

**CORBETT WATER DISTRICT  
MINUTES, REGULAR MEETING  
April 15, 2008**

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**Board members present:** Robert Gaughan, Jeff Hargens, Marion Kirkham, Sonny Boyd, Victor Schmidt.

**Staff present:** James Jans, Shanti Kraai, Zachary Bertz.

**Audience members present:** Robert Colclessor, Malcolm Freund, Dave Mysinger, Brian Lee, Gary Oxford.

Chairman **Robert Gaughan** called the meeting to order at 6:30 p.m.

**APPROVAL OF THE AGENDA**

**Robert Gaughan** made a request to move item 10, leak adjustments, to 3a. **Jeff Hargens** made a request to change item 12, agenda suggestions for future meetings, to appear as board comments not on agenda, from now on. **Jeff Hargens** made a motion to accept the agenda as modified, **Sonny Boyd** seconded, passed unanimously.

**LEAK ADJUSTMENTS**

After reviewing the circumstances of account 4-7660-00 **Jeff Hargens** made a motion to increase the leak adjustment to match their six month average prior to the leak, **Sonny Boyd** seconded, passed unanimously. After reviewing account 8-8565-00, it was decided upon considering this water line out of service due to the property owner turning off the line that the leak is located on. **Jeff Hargens** made a motion to issue the standard leak adjustment according to policy, however no more leak adjustments will be made to this account, **Victor Schmidt** seconded, passed unanimously.

**APPROVAL OF THE MINUTES**

**Victor Schmidt** made a motion to accept the April 1, 2008 budget meeting minutes as written, **Jeff Hargens** seconded, passed unanimously. **Sonny Boyd** made a motion to accept the December 18, 2007 minutes as written, **Marion Kirkham** seconded, passed unanimously. **Victor Schmidt** made a motion to accept the November 20, 2007 minutes as written, **Sonny Boyd** seconded, passed unanimously.

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**PACE ENGINEERS – NEILSON ROAD**

**Brian Lee** states that he has done some research on public contracting law and procurement rules in the state of Oregon, which lead him to read through the ORS chapter 279A, 279B, and 279C. He discovered that in the absence of any special rules that the board may have adopted in the past concerning procurement or selection of public contracts, we fall under the attorney generals model rules for procurement. He has read through the 2006 version, in two weeks the 2008 version will come out and sometimes the limits get shifted slightly. In the model rules they identify three different types of procurement methods. The first is a simple procurement method which is any type of project which is less than \$5,000, in which we are free to select whoever we want to work with, we can use whatever method the board seems appropriate, and select the contract or item as we see fit. The next limit is between \$5,000-125,000, which is called intermediate procurement. It's a different process in which we create a qualified list of people and maintain that list, it is good for however long we need. The next jump is anything above \$125,000, which falls under the full blown contracting rules and regulations about bidding and when and how long to advertise, the opening of the bids, etc. They mention that on each one of the limits a project cannot artificially be spilt up in separate projects in order to qualify it for the lower slot. The Neilson Road project falls either under the intermediate or the full blown public contracting. He has looked at the physical layout of the water line and he thinks we can make a really good case that due to funding and cash flow issues and the way its laid out we could split it into two parts, Woodard Road water line and Neilson Road water line as two separate projects and get it within the \$125,000 each so it falls under the intermediate category. He cannot promise it because he still has to go over the numbers but he thinks it's possible. If it's true then with the recommendation from the board we would need to prepare for this intermediate type of procurement. Notices would need to be sent out for qualifications of contractors that we know do good work, the board would narrow the list down for approved contractors, not necessarily for the lowest price whereas if it was listed as a full blown contracting project we would have to accept the lowest bid. From the engineering side, because they will be working with a shorter list of contractors that they may be very comfortable with, they can have an abbreviated set of drawings and specifications they can send out. They still have to have the contract and all the verbage in the first two divisions of standard specifications to govern all the legalities of the contract and bid schedule and the BOLI wage rates. Their technical specs can be considerably reduced and they can put a lot of the notes on the drawings themselves, so the engineering effort can be reduced. That flows with what we have been discussing in the past with Pace Engineers, when we've had different levels of engineering work done on different sized projects. **Victor Schmidt** asked if the notices being sent out are the bid notices or the request for qualifications. **Brian Lee** said the initial notices would be sent out to create the list of contractors, an RFQ, request form for qualifications. **Jeff Hargens** asked if there are limits of work we can do with our own crews. **Brian Lee** replied there are no limits on how much work can be done with our own crew. **Victor Schmidt** says that theoretically we could create our own rule set for contracting, still following state guidelines, which would set aside the attorney generals model as far as contracting. **Brian Lee** says that most cities will adopt portions of the model rules and then amend the portions that they want to change. He says that he would like to make a distinction on work that is hired out and work that will be done internally and he described work that is being

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**PACE ENGINEERS – NEILSON ROAD – (Cont.)**

hired out in the intermediate procurement where he would amend the specifications, amend what they do for engineering, and put a lot of it on the plans. Depending on the complexity of the job, the surveying and engineering would be adjusted accordingly. If we are doing the work with an internal crew it would reduce the engineering amount necessary especially as the crew becomes more skilled in the work. He would be more comfortable if he could get a standard set of details approved for the districts use including everything that goes into the water line. The crew would have that as a reference and would know exactly what they would need to meet the standards with the district. Then Pace Engineers would not have to be watching as closely and reviewing standards from other cities. The health division would also be more comfortable if they had a standard set of documents to work from. **Jeff Hargens** states that we have an experienced crew and manager and feels we can follow APWA standards until we get into a situation that varies, in which we could have Pace Engineers do a detail. **Victor Schmidt** would like to know what the cost of developing a standard set of details book would be. **Brian Lee** says that we already have a set of standards, the board just needs to adopt it officially. If the board decides that Nielson Road is a project that they want the internal crew to do then he would have to revise the engineering work and fee estimate. **Jeff Hargens** and **Robert Gaughan** both state that is the way we want to go. **James Jans** says that a perfect break point on the Neilson Road project is the starting point at Reynolds School and the stopping point at the PRV station. **Jeff Hargens** thinks we can get this project done in a week so he does not feel we need a breaking point. **Victor Schmidt** says that he agrees, we should just get it done all at once but it would be good to plan some break points just in case. **Jeff Hargens** asked if we need a set of plans to replace our water lines. **Zachary Bertz** states that when he did the permits for Christensen they did want a plan but they did not say it had to be stamped by an engineer, it depended on where they were at and whether they had any control issues with water. **Victor Schmidt** says that James Jans needs to put together an actual project plan where he writes down everything that's needed from permits to bill materials, so we can see the empty areas, which will be where we need the engineering. **Jeff Hargens** wants the crew to install the line, have an excavator work with them, hire a couple of temporary employees, buy all our materials, and have Pace Engineers put together a set of plans with minimal engineering. We only want whatever plans we need to replace our own system and upgrade it to the master plan. It was decided to have Brian Lee return to the next board meeting with the revised fee estimate. **Marion Kirkham** says that he has spoken to another engineer who could possibly save us some money. **Victor Schmidt** made a motion to have James Jans meet with the engineer so we have other options for future projects, **Marion Kirkham** seconded, passed unanimously.

**MANAGERS REPORT**

**James Jans** states we have more money than needed in the checking account and would like to move some into the savings account. The board approved and said the district clerk can contact the treasurer in the future for authorization. See attached for managers report. It was brought up during the discussion to review getting insurance for pipe since we have just made a large order and will have to store it at different locations.

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**APPROVE BUDGET**

The budget was distributed to the members of the board. **Sonny Boyd** made a motion to accept the budget as approved by the budget committee, **Marion Kirkham** seconded, passed unanimously.

**RESOLUTION 2008.04.01**

Resolution 2008.04.01, Authorization of District Manger and District Clerk / Utility Worker credit cards, was read and signed by the members of the board.

**EMPLOYEE INSURANCE PLAN UPDATED SUMMARY**

**James Jans** states that he has found an insurance company that would save the district money and is a better plan for the employees. **Jeff Hargens** said it would be alright to switch if it would save the district money, however he would like a breakdown on prices prior to changing insurance companies. James Jans was told to contact **Tory Dittman** from LaPorte for help deciding which insurance company to choose.

**PUBLIC COMMENTS NOT ON AGENDA**

**Robert Colclessor** thinks we are heading the right direction hiring locally. **Malcolm Freund** says he thinks it is good to review other engineers proposals. **Dave Mysinger** says that the board needs to spend less time on leak adjustments. James Jans was told to have his recommendation on what he feels the board should adjust written out for future board meetings. **Dave Mysinger** also states that when the PERS surcharge comes off, the board needs to look at how to compensate for lower water sales in lei of repairs to keep the system going, such as a rate increase.

**AGENDA SUGGESTIONS FOR FUTURE MEETINGS**

**James Jans** would like a discussion in the next board meeting regarding the easement on Cabbage Hill. We have to go up an occupant's driveway in order to reach our reservoir. The occupant is also planning on getting live stock so we need a fence around the reservoir very soon.

Meeting adjourned to executive session at 8:45 p.m.

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**EXECUTIVE SESSION**

**Zachary Bertz** requested an open session for the discussion of pay rate increases which was designated to be in the executive session. **James Jans** says that Zachary Bertz has improved tremendously and feels the pay rate should be increased by \$0.25 per hour, which the board decided previously on giving him if he showed improvement.

Meeting reconvened at 8:55 p.m.

**Sonny Boyd** made a motion to hire Sharon Jans as a consultant for \$30.00 per hour without exceeding 10 hours per month, **Jeff Hargens** seconded, passed unanimously.

**Jeff Hargens** made a motion to adjourn the meeting, **Robert Gaughan** seconded, passed unanimously. Meeting adjourned at 9:02 p.m.