

CORBETT WATER DISTRICT

APPROVED MINUTES

Regular Meeting: 7:00 P.M.

Tuesday, June 20, 2006
Corbett, Oregon

Commissioners Present: Malcolm Freund, Bob Gaughan, Bob Colclessor, and Marion Kirkham.

Also present were District Manager Frank Sterzinar and District Clerk Jamie Simms.

Audience Members Present: Ed Hoke, Gordon Fulks, and Barbara Strasbaugh.

Chairman Freund called the meeting to order at 7:05 p.m. at the Corbett Fire Hall.

Mr. Hoke discussed with the Board his recent water leak. His account will be reviewed after the leak has been verified fixed.

Review / Approve Agenda.

Chairman Freund added an executive sessions ORS 192.660(2)(f) to discuss legal documents to the Agenda.

Commissioner Colclessor moved to approve the agenda as changed. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Approval of the Minutes.

Commissioner Gaughan moved to accept the May 4, 2006 minutes. Motion seconded by Commissioner Colclessor. Motion passed unanimously.

Commissioner Colclessor moved to accept the May 16, 2006 minutes. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Commissioner Gaughan moved to accept the May 23, 2006 minutes. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Financial Report.

Jamie Simms reviewed the financial reports with the Board. In order to stay within the budget amount for Material and Services only those items that are a necessity are being purchased. She reviewed with the Board the Budget versus actual and cash flows.

The final check to Clackamas Construction has been issued and the contract has been closed.

Jamie spoke about the need to transfer funds from Contingency into the General Fund to cover the cost of closing out the Stellar J contract. Chairman Freund asked what category interest owed to Stellar J would be paid from. Frank Sterzinar said an interest has been accruing on the retainage to Stellar J in the amount of \$3,200, but the issue has yet to be solved by the attorneys. Jamie said there was enough money in either System Improvement or Material and Services to cover this amount.

Gordon Fulks asked about accounting procedures used by the District. Jamie reported that the District used an accrual basis of accounting, which means that expenses and revenue are recognized when incurred and not when received.

Chairman Freund asked about the cost associated with the Yoshida project being reimbursed to the District. Jamie said the cost for Yoshida's meter installation would be paid to the District based on time and materials and it would be credit to the District as revenue from new service installations.

Manager's Report.

Frank went over with the Board the following scheduled projects:

Distribution System - In general the distribution system is functioning well and system health which has a direct effect on water quality is excellent. We have had only two water quality complaints and they both were caused by the customer's piping system.

Leaks repaired –

- Littlepage at Houston 4" OD steel under culvert
- Littlepage customer service line
- Lower Corbett Hill Rd
- Benefield road valve damage
- Littlepage at Grange Hall road fire hydrant

Projects –

Reservoir No. 5 re-coat SE Loudon road is currently being prepped for the by-pass installation.

Reservoir No. 4 exploratory work has been completed. Staff now knows where all the lines are. The project cost will be much less than originally anticipated because the current 1200' of 10" DI piping can be used as a conduit.

Christensen Road main replacement designs from Lee-Pace Engineering have been reviewed and marked up. Frank disagrees with the latest contract sum issued by Lee-Pace Engineering of \$6,000 which brings engineering to \$21,000 and a shovel has yet to hit the dirt on the project.

Water Treatment Plant – The Water Treatment Plant (WTP) is operating extremely well and the precise control of the water quality parameters like chlorine have paid off. The reduction in disinfection by-products (DBPs) is one effect that makes our water healthier for the community. The corrosion control aspect of the WTP is working excellent and the PH throughout the Distribution system shows it.

Filter pond No. 2 is still not within legal turbidity limits and therefore we are unable to bring online. At the current rate Frank estimates that the filter pond will not be online until possibly late fall or early winter. Based on Frank's research the maturation period for a new filter is 3 months to 1 year depending on raw water quality.

Frank spoke about meeting a gentleman from Maine, who has traveled all over the United States that believed Corbett's water to be excellent.

Commissioner Colclessor moved to reaffirm Frank's position of rejection of Lee-Pace Engineering's contract sum of \$6,000. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Correspondence.

Commissioner Gaughan asked about Phil Beverly's time. Frank said Phil Beverly was no longer the DRC for the District, but Phil still performs consultation work.

Chairman Freund questioned the Lee Engineering project number 3394 – general services – stated the project was on hold, yet the District was charged \$1,000 in fees for the month. Frank said the fees related to meetings, emails, phone calls, etc. Chairman Freund has previously asked to see a timesheet breakdown from Lee Engineering.

Chairman Freund spoke about an email from Brian Lee to Bobbie Mohler with Clackamas Construction. A leak test will be performed on the new filter tank by April 6, 2007, and Taurus has extended the warranty on the computer and their equipment installed at the WTP to December 31, 2007.

Customer 2690 Termination of Water Service.

Since 2002 customer 2690 has had several numbers of late notices and several shutoffs for non-payment. In November 2005 customer 2690 verbally abused District staff for shutting off their water for non-payment and again recently in June 2006. This customer turned their own water back on after it had been shut off for non-payment. Frank issued a letter to the customer reminding them of the District's rules and regulations. He also informed the customer that the First Amendment allows someone to speak, but not to harass or verbally abuse another person.

Frank issued a trespassing letter to the gentlemen that has verbally abused staff and who is not listed on the account, but is making payments on behalf of the account holder. A letter to the customer stated that things needed to change or under the authority of State law; the District could and would remove water service to the property all together. The District received two letters, one from the account holder and another from the gentlemen that was issued the trespassing notice. Both apologized for their behavior and said payments would be made on time.

Frank said under State Law, the Board needed to review the information and then instruct him to write the letter to the customer notifying them of the Board's position in the matter. Although Frank does not feel that this customer will be a problem for the District in the future; however he did want to see the follow through from the Board on the matter.

Commissioner Colclessor moved to reaffirm Frank's position as stated in the June 12, 2006 letter to customer No. 2690. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Corbett Grade School Leak.

Over Labor Day weekend Frank Sterzinar, Zachary Bertz, and Kevin Moran made repairs to the Corbett Grades School water line between the road and the building. The leak was estimated to be leaking 35,000 gallons per day. Frank said the repair work done was a mutual effort between the School and the Water District. He felt that these repairs would be beneficial to the Community.

The Corbett School District purchased the required materials and District staff replaced the existing water main. The School will be reimbursing the District for the cost of labor. On Tuesday the City of Gresham put a stop order on the work because of a community member complaint. In order to fix this problem, Frank will have to move the meter from the road to in front of the Grade School so the line would become the District's property and not the responsibility of the School. Frank will install a jumper assembly at the older meter location so in the future the meter could be reinstalled at its previous location. If the meter was not moved the new pipe would have to be excavated and inspected by the City.

Staff has finished performing the pressure test on the pipeline and it passed with zero water loss. The pipe is currently being disinfected so it could be hooked to the system for use. The School has hired a plumber to install a line between the meter and the building.

Commissioner Colclessler asked what the School Principal Bob Duntan had to say about the water line work. Frank said the School was ecstatic with the help the Water District offered.

Commissioner Gaughan asked about the Schools high water bills. Frank said the School would be asking for a leak adjustment from the Board. Chairman Freund said the same customer rules applied to the School as others, but the School was just a larger customer.

Commissioner Gaughan asked about District staff being adequately compensated for the work performed at the School that went above and beyond normal work. Chairman Freund said the School had been billed for the work, including labor for Frank. Frank is a salaried employee and is not paid for overtime. He would like to see Frank compensated for the time spent working at the School because the District billed the School for Frank's time. Gordon Fulks said if it would have been a main leak it would have been a part of Frank's job, but this work was not a part of his normal job responsibilities.

Commissioner Gaughan moved that for doing the job at the School that funds are passed through to Frank for wages; to compensate his time spent working. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Resolution 2006.06.01 Approval of the 2006/07 Budget and Response to TSCC Letter.

Chairman Freund read Resolution 2006.06.01 to the Board.

Commissioner Gaughan moved to adopt Resolution 2006.06.01 approving the 2006/07 budget. Motion seconded by Commissioner Colclessler. Motion passed unanimously.

Commissioner Gaughan moved that the TSCC letter be accepted and the District will respond with the required response. Motion seconded by Kirkham. Motion passed unanimously.

Resolution 2006.06.02 Transferring Appropriations.

Chairman Freund read Resolution 2006.06.02 to the Board.

Commissioner Gaughan moved to approve Resolution 2006.06.02 transferring appropriations. Motion seconded by Commissioner Colclessler. Motion passed unanimously.

Public Comment on Items Not Listed on the Agenda.

Gordon Fulks would like for the District to consider changing the phone system over to a VOIP system. He felt it would save the District money because the District could cut back the number of phone lines. Jamie said the District currently had two required lines at the WTP, one fax line and three lines to call out of the District Office. Frank said the cost for the telephone system was directly related to the Centrex Phone system and not the individual phone lines. Barbara Strasbaugh said there were some things going on nationally that could change the way a VOIP system works.

Items for Board Consideration.

There were none.

The Board took a five minute recesses and the audience left for the Board to hold an executive session.

Chairman Freund again called for Items for Board Consideration. Commissioner Colclessler moved for the good of the District to approve the draft version of Corbett Water District personnel policies and procedures which was delivered to the District in June 2006 that was not date stamped. The items with

questions and comments noted are to be received be reviewed by SDAO. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Executive Session [Pursuant to ORS 192.660(2)(f)].

Chairman Freund called for executive session to consider information or records that are exempt by law from public inspection.

Chairman called the regular meeting back to order. There was nothing to vote upon.

Executive Session [Pursuant to ORS 192.660(1)(i)].

Chairman Freund called for executive session pursuant to ORS 192.660(1)(i) for the purpose to review and evaluate the performance of an officer, employee or staff member pursuant to standards, criteria and policy directives you have adopted in an open meeting, unless the person requests an open meeting. Semi-annual performance review of District Manager, Frank Sterzinar, Jr.

Chairman called the regular meeting back to order.

Commissioner Gaughan moved to adjourn. Motion seconded by Commissioner Kirkham. Motion passed unanimously. Meeting adjourned at 11:45 p.m.