

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
May 18, 2010**

Board members present: Jeff Hargens, Robert Gaughan, Robert Churnside, (Sonny Boyd arrived at 6:45 p.m.)

Absent board members: Victor Schmidt.

Staff present: James Jans, Shanti Kraai.

Audience members present: Brian Lee, Robert Colclessor, Malcolm Freund.

Chairman **Jeff Hargens** called the meeting to order at 6:37 p.m.

APPROVAL OF THE AGENDA

Robert Gaughan made a motion to approve the agenda as written, **Robert Churnside** seconded, passed unanimously.

APPROVAL OF THE MINUTES

Robert Gaughan made a motion to approve the minutes of April 20, 2010 as written, **Robert Churnside** seconded, passed unanimously.

LEAK ADJUSTMENTS

9810-00: This case was viewed as a hardship due to the customer living on disability. **Jeff Hargens** made a motion to reduce the units of the December and February billing cycles to the average use prior to the leak, 20 units, **Robert Churnside** seconded, passed unanimously.

CORBETT FUN FESTIVAL DONATIONS

Jeff Hargens states that since the District is using public money it would not be ethical to donate money to this fund. He says that not all members of the District may want the public money to be given to this cause. Information on the Corbett Fun Festival was distributed to the members of the board and it was encouraged for any of the board members or public attending the meeting to donate personal money to this fund. **Jeff Hargens** made a motion to not donate money to the Corbett Fun Festival, **Robert Gaughan** seconded, passed unanimously.

PACE ENGINEERS: HYDRO FEASIBILITY STUDY; RESERVOIR #2

Hydro Feasibility Study: Copies of the small hydro feasibility pre-study were distributed to the members of the board. **Brian Lee** states that one of the main goals was to generate a complete PRV study in order for the District to be able to monitor and control the PRV's in the system. The study lists five PRV's that are above 10 kilowatts at any given time. **Brian Lee** states that the Federal Energy Regulatory Commission (FERC) license will be costly and time consuming.

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PACE ENGINEERS: HYDRO FEASIBILITY STUDY; RESERVOIR #2 – (Cont.)

He suggests that we apply for all five locations at the same time. He states that per Mike Malone, the odds are pretty high that we will receive the credits we apply for. We will have to apply for the Business Energy Tax Credit (BETC) prior to beginning the projects. The Energy Trust of Oregon may issue a grant of up to \$16,000. It may cost about \$5,000-\$10,000 per site to apply for the permits. Mike Malone will cover the cost of the FERC permit, however we will need to apply for all the permits prior to completing the engineering. According to the study, it will take the District around 7-10 years to recover the money they invested into the project, after which all the money received will be profit. It is estimated to generate about \$5,000-\$6,000 per year. The life expectancy of the equipment is around 25-30 years. **Jeff Hargens** states that we should take advantage of these credits, as they may not be around in future years. **Malcolm Freund** would like to know why Deverill would not produce as much income as other sites. **Jeff Hargens** states that the transmission line is too far from PGE to sell them electricity. However, he feels that this PRV would produce the most energy. **Brian Lee** states that he will investigate what the process is for the grants and credits to report at the next board meeting.

Reservoir #2: **Brian Lee** states the overflow on reservoir 2 is corroded and there are parts that have completely collapsed. He states that reservoir 2 is not currently working at its full capacity. His suggestion is to install a cla-val with a float. He states the District should install a by-pass to have the option to manually fill the reservoir. **Brian Lee** informed the board of directors that the construction on reservoir 2 is estimated to take 3-4 weeks. The contractors will come out to view the reservoir to make an accurate bid, at which time the reservoir will be shut off. The bids should be completed by July. The District may have to hold a special meeting in order to appoint a contractor and begin the construction before the regular board meeting held on July 20, 2010. **Jeff Hargens** would like the Special Districts Association of Oregon to review the proposal of reservoir 2 from Pace Engineers prior to approving it.

Mission Communications: **Brian Lee** states that a mission communication will provide a signal to check the data of the reservoirs. This service will send the data to a web site so the reservoirs can be checked from any location. He states that this is the only company he has found that provides this service at an affordable cost for the District. He suggests the board of directors consider this option.

MONTHLY REPORTS

Secretary/Treasurer Financial Reports: **Sonny Boyd** questioned what the electronic fund transfer was for on April 30, 2010. **Shanti Kraai** states this transfer was the monthly FICA payment. **Sonny Boyd** made a motion to approve the financial statements as presented, **Robert Gaughan** seconded, passed unanimously.

Managers Report: District Manager **James Jans** read as follows:

Distribution System: We have received our 14 day opportunity to comment for the reservoir 2 application from Multnomah County. We finished reading the water meters for May and had over 350 meters read by the TouchRead system, which helped the reading process to get completed more rapidly. We are replacing meters from route # 4 now. We mailed out 375 cross

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MONTHLY REPORTS – (Cont.)

connection survey letters to our customers that have not yet completed the simple survey, which is required by the Health Department. We have had six plastic frost bottoms crack due to the exceptionally high water pressure, so we have replaced some the SRII frost bottoms with the cast iron units. We repaired the 2” service line for the Riverview Restaurant, but we had to abandon the leak on Loudon Road due to the large area and having only two traffic plates. We will complete the repair on the old 6” steel main tomorrow. We have two more services on Wand Road and we will have that project completed within a couple of days. The leak has been repaired at reservoir 3. Frank Haynes stopped me the other day to praise the crew on a great job installing the new main on Wand Road. Dave McFarland dropped off flowers for the ladies in the office because they have done such a great job dealing with the customers.

Treatment Plant: The Health Department had required that we file the paperwork for a Tier 2 violation for the treatment mishap on April 8th. That notice was mailed to all the customers along with the water bills for May 2010. The treatment plant has had some upgrades and minor repairs and is operating flawlessly; we have eliminated the need to fill the batch tanks on the weekends by switching to Soda Ash as our buffer. We have installed a lab table so we can perform our water sampling for alkalinity. We repositioned some drain lines so we don’t have tubing draped along the wall, eliminating the unsightly hoses with algae discoloring the clear tubes due to the length of the hoses. We had to reschedule filter pond # 2 cleaning last week due to the weather and some distribution water leaks in our system.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Malcolm Freund states that he agrees with Jeff Hargens’ comments regarding Deverell. He feels this PRV would be the most adequate to install a hydro generator.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

No unfinished items for board consideration.

Robert Gaughan made a motion to adjourn the meeting, **Sonny Boyd** seconded, passed unanimously. Meeting adjourned at 7:45 p.m.