

CORBETT WATER DISTRICT

APPROVED MINUTES

Regular Meeting 7:00 p.m.

Tuesday, May 18, 2004
Corbett, Oregon

Commissioners Present: Chairman Gordon Fulks, Vice-Chairman Doug Geller, Secretary-Treasury Malcolm Freund, Ken Blanc and Bob Colclessler.

Also present were District Manager Frank Sterzinar, District Clerk Jamie Simms, District employees Marc Caldwell and Gene Hubbard.

Audience Members Present: About 100 people were present.

Chairman Fulks explained that there was a change in process for public input. A card must be completed and turned in to the Board stating ones name and what Agenda item one would like to comment on.

Welcome Frank Sterzinar, Jr. (New District Manager).

Chairman Fulks said that Frank Sterzinar's first day of work had been May 10, 2004. Frank Sterzinar said that he had spent the past fifteen years in general construction. He had a vast amount of training through GC System, he worked in a Distribution 5 environment, but he was not certified at that level but at level I, level II was pending. Frank Sterzinar said it was a great pleasure to be at the Corbett Water District and if anybody had any questions or comments they could contact him.

Announcements.

Chairman Fulks said that the Drinking Water Program had asked the Water District to update their records for who was the Direct Responsible Charge (DRC). This must be someone who is accessible and certified to run the District. He said that the DRC had been switched to Lee Engineering. Chairman Fulks said that there are now two DRC's for the Corbett Water District which satisfied the Health Department, if this had not been done the District would have been fined one thousand dollars per day.

Commissioner Blanc passed out a letter to the Board from the Multnomah County Director of Elections.

Rules for Public Input.

Chairman Fulks read the "Kalberg" rules to the audience.

Changes to the Agenda.

Commissioner Blanc wanted to add the April 28th minutes and the letter from the community to the Agenda. Chairman Fulks said that minutes have a category already. Commissioner Blanc moved to add the letter of complaint to the first part of the Agenda. Motion seconded by Commissioner Geller. Motion passed unanimously.

Commissioner Geller said that Agenda item # 5, Manger Continues as Certified Operator for Former District, should be presented by Frank Sterzinar and not himself.

Chairman Fulks spoke about a pressure problem that occurred on Larch Mountain road.

Review/Approve Minutes.

Commissioner Colclessler made a motion to approve the April 20th minutes. Motion seconded by Commissioner Freund. Motion passed unanimously.

Commissioner Blanc wanted to know why the February 17th minutes had not been approved yet. Commissioner Geller agreed that the minutes should have been included. Chairman Fulks said that he had not given some information to the Clerk that needed to be addressed in the February 17th minutes.

Commissioner Blanc said that the Board packets should be given out a week ahead of time and he received his packet the previous day. Chairman Fulks said that the Agenda and supporting material were sent out Friday morning by email.

Financial Report.

The District Clerk said that TSCC objected to the placement of 'Commissioners Per Diem' being under Personal Services so it had been moved to Material and Services.

Commissioner Blanc asked if the amount borrowed from the State Revolving Loan Fund (SRLF) was \$114,055. Jamie Simms replied that he was correct. Chairman Fulks said the District had maintained some money to make sure the contractor would be paid on time. He said that the current bill from Stellar J was for about \$190,000, which will be paid with loan funds.

Chairman Fulks said that the Board was responsible for keeping expenditures within the budget. He said that currently the General Fund was at about 50% for expenditures which showed that the District was doing extraordinarily well. Water Sales are anticipated to be down seven percent.

Commissioner Geller said that he did not think it was necessarily a good thing the money had not been used, particularly when it came to Capital Improvements. Chairman Fulks said that the District would not spend the money until it could be used efficiently.

Chairman Fulks spoke about the water distribution system.

Work Report

- The crew replaced a service line on Mershon road.
- On April 22nd the tongue on the gate to Donahue road was cut, nothing was stolen or vandalized, the gate was repaired promptly.
- The crew fixed leaks on Marok, Woodard, Rickert and the Historic Highway.
- Samples were taken to Coffey Lab for disinfectant bi-products.
- The crew finished reading and locating the meters by the May first deadline.
- A two inch irrigation meter for Sturms Berry Farm was installed.
- Garbage was discovered and cleaned up in front of the gate near Camp A Loop.
- Marc Caldwell and Gene Hubbard are currently working on cleaning filter pond number one.
- The crew rebuilt the six inch Pressure Reducing Valve (PRV) on Larch Mountain road.

Frank Sterzinar said that the crew had asked him if 1-2 cords of wood from Reservoir #4 could be donated to the 4th of July auction. Chairman Fulks asked if the wood would also need to be delivered. Marc Caldwell said that he planned on using his own truck.

Commissioner Freund made a motion to donate wood to the 4th of July auction. Motion seconded by Commissioner Geller. Motion passed unanimously.

Chairman Fulks asked Frank Sterzinar if he intended to standardize the PRV's so the same repair kit could be used. Frank Sterzinar said for an efficiency standpoint yes, but his biggest concern was to make sure they were all operational.

Commissioner Geller asked what the schedule for 366th looked like. Frank Sterzinar said that it was his goal to start on 366th by the end of next week. The parts have gone out to bid and Frank is trying to get the best price possible.

Frank Sterzinar said that next they would work on 365th and the two inch bore for Benfield Loop. Commissioner Freund wanted to know a date for completing these projects. Frank Sterzinar replied that it would be done before the end of the summer, with the addition of summer helpers.

Letter of Complaint From the Community.

Commissioner Blanc said that the letter of complaint was handed out at the April 20th Water Board meeting and it was signed by about 150 Corbett residence. The letter called for the resignation of Chairman Fulks. Commissioner Blanc asked Chairman Fulks if he would resign. Chairman Fulks said that he would answer questions under item 9 (Board response to previous audience questions). The letter also asked if Chairman Fulks did not resign that the Board remove Chairman Fulks from his chairmanship. It was discussed that normal rotation was at the beginning of the fiscal year. Some discussion followed. Commissioner Colclessor called a point of order because it was not a Q & A session.

Approve Contract with Lee Engineering.

Commissioner Freund said that at the request of the Oregon Department of Human Services Drinking Water Program the District had formalized the services of Lee Engineering as the DRC.

Chairman Fulks said that the two engineers involved were Tom Hatchel (Water Distribution II) and Phil Beverly (Water Treatment III); they would be available 24 hours a day. The cost would include their time and travel which would typically amount to \$1,000 a month, per person. Chairman Fulks said that it was worth the money because it would satisfy the Health Department.

Commissioner Geller questioned spending money for a DRC.

Commissioner Freund asked if hiring these DRC's would be temporary until Frank Sterzinar was qualified. Chairman Fulks said yes, it was temporary.

Commissioner Blanc said that the District currently had on staff, an employee who had the certifications to be the DRC. Chairman Fulks said that the District had one employee who was the DRC; the judgment of some was that the District would be better off with Lee Engineering as the DRC.

Marc Caldwell spoke with the Health Division and he said it had been recommended that the District have a backup DRC for when he was on vacation. He wondered why Lee Engineering would not be the backup DRC instead of the primary DRC, which would save the District \$24,000 a year.

Jane Anderson said that the Board hired a manager that did not meet the requirements of the District.

Brian James spoke with the Health Department and he was told that the fine was \$500 and not \$1,000 per day. He said that Marc Caldwell was over qualified for the DRC position. He questioned why the Board would want to split the DRC position between two people at Lee Engineering. Brian James believed the best thing to do would be to place Marc Caldwell as the DRC until Frank Sterzinar, the District Manager, became qualified for the position.

Janet Helus asked what the time frame was for Frank Sterzinar to become the qualified DRC. Frank Sterzinar said he would obtain his certifications as soon as possible; he had to wait for his college transcripts. He said it would take him six months to become qualified to take the test without college credit, but once they received his transcripts he could take the test immediately.

Chairman Fulks said that the engineers would add strength to the District, and they would be good backup. Commissioner Geller said he would like to see Lee Engineering as the backup and to use the in-house worker as the primary DRC.

Commissioner Colclessner made a motion to accept Lee Engineering as the primary DRC. Motion seconded by Commissioner Freund. Voting for the motion were Commissioners Fulks and Colclessner. Voting against the motion were Commissioners Geller, Freund and Blanc.

Commissioner Freund would like to follow up with Lee Engineering as the backup plan. Commissioner Geller said that if Lee Engineering could be the primary DRC he did not see any reason why they could not be the backup DRC instead.

Commissioner Colclessner wanted to know why Marc Caldwell would have to be re-filed as the DRC. Chairman Fulks said that the paper work had not been filled out previously. Marc Caldwell had called the Health Department as soon as the previous Superintendent Randy Stark, had resigned. Randy Stark was removed from the list and Marc Caldwell never received a new form, the Health Department automatically assumed that he would be the new DRC; the paperwork was an oversight.

Commissioner Freund made a motion to have Frank Sterzinar talk to Deb Weatherferd with the Health Division to have Lee Engineering as the backup DRC. Motion seconded by Commissioner Colclessner. Motion passed unanimously.

Approve Reduced Rates for Copies of District Documents.

Chairman Fulks said that the policy on copies for District documents was fifty cents per page plus research time. The attorney recommended twenty five cents per page.

Janet Helus asked if this topic would change the rules for research time. Chairman Fulks replied that research time would remain the same.

Commissioner Freund made a motion to reduce the rate to \$.25 per page for district documents. Motion seconded by Commissioner Blanc. Motion passed unanimously.

Manager Continues as Certified Operator for Former District.

Chairman Fulks said that Frank Sterzinar would remain available by phone for his previous Water District. Sometimes he may have to go there on the weekends but it would be on his own time.

Frank Sterzinar did not want to leave his previous Water District in a lurch. He has a moral responsibility to the Shelley Road Crest Acres Water District (SRCA) and he would like to stay during the transition period.

Chairman Fulks said that the SRCA had a complete operations manual to run the District. Doug Geller wondered how long Frank Sterzinar would continue as the certified operator. Frank Sterzinar said that it would take about four months to have his replacement fully trained.

Janet Helus asked about the timeline for certification. Frank Sterzinar said that by continuing as the certified operator for the SRCA it would allow him to receive a higher level of certification quicker. He knew the system and he wanted to see that it continued to operate correctly.

Commissioner Geller made a motion to allow Frank Sterzinar to continue as the certified operator for the Shelley Road Crest Acres Water District until September 30th 2004. Motion seconded by Commissioner Freund. Motion passed unanimously.

Approve Change Orders for New Reservoir.

Commissioner Freund said that the change orders dealt with the Headworks project. All of the change orders have been reviewed and approved by Brian Lee, P.E. from Lee Engineering. Commissioners Fulks and Freund along with Frank Sterzinar went to Lee Engineering and discussed each change order individually.

Commissioner Freund recommended that the Board approve all seven change orders.

Commissioner Blanc said that the seven change orders amounted to \$16,300 plus engineering charges. He would like to approve each change order separately.

Brian James said that the previous meeting included change orders and now there were several more. He would like to see the contractor held responsible.

Chairman Fulks said that the change orders were from unforeseen events.

Commissioner Geller said that typically change orders were not completed until approved. He wanted to know how much of the work had already been completed. Chairman Fulks said that all of work associated with these change orders had been completed, the change orders had been approved by Lee Engineering. Commissioner Geller thought that it might be a good idea to have the Engineer come to a Board meeting and explain what had happened. Commissioner Geller said that the Engineer had not been given the authority to approve the change orders.

Frank Sterzinar said that Brian Lee, P.E. had not been very pleased with the amount of change orders, especially the mess with the pipes; the pipe was supposed to be in one location and it was not there.

Commissioner Colclessler said he accepted what Brian Lee, P.E. and the Board members said.

Chairman Fulks commented on the large change order still pending for the over-excavation at the Reservoir site. Torey Redfern said he was present when the Geotech conducted their soil test for the Reservoir. He said that the Geotech should be held accountable for the over-excavation because they did not core test the hole where the tank was to be built. The Geotech tested three holes that were nowhere near the over-excavation area.

Torey Redfern asked Chairman Fulks if he had signed change orders that Lee Engineering had already signed, but before the Board had approved them. Chairman Fulks said that previously he had signed some change orders before the Board had approved them. For example there was a credit he approved without the Board's approval.

Janet Helus asked what Lee Engineering received for handling each change order. She also wanted to know what the change orders were for. Commissioner Geller read to the audience the nature of each change order.

Sandy Gedde said that previously, when she was on the Board, the Engineer had come to a meeting and explained to everyone the details. She felt that it would be a good idea to go back to the same arrangement with the Engineer.

Commissioner Colclessler made a motion to approve change orders seven through thirteen. Motion seconded by Commissioner Freund. Voting for the motion were Commissioners Fulks, Freund and Colclessler. Voting against the motion were Commissioner Geller and Blanc.

Chairman Fulks said that some of the change orders included extensions for time. Stellar J is subject to liquidating damages of \$500 a day.

Approve Closure of Loan Repayment Fund.

Chairman Fulks said that the auditor suggested transferring the money in the Loan Repayment Fund into the Headworks Fund. Tax Supervising and Conservation Commission (TSCC) said they wanted it to be done a different way.

Former Chairman Ed Kalberg did not like the idea of closing the Loan Repayment Fund. He had come up with an alternative. Ed Kalberg said that the previous Board had made a commitment to the rate payers to fully account for the Reservoir Rate Surcharge. He said that TSCC wanted to close the Loan Repayment Fund but he felt that if that happened it would be a breach of his intentions. Ed Kalberg passed out a copy of the letter he had submitted to TSCC.

Commissioner Freund made a motion to table the close out of the Loan Repayment Fund. Motion seconded by Commissioner Blanc. Motion tabled.

Approve Charges for Removal of Water Service.

Frank Sterzinar said that typically the District would work with the customer that owed money. He had never heard of a Water District actually having to physically take out a service line from lack of payment and tampering. The fee should include a base rate of \$500 plus equipment charges, permits, and parts. The Corbett Water District currently charges \$1,700 for new installation and Frank Sterzinar felt that it would also be a reasonable amount for the removal of water service.

Commissioner Geller wanted to verify that if a renter did not pay, then the home owner would become financially responsible. Frank Sterzinar said that he was correct.

Commissioner Freund said that the complete removal of water service would come only after normal PR had been tried. Frank Sterzinar agreed that this would be a last resort. Chairman Fulks said that phone calls had been made and a letter had been sent without hearing any response from the occupants or the owner of the home. He said that it was an aggravated theft of water service.

Janet Helus asked what the charge would be for reinstalling the service line. Frank Sterzinar said it would be the Districts policy for new installation of \$1,700.

Commissioner Freund made a motion to approve Frank Sterzinar's recommendation of \$1,700 for charges for the complete removal of water service. Motion seconded by Commissioner Colclessner. Motion passed unanimously.

Board Response to Previous Audience Questions.

Chairman Fulks said this item would give the Board a chance to respond to previously asked audience questions. Chairman Fulks said that this item was not a discussion item (no public input). A list of questions had been provided to the Board and some Board members have added additional questions to the list.

Commissioner Freund stated the following questions and answers.

Q. Why hire outside of the District?

A. No one within the District applied.

Q. Why has the Board not spoken with the Union negotiators?

A. The Board is following proper procedures for negotiations.

Q. Why has correspondence been sent to Chairman Fulks business address?

A. The same information was sent to the District office, it was not in secret.

Q. Are per diem and mileage allowed?

A. District policy follows ORS 198.190, except earlier this year the Board approved a \$10 per diem replacing the \$50 that was allowed previously.

Q. Is Chairman Fulks going to resign?

A. No.

Q. Will there be a change in Board officers?

A. The process will happen in July.

Q. How many years has Chairman Fulks been married?

A. 25 years.

Q. Were there two complaints filed against a Board member?

A. Yes.

Q. How many dollars has the District saved? Has Chairman Fulks bankrupt the District?

A. Savings can be found in the financial report.

Q. Are Board members receiving pager pay?

A. No.

Q. Why did the meeting location change?

A. The Water Board meeting is at the school because the community could not follow the directive of the Fire District and not park in those spaces allocated for the fireman. This is a safety issue; time is in the essence for the fireman.

Tom Layton (District 14 Chief) said that the Water District still had the option to use the Fire Hall for tonight's meeting; it was the Water Boards decision to move the meeting. He said the Fire Department did not cancel the Water Board meeting. Commissioner Freund said Chief Layton was correct.

Q. Why add agenda items the night of the meeting?

A. An agenda is not final until it is approved at the meeting.

Q. Why do Board members have access to the District office?

A. The Board has had access to the office during the transition period. Commissioner Freund has turned in his key to the District Clerk.

Commissioner Geller stated the following questions and answers.

Q. Why did it take so long to hire a Superintendent / District Manager?

A. Board process takes time.

Q. Why does the Board need to spend so much on legal fees, when they have not even tried to speak to the union negotiator?

A. The Board members are not qualified to be union negotiators, and he personally does not have the time. The first conversation Commissioner Geller recalls speaking with the union negotiator was after a Board meeting when the union negotiator went up to Chairman Fulks and gave him a card from the union's

attorney and advised Chairman Fulks to get a good attorney and the Board has followed his advise. Jane Anderson said that Doug Geller was taking that out of context.

Chairman Fulks said it had been disappointing to see people coming forward to sign charges against the Board and its volunteer Commissioners. Charges that they know or suspect to be blatantly false. Chairman Fulks questioned what happened to honor when a mans word meant something. It used to mean that a mans word was his bond, but apparently that is no longer. Chairman Fulks said that it was impossible to make level headed decisions on most things when the level of discussion was so low.

Commissioner Fulks stated the following questions and answers.

Q. Phil Dufresne asked if Chairman Fulks was homosexual?

A. This is a rumor being spread, it is rather like comments about race it's not true but it causes great harm, and those things should not be said in the community. Previously it had been asked if he was Jewish, but it would have to be Muslim at this point.

Phil Dufresne spoke up and said that he had never asked if Chairman Fulks was homosexual. Donna Colclessor spoke up and said she was next to Phil at the fire station when he said that Chairman Fulks was probably a homosexual. Phil Dufresne said that Chairman Fulks had said that he would not talk about homosexuals at a Water Board meeting and Phil said if he had a problem with it he should deal with it on his own time.

Q. Why does Chairman Fulks receive mileage for picking up District mail at his place in Clark County Washington?

A. This is three separate facts that are being strung together. Chairman Fulks said that this was like saying that Gordon buys liquor and Gordon drives, thus saying Gordon drives intoxicated. This type of thing is damnable because it links things that should not be linked.

Q. Why is Chairman Fulks paid \$10 a day and receives mileage?

A. This questions suggests that he is stealing money from the District, and he is not. Most people do not understand how government employees or officials are compensated. Chairman Fulks read ORS 198.190

Q. Who is keeping track of Chairman Fulks's hours, why has he been seen at the District at night and on the weekends?

A. This suggests that he is up to no good at the District.

Q. Are personal credit card purchases allowed / ethical?

A. Previously most purchases were made with District credit cards. He said that credit cards give perks but they also have a cost associated with them, such as you have to pay the bill. Example: purchase items on an AMEX card at COSTO which can receive between %.05 – 2% perks, but there is also a membership fee.

Q. What happened to the damaged furnace?

A. The District Clerk had signed for a furnace that had been damaged in delivery. Chairman Fulks had paid for the furnace with his personal credit card. He called Granger and explained what happened and they delivered a new furnace but left the damaged one at the District. Chairman Fulks said that it was in the Districts favor because the replacement furnace cost more than the damaged furnace. Later an oil tank was purchased and he let the crew purchase it with the District credit card.

Q. Why was Chairman Fulks asked to leave his previous Water District?

A. This is not true, somebody made it up. Money was in much bigger play down at his previous Water District called Goleta in Santa Barbra.

Q. Why did it take so long to hire a manager? Why hire outside of the District when there was one candidate capable, willing and qualified to do the job?

A. These questions ignore the reality that they did try the in-house candidate for six months without any luck with the management tasks. This was similar when six years ago and Randy Stark was hired as the Manager. The Board made the decision to not go with in-house employee.

Q. Why has the Board spent \$36,000 on legal fees? Why has the Board not spoken to the Union negotiator?

A. This rumor is erroneous inflated dollars. The Board routinely does not perform District work; they hire others to perform the work.

Commissioner Blanc wanted to add 15 minutes at the end of Chairman Fulks statements to allow the public to respond.

Q. Why did you hire somebody without the certification required to run the District?

A. This suggests that Frank Sterzinar has no certification, or that certification is all that is needed. It also boosts the in-house candidate who has all of the certification required, but it ignores the fact that the certifications are easy to obtain. It had also been mentioned that the salary was inappropriate. SDAO has a job opening on the coast for a field superintendent at \$33,000 - \$40,000.

Q. Jane Anderson asked why had charges from the Government Standards and Practices Commission been filed against Chairman Fulks?

A. He said that this was a classic hit against a government official, when the perpetrator knows that the mere fact of filing charges will cause damage. She also knows that some or all will be rejected fast, so she delayed sending them until the day before the meeting, but collected signatures reporting that they have already been sent in. One of two were rejected immediately.

Jane Anderson stepped forward and called a point of order to the Chairman. She said he was not answering questions but responding to rumors. She said that she had never asked him why the charges were filed, she knows why. She filed one charge and Commissioner Blanc filed the other charge. Jane Anderson said that Chairman Fulks needed to stop spreading rumors. Commissioner Geller asked Jane Anderson to sit down, but she said she could stand. Jane Anderson wanted for Chairman Fulks to apologize to everybody in the community for speaking to the rumors being spread in the community. She said that this was not meeting material or action. She said that Chairman Fulks had offended her when he had said that the community had called the Health Department and complained about the DRC. She said that a Board member had made a motion to extend the time of the meeting and it could not be ignored. Chairman Fulks said that he would get to it. Commissioner Colclessler told Jane Anderson it was time for her to sit down. Much discussion followed.

Chairman Fulks continued with his discussion on the Government Standards and Practices Commissioner complaints that were filed. He said that one of them was rejected immediately. Jane Anderson said it had not been rejected but it was not under their authority.

Commissioner Geller called the meeting out of order and made a motion to adjourn. Motion seconded by Commissioner Colclessler. Motion passed.

Meeting adjourned at 9:30 p.m.