

**CORBETT WATER DISTRICT
MINUTES, REGULAR MEETING OF THE BOARD
June 17, 2008**

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

Staff present: James Jans, Shanti Kraai.

Audience members present: Robert Colclessor, Malcolm Freund, Dave Mysinger, Paul Koch.

Robert Gaughan called the meeting to order at 7:05p.m.

APPROVAL OF THE AGENDA

The proposal from Paul Koch from PK Consulting was added as item 5a. **Jeff Hargens** would like item 5 to be read as fee committee. He requested that the board packet be distributed prior to the meetings.

APPROVAL OF THE MINUTES

Jeff Hargens made a motion to approve the May 27th, 2008 budget hearing minutes as written, **Marion Kirkham** seconded, **Victor Schmidt** and **Sonny Boyd** abstained due to not attending the hearing, motion passed. After reviewing the May 20th, 2008 minutes, **Jeff Hargens** found a spelling error on the first page, another should be spelled another. **Sonny Boyd** states the comment he made regarding a home owner putting animals on his property should include the customers name, Sergey Michualchuk. **Marion Kirkham** states that he opposed hiring Sharon Jans however in the minutes it states that he said aye to the motion of hiring her as a consultant, then said that he agrees with James Jans. **Sonny Boyd** made a motion to approve the minutes of May 20, 2008 as modified, **Victor Schmidt** seconded, passed unanimously.

FEE COMMITTEE

Dave Mysinger states the committee reviewed four categories. The first being new account connections, second is deposit for service, third is disconnect/reconnect fees, and the fourth being fraudulent and illegal connections. The only thing established with the committee meeting tonight was deposit for service, they feel the amount should equal the charge of two billing cycles, which would average about \$100-120. If the owner establishes a good payment history for one to two years the amount would be refunded to the account. If it was a renter the deposit would not be refunded. This would protect the district from delinquent bills after customers have moved. **Robert Gaughan** asked the question of liability of interest on the deposits. **Dave Mysinger** would like these fees to be put into effect as soon as possible, this will be long term due to rules and regulations, and hearings. The rules and regulations will have to be updated since it has yet to be done since 1996. Some of the lesser fees, such as a new service connection, may have to change over time depending on the price of gas and increase in wages. **Robert Colclessor** stated there is a time frame to follow according to the ORS for rate changes. The discussion regarding fees will be continued at the next board meeting held on July 15, 2008.

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PK CONSULTING

Paul Koch with PK Consulting listed his address as follows, 2833 SE Robin Circle, Gresham, OR 97080. Paul Koch travels through seven western states doing organizational analysis for boards, public and private organizations. These are organizations that want to do a better job serving the public and setting policy and direction and beginning to set priorities and document issues. He distributed a draft proposal to the members of the board and staff. His fee is \$1,500 for small cities and rural areas. After individual interviews he will present the result to the board on areas needing improvement and suggestions to move forward. The process takes about 45 days.

PAY WAGES FOR 2008-2009 BUDGET YEAR

After discussion, **Jeff Hargens** told the district manager, James Jans, it is his decision to raise the wages of temporary employee David Krewson to \$10.99 per hour. The discussion regarding the permanent employees pay wage increase was tabled until next meeting when the board can review this item along with COLA.

MONTHLY REPORTS

Financial Report – Copies of the check summary and LGIP account balance was distributed to the members of the board. **Sonny Boyd** made a motion to approve the financial report, **Jeff Hargens** seconded, passed unanimously.

Managers Report – See attached. **Victor Schmidt** told district manager, James Jans, to purchase all fixtures and pipe needed, the cost of pipe will only continue to rise. **Sonny Boyd** suggested PVC instead of iron. **James Jans** said PVC is not as reliable as iron and costs about the same. **Robert Colclessor** informed the board that pipe left at site locations should be minimal due to risk of theft. **Jeff Hargens** would like James Jans to research if our insurance covers stolen pipe and if not what the cost would be to add it on. **James Jans** said it does cover installed pipe however he will have to check to see if it covers uninstalled pipe. **Jeff Hargens** said it may be a good idea to place a fence to around the pipe stored in the school parking lot.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON AGENDA

Malcolm Freund was wondering regarding the road washing if there was any chance of working with the fire district to have them do the washing. **James Jans** said we have used them in the past and will continue to do so in the future, however the county wanted the road washed prior to issuing a permit so in order to get this done in a timely manner we had to rent equipment this time. **Malcolm Freund** was just thinking that since it was a small community if we could work and coordinate a schedule, Monday is when they meet, and they will say they drive a tanker over here from Aimes, and they'll just go by there and wash it off Monday night or something like that. He says its just a thought that the fire department will work with us.

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BOARD AGENDA SUGGESTIONS FOR FUTURE MEETINGS

Victor Schmidt would like to add a discussion regarding PK Consulting on next months agenda. **Jeff Hargens** would like item 9 to be listed as unfinished items for board consideration, as it was written previously. **Robert Gaughan** wants to make sure the pay wage increase discussion will be added to the next board meeting agenda as well. **Jeff Hargens** would like more pipe to be installed so David Krewson's hours should be saved for the days pipe is going to be installed. He states we need to be working on getting our permits and should apply for 365th now as well. **James Jans** says he is working on all the permits. **Jeff Hargens** wants pipe to be laid on certain scheduled days, instead of just a day here and there. Months ago there was an issue with an old board decision of paying to have a backflow preventors tested and the current board changed it but did not do anything else with it because it was impractical. **James Jans** said two or three years ago there was a \$16,000 contract with a company that does backflow testing. Then we found out there was four hundred of them instead of one hundred. He stated he is working on it, we need to redo the policy because they are on applications that will never prevent backflow. **Jeff Hargens** states we cannot just drop it. **James Jans** says on the sanitary survey it says to get your backflows tested, and we are working on a new ordinance and removing the ones that we do not need because we cannot pull water up and vacuum above 39 feet, so why have a backflow that's 80 feet below the main. He says it is a top priority for him. **Sonny Boyd** brought up the fact that we received a warning from the TSCC for the over expenditure of funds for personnel services in the general funds. **James Jans** says the \$115,000 is from the 06-07 budget, we went over the budget amount allowed. We just got the audit general journal entries, the auditors came up last week and explained the difference. The \$145,000 from the PERS penalty was in there however there were a few more adjustments. Talking with Tunie from TSCC, we told her the \$115,000 was for PERS, however we had to wait to find that out from the auditors. We also got a penalty due to not having a 5-30 days window of notice for a budget hearing. We will let the auditor know that if we do not have the current years audit by December 2008, we will give our 6 month notice of contract cancellation. They still need to audit the \$600,000 expenditure as well, which will take another 4-8 hours. **Victor Schmidt** says we need to put in the six month notice and stay on top of legal counsel.

EXECUTIVE SESSION

Did not go into executive session, the discussion remained in open meeting. **Sonny Boyd** says the manager's evaluation needs to be written by the board members prior to the discussion. The board agreed upon compiling the evaluations at the next board meeting held on July 15th, 2008.

Jeff Hargens made a motion to adjourn the meeting, **Sonny Boyd** seconded, passed unanimously. Meeting adjourned at 8:45p.m.