

**CORBETT WATER DISTRICT  
BOARD OF COMMISSIONERS  
February 27, 2018**

**PRESENT BOARD MEMBERS PRESENT:** Jeff Hargens, Jack Garrison, Bob Gaughan and Sara Grigsby

**BOARD MEMBERS ABSENT:** Kevin Wilhelm

**STAFF PRESENT:** District Manager Jeff Busto and District Clerk Gail Griffith

**AUDIENCE MEMBERS** David Jacob of Hydra Engineering, William Tribe, Brandon Lanter and Mike Griffith

President Jeff Hargens called the meeting to order at 6:33 p.m.

**APPROVAL OF THE AGENDA**

Jeff Hargens asked if anyone had any changes or additions to the Agenda. Old Business item 3 “Variable Base Rate” and item #4 “Feasability Study” were removed. They will be kept as future items on the District Clerk’s office calendar. Jack Garrison made a motion to accept the Agenda as modified removing, items 3 and 4 from Old Business. Bob Gaughan seconded, all were in favor, motion carried. *(4 yes votes: J.Hargens, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

**MINUTES**

President Hargens asked if there were any corrections to the January 23, 2018 regular Board meeting minutes. Jack Garrison made a motion the minutes of the January 23, 2018 regular Board meeting be accepted as presented. Jeff Hargens seconded, all were in favor, motion carried. *(4 yes votes: J.Hargens, B.Gaughan, S.Grigsby & J.Garrison 0 no votes)*

**LEAK ADJUSTMENTS**

**Account #2338-00:** The Board reviewed the information including the Leak Adjustment Request summary and other documents in Board packets. The plumber, Brandon Lanter, who worked to repair the problem for the homeowner was in attendance. Pipe has all been replaced with 2” wirsbo except for a five foot section that is still schedule 80 pipe. Mr. Lanter stated that later in the year the final five foot section would be replaced. Jeff Hargens made a motion to adjust account #2338-00 January 4, 2018 billing of 2005 units down to 257 units, with the caveat that no further leak adjustments will be considered if the final five feet of schedule 80 pipe is not replaced. Sara Grigsby seconded, three yes votes and one no vote, motion carried. *(3 yes votes: J.Hargens, B.Gaughan, S.Grigsby 1 no vote: J.Garrison)*

**Account #3560-00:** Customer was present. Board reviewed information in their Board packets. The customer replaced the line from the meter box to the junction box. The rest of the line is still the original line from 1991. Jeff Hargens recommended the customer keep an eye on the rest of the system since the old pvc pipes do wear out over time. Jeff Hargens made a motion to adjust account 3560-00 January 1, 2018 billing of 972 units to their six month average of 50 units and the upcoming March bill to 50 units if it is also high due to the leak. Bob Gaughan seconded, all were in favor, motion carried. *(4 yes votes: J.Hargens, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

**Account #1925-01:** Customer was not present. Board reviewed information in their Board packets. Jeff Hargens made a motion to adjust account 1925-01 January 4, 2018 billing of 251 units to their prior average from December 2016 and December 2015 of 18 units. Jack Garrison seconded, all were in favor, motion carried. *(4 yes votes: J.Hargens, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

**TREASURERS REPORT**

Sara Grigsby had no written Treasurers Report. Sara Grigsby reported she has the habit of visiting the office two to three times per month to sign checks and also review financial statements including bank statements, checks and invoices.

Sara Grigsby made a motion to accept the Financial Reports for both December 2017 and January 2018. Jack Garrison had a question as to whether the invoice to the school for the second part of the backflow had been paid yet. The District Clerk responded it had not been paid since it was sent out recently. The entire backflow assembly and all parts have been delivered to the school. District Manager Jeff Busto said the old unit will be pulled by a third party contractor.

Jack Garrison continued regarding the District selling supplies of any kind to customers. He said he thought, as a commissioner, that the District needs to stop providing any more equipment or supplies to any of our customers so we don't have a repeat of the District paying for a backflow test for a customer. District Manager Jeff Busto said we won't be selling any supplies to customers. Short discussion of budgeted line items. Sara Grigsby restated her motion to accept the Treasurer's Financial Reports for both December 2017 and January 2018 as presented. Jack Garrison seconded, all were in favor, motion carried. *(4 yes votes: J.Hargens, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

### **HEALTH INSURANCE PREMIUM CONTRIBUTION**

The Board received a packet of Health Insurance information. Wilson Heirgood Insurance representative Rich Allm addressed the Board. He went over requirements for hours as it relates to the affordable care act. The District needs to make sure they are in compliance with what the carriers allow and secondly we will need to look at the market in the future. Currently the District has Kaiser Insurance and they track only one contribution in their system for employees. If Kaiser reviewed their information they are one of the few that would allow for a pro-rated contribution for part-time but the District needs to make sure we are in compliance with the employee handbook as well. We don't want to contradict the agreement we have with the insurance contract. In 2010 when the Affordable Care Act came in to effect the rules stated that employers must provide the same benefits the same contribution, the same probationary period to all employees and could not discriminate based on the type of job. Management versus hourly employees would have to be treated the same. The discrimination piece was delayed until further regulation was released and it has not been restated. In the small group market all the carriers went with the model that there would be one contribution for all starting in 2014. There have been some changes because the individual mandate will be going away in 2019. Mr. Allm went over information in the packet passed out earlier. The packet is included in the minute book. He continued that historically you would set your hours for full time employees between 17.5 and 40 hours. One carrier, PacificSource, thought that the State had removed the requirement but until we hear differently that is the requirement we work with. Small employers are not required to offer health insurance. If the employer chooses to offer health benefits then they must pick a number of hours an employee must work to qualify for the insurance benefit. Rich said he did not recommend a split contribution. Our current health insurance policy renews the end of 2018. We are currently with Kaiser Insurance. Jack Garrison asked if there is a problem we need to address between now and December 31<sup>st</sup> regarding our Health insurance contribution? Rich Allm said the only issue he could see is that the District needs to define what a full time employee is. Currently we have a resolution that states any employee who works 20 hours or more will be provide a prorated contribution for health insurance premiums compared to those working 40 hours. The District Clerk said she cannot find a personnel policy or resolution that defines what the District considers a full time employee. She did note that she has not looked at all of the policies. Jeff Hargens said his assumption was full time is 40 hours. He didn't think any other number had been discussed for full time. Part-time was at 20 hours when you were offered the benefit and it was pro-rated. Jeff Hargens continued and said if we are legal with the law he didn't think we should change anything. Jack Garrison agreed that things will be changing dramatically in the next few months and we shouldn't make any changes. Rich Allm stated that there are no legal issues currently with the Kaiser contract. Jeff Hargens said we should stay with the current policy and the assumption that 40 hours is full time. Jack Garrison commented that the job descriptions give information on hours worked and what benefits employees are receiving. Sara Grigsby said the Employee Manual should be updated to state that full time employment is recognized at 40 hours. It can be edited if need be next year.

Rich Allm emphasized that carriers do have participation requirements so if enough employees do not sign up then the District would not meet the requirements. Typically they want 75% of eligible employees to participate. Sara Grigsby said we can have a further conversation prior to renewal to consider what we want to designate as full time. Rich Allm said it should be looked at and possibly setting 30 hours to receive the benefit and if you work under that you would not be offered benefits. This would eliminate the pro-rating. Jeff Hargens said he liked the idea of a cut line for offering benefits. Sara Grigsby asked Jeff Busto if a thirty hour work week, with our current positions, for offering health insurance would be fair to our employees. Jeff Busto said he thought it would work. Rich Allm said the problem with a twenty hours to start to receive benefits is that if you have temporary summer help they can end up qualifying for benefits if they work more than two months. Jack Garrison said the Board needs to consider not only health benefits and the number of hours worked but how that effects other benefits. Discussion of pro-rated benefits.

No changes made tonight in regards to health care benefits. Board will discuss designation of hours for full time employees, health benefits and how changes effect other employee benefits. The Board thanked Rich Allm for the information.

### **AGED RECEIVABLES QUARTERLY REPORT**

Sara Grigsby commented that every number is understandable but questioned when the District can write off the places where there are bankruptcy or foreclosures. Jeff Hargens stated that at the bottom of the report the District Manager has recommended that all of the accounts listed as 360 or greater should be removed. These properties were either in bankruptcy or foreclosed on prior to the Board policy in 2015 that requires a delinquent bill stays with the property. Sara Grigsby asked if new owners are advised that they will be required to pay prior owners water bills if there is a balance left when they purchase the property. The District Clerk responded that people do call and ask if property is in our water district and if there is an outstanding bill. We do provide copies of water use history and let people know if there is an outstanding bill. When renters leave we do our best to get a forwarding address and send them a final bill and then one more if it isn't paid. We also will call owners to let them know their renters have a balance due and remind them that they will be responsible if the renter does not pay the bill. Sara Grigsby made a motion to accept the recommendation of the District Manager and remove account numbers 3005-00, 5340-00 and 9770-00 from our receivables. Jack Garrison seconded, all were in favor, motion carried. *(4 yes votes: J.Hargens, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

### **SANITARY SURVEY REPORT**

Jeff Busto reported the Sanitary Survey was completed. We did receive our report from Oregon Health Authority late because their representative went on vacation right after the survey. He has given us an extension on our date to reach compliance. Jeff Busto continued and stated that the survey is a little confusing in the sense that some language under deficiencies listed came about because of regulatory changes so there was no way we could be in compliance. There is a line at the Treatment plant that was in compliance but with changes it is now required to not only have a double check but also an RP device. The "no protocol for under-certified operators" has already been corrected as noted in handouts the Board received. Continued discussion of the survey. Jack Garrison asked what the timeline and cost is to bring us back in to compliance for the items still outstanding. Jeff Busto said he and David Jacob are working on the items and should be in compliance by August 1, 2018. We don't have a cost estimate at this time.

Jack Garrison asked about the minor discrepancies on page 3 and 4 on the Sanitary Report. What is the go-forward plan for these so they are resolved. Jeff Busto replied we will have a punch list and document our corrections. Some of the items have been taken care of and others should be cleared by their deadlines.

Jack Garrison passed out a copy of the list of Corbett Water District violations posted on the Oregon Health Authority Website. Jeff Busto commented that our analytical violations come back on us even if it is a Lab problem. That has been happening recently. He said he is considering switching labs. Lab samples are time sensitive. The District has started requesting and receiving a copy of the signed chain of custody reports when we

drop off the samples. This won't stop the violation, but, we can show that we have the chain of custody in our file to show we did our part. Jeff Hargens asked about the "late/non-reporting" violations. Jeff Busto reported those are shown as non-reporting because they were not received by the Oregon Health Authority by the required deadline. The samples are time and temperature sensitive and when they were mailed to the lab they were at the correct temperature but somewhere along the line they were allowed to get warm. We have to re-sample and the samples are then late. Discussion of options for labs. David Jacob stated there are three labs that are drivable from here, Alexis, Pixis and Test America. Pixis is 45 minutes away while the other two are on the west side and are about 1.5 hours travel time if traffic is good. David Jacob continued that there is a problem with all labs and the possibility of bad samples. Jeff Hargens said if it can be driven to a lab rather than mailed that would be better than mailing. David Jacob said that in the systems he runs when he takes samples he plans that day for samples and driving them to the lab. This occurs at least twice a month. Jack Garrison expressed his concern that we get more violations than other small districts and maybe they have a better process. Jeff Busto said we will look into other labs.

### **WORKERS COMPENSATION POLICY**

The Board reviewed information from their Board packets. Jack Garrison said the Board needs to look at the classification of employees. He said the Manager should be listed in two job classifications rather than just Waterworks operators. The Board should be reviewing this information prior to the July 1, 2018 renewal. The information regarding claims history will be sent out for the March meeting with more information on how to split the Manager out into two classifications. The District Clerk commented that SDAO will not do split classifications.

### **MANAGERS REPORT**

District Manager Jeff Busto went over the Manager Report that was included in the Board packet. Jeff Busto said that gates, signage, camera monitoring will be placed at both Headworks for added security. We are waiting for snow melt to get better access to install the gates.

Divers will be inspecting Reservoirs 3, 4 and 5. They will be inspecting the spider wires inside the tanks and check for rust or anything that is loose. They also do minor cleaning.

Discussion that at least four meters have been replaced due to irregular or no reads.

Jack Garrison asked if there is a plan for replacing the Utility Worker II position. The District Manger stated that he did not plan to fill the position at this time. He said it would be more cost effective to bring contractors in to complete some of our bigger jobs. He said that he and the two other utility workers could take care of the small jobs. He continued that it is an employees market right now. There are many utility jobs being advertised close by that offer a benefit package that we cannot compete with. The offer \$8-10 per hour more plus a better benefit package. Jeff said he will keep looking but unless he finds someone with certifications he is not going to do a general advertisement of the job.

Jeff Busto reported that four of the five community budget members and Sara Grigsby have all been given tours of the Treatment facility and Northfork Headworks. The all seemed pleased to get the information about our water system.

Jeff Busto said he is considering bringing a proposal to the Board to increase the District Clerk position to 40 hours per week.

### **ADJOURNMENT OF MEETING**

Jeff Hargens made a motion to adjourn the meeting at 8:35 p.m. Jack Garrison seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)