if the customer had the needed parts to fix the leak on hand and therefore they did not have a receipt to prove the repair work had been completed. Frank Sterzinar said that there would be a one billing period (two months) wait to make sure the leak was fixed. He said that the form would create a paper trail and along with the form customers would receive an instruction sheet and the current District ordinance. The law states that the District cannot perform repair work on the customer's side of the meter.

Frank Sterzinar said that he was looking at finding plumbers to whom customers could be referred. Commissioner Blanc suggested a list of plumbers; he did not think the District should choose one person and negotiate the price. Commissioner Wyatt wanted to find out if there were laws prohibiting the District from recommending a plumber. She reiterated that the staff was helping find customer leaks and for liability issues the staff would absolutely not work on customer lines.

Gordon Fulks asked if the list of plumbers would be continuously updated to reflect customer feedback. Dick Wand and Barb Adams both felt that customers needed to find their own plumbers. Commissioner Wyatt felt that it was a matter of who would service Corbett without charging a high service call. Commissioner Freund felt that the list would not be a recommendation but an available shopping list. Barbara Strasbaugh commented that a disclaimer could be included, that released the district from liability. Woody Davis said that Corbett had two local plumbers.

Torey Redfern asked how much time the crew would spend looking for customer leaks. Frank replied that it was a case-by-case situation. His goal was not to spend more than two hours helping a customer, and the crew would help when it was convenient for both the customer and District staff. Commissioner Wyatt commented that she had heard complaints about people being frustrated that they had a water leak and the water District would not help locate the leak. She said that she liked the crew helping the homeowners.

Dick Wand commented on using the word 'required' under repair receipts. Commissioner Freund said that receipts should be included if available.

Resolution 2005.18.01 Ratification of Prior Board Decision.

Chairman Colclessor read Resolution 2005.18.01 Ratification of Prior Board Decision to the Board. He said that this resolution would provide a paper trail.

Commissioner Wyatt moved to approve Resolution 2005.18.01 Ratification of Prior Board Decision. Motion seconded by Commission Freund. Motion passed unanimously.

Appointment of the Budget Officer.

Commissioner Freund nominated Frank Sterzinar as the budget officer. There were no other nominations. Commissioner Freund moved to appoint Frank Sterzinar as the budget officer. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Financial Statements, Year End June 30, 2004.

Commissioner Freund questioned the statement in the audit that said, “collateral was insufficient for seven days.” The District Clerk said that it occurred when the District changed checking accounts and had not obtained the additional collateral required; standard coverage was \$100,000.

Commissioner Blanc questioned a page labeled with a fire departments heading. The District Clerk pointed out that the audit also claimed that the District paid the employees 6% for PERS, which was incorrect. She also commented on the inconsistency of saying the District uses a cash, accrual and modified accrual basis of accounting throughout the audit. The District uses the modified accrual basis for accounting.

Commissioner Freund pointed out that this was the last year of the auditor’s contract. He would like to see the District advertise to contract for auditor services.

Commissioner Wyatt said that she was not fully satisfied with the auditor’s explanation of the \$250,000 transfer. She also commented on the size limitation disclaimer in the auditors findings. She felt that the organization could do more.

Frank Sterzinar said he would send a copy of the audit to SDAO to obtain their opinion.

An extension had been approved to extend the audit deadline to January 31st 2005. There are additional accounting rules for government agencies that had to be incorporated. There was some discussion on last year’s audit report. Commissioner Wyatt read from the January 2003 minutes that the 2002/03 audit would be approved once it had met former Commissioner Geller’s approval.

Commissioner Gaughan moved to approve the audit with Commissioner Freund seeing to those items previously discussed had been taken care of. Motion seconded by Commissioner Blanc.

Commissioner Blanc said that if there was a major problem he wanted it to come back to the Board. Commissioner Freund said that he wanted a true, accurate and complete audit. If he had additional concerns he would check individually with Board members.

Commissioner Gaughan added to his motion that he would like for the deadline to be extended. Motion passed unanimously.

Budget Calendar.

Chairman Colclessor read the budget calendar to the Board.

Commissioner Wyatt moved to approve the budget calendar. Motion seconded by Commissioner Freund. Motion passed unanimously.

Update From the Contract Inventory Board Committee.

Barbara Strasbaugh reported that Doug Geller had resigned his position on the committee and they were now down to five members. She said that the committee was considering looking into having meetings on Saturdays. Commission Wyatt said that Saturday meetings would be in addition to the regular meeting time on Tuesdays and they would be properly noticed as a committee meeting. Frank Sterzinar said Saturday meetings would work for the District.

Update From the Policy & Procedures Board Committee.

Barb Adams said that currently the Committee was meeting twice a month. They are working on outlining all policies and procedures. She estimated to have a complete draft for the Board in April.

Public Input NOT on the Agenda.

Commissioner Wyatt brought up a fax from Stellar J that was received earlier in the afternoon. Frank Sterzinar said that a meeting was scheduled on January 21st with Stellar J to negotiate the over-excavation cost. Frank expressed his difficulties negotiating with Bob Kinghorn, owner of Stellar J.

Frank has requested that an independent third party review Lee Engineering and Geotech services. Frank had reviewed the prints for Reservoir No. 6 and he felt that the locations of the test points should have been moved or more of them conducted.

Sue Fry asked how much the union had cost the District. Frank replied that the final amount was \$43,082.04, which included legal fees, employee time, and mileage.

Sue Fry asked why there was no longer a union. Frank said that after Marc Caldwell, the former Water Treatment Plant Operator resigned, it reduced the field staff to one. He said that the union backed out because they felt it was not an efficient bargaining unit. Chairman Colclessler said that the Board had not been opposed to the union or union wages. Commissioner Wyatt said she felt good about what the Board had been offering.

Dick Wand questioned the power at Reservoir No. 4 (Schmidt). Frank said that he was currently going through red tape. Mrs. Schmidt would have to retrofit her service to hookup. Gordon Fulks said that there was a one year seasoning of the tank.

Dick Wand asked for an update on the bid process for the Water Treatment Plant Upgrades. Chairman Colclessler said that it had gone out to bid today.

Dick Wand also asked if Richard Weill was still the District's attorney. Chairman Colclessler replied yes. Commissioner Wyatt said that Richard was an attorney and that no request for him to submit his files had been made.

Gordon Fulks questioned the water billed versus produced. Frank replied that 200 was purchased and 300 was produced. He said that the major water loss had been from overflow at the Treatment Plant. He said that meter's being flushed were being monitored for water usage.

Janet Helus asked about Per Diem pay rules. Barb Adams said that the Policy & Procedures Board Committee will be recommending to the Board that no Per Diem pay be allowed for any Board member or voluntary work. Chairman Colclessler said that previously Board members could take \$50 a month but then the Board changed it to \$10 (State Law allows up to \$50 per ORS 198.190).

Commissioner Wyatt spoke about the upcoming SDAO conference in February. She wanted Frank to tell her which ones to attend. Commissioner's Colclessler and Gaughan said they would be attending the Board member tune-up session on Thursday, February 10th.

Commissioner Wyatt moved to adjourn. Motion seconded by Commissioner Blanc. Motion passed unanimously.

Meeting adjourned at 9:25 p.m.