

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
July 15, 2008**

Board members present: Robert Gaughan, Jeff Hargens, Victor Schmidt.

Absent board members: Marion Kirkham, Sonny Boyd.

Staff present: James Jans, Pam Volk, Shanti Kraai.

Audience members present: Robert Colclessor, Gordon Fulks, Malcolm Freund, Dave Mysinger, Jason Green, Brian Lee, Ron Bates, William Hebert.

Robert Gaughan called the meeting to order at 7:00 p.m.

APPOINT BOARD OFFICERS FOR 2008-2009

Victor Schmidt nominated Jeff Hargens for chairman of the board, **Robert Gaughan** seconded, passed unanimously. **Jeff Hargens** nominated Sonny Boyd for vice chairman, however **Victor Schmidt** feels that Sonny Boyd would be more interested in the position of secretary/treasurer. **Victor Schmidt** nominated himself for vice chairman, **Jeff Hargens** seconded, passed unanimously. **Jeff Hargens** nominated Sonny Boyd for secretary/treasurer, **Robert Gaughan** seconded, passed unanimously.

APPROVAL OF THE AGENDA

Jeff Hargens would like Pace Engineering to be discussed after the update on Christensen Road. He would also like to move the leak adjustment discussion to be after the approval of the minutes. **Victor Schmidt** made a motion to approve the agenda as amended, **Robert Gaughan** seconded, passed unanimously.

APPROVAL OF THE MINUTES

Jeff Hargens would like the wording on page three to be written as laid instead of lain. **Robert Gaughan** made a motion to approve the minutes as corrected, **Victor Schmidt** seconded, passed unanimously.

LEAK ADJUSTMENT 2-7090-02

The home owner fixed this leak within three days of noticing it and installed a pressure reducer at the meter as well as at the house. The home owner had to spend a large sum of money to fix the leak and the amount of water usage cost \$2,310.45. After discussion, **Victor Schmidt** made a motion to replace the units of water from the leak with the highest units used prior to the leak, then conduct the leak adjustment according to policy due to the hardship this customer has faced, **Robert Gaughan** seconded, passed unanimously. **Victor Schmidt** wanted it to be known that this is not how the board normally operates, this adjustment was only issued due to the hardship the owner has faced and the timely manner in which the leak was fixed.

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FEE COMMITTEE

Dave Mysinger said that Jason Green from OAWU informed him that the average cost for a new customer deposit is around \$100-200. **Dave Mysinger** recommends that the amount of \$120-150 should be charged. **Victor Schmidt** states that if the deposit is from a home owner the amount should be refunded after one year if they have a good payment history, however if they miss a payment then the year would start over from the date the payment was missed. If the deposit is from a renter, the amount should be refunded at the time they move from the residence. **Jason Green** states that if a customer leaves town and wants his water shut off with no bill we are obligated by law to do so. One way to get around this in order to keep billing the account is to put a unit of water with the base rate charge if no one will be occupying the home to cover us incase we are taken to court. He feels a turn off and turn on fee would a better way to handle the issue of a home not being occupied for a certain amount of time. The PERS surcharge can still be applied to the account whether the home is occupied at the time or not. **Jeff Hargens** would like all the fees to be adopted at the same time. The discussion regarding fees will be continued at the next board meeting held on August 19, 2008.

PAUL KOCH: PK CONSULTING

Paul Koch was not in attendance at the meeting. **Jeff Hargens** would like to have a discussion regarding consulting at the next board meeting when all the board members are present.

JASON GREEN: OAWU CONSULTING

Jason Green stated that he is the executive director for OAWU, Oregon Association of Water Utilities. The services that they provide us as an association member are free with exception of rate study, water conservation plans, and classes. They can help us for free by working alongside us and/or instruct us with anything that we do not know. They can give us guidelines and if they do not know an answer they will let us know who we can turn to in order to receive the information needed. They can do an evaluation process with the board and staff and provide communication between the parties. They do onsite technical training and control as well as small to medium size representation. He states that OAWU is a private association separate from the state of Oregon. They can also loan us any equipment that they have available.

CHRISTENSEN PROJECT UPDATE

See attached. **Jeff Hargens** asked if screening or reject gravel would work. **Brian Lee** states that as long as it is meeting our compaction requirements it would be fine. **James Jans** states that we are now using two excavators so our projects don't get put off do to working around the excavator's schedule.

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DRAFT UPDATE FOR CROSS CONNECTION CONTROL PROGRAM

James Jans distributed to the members of the board a draft cross connection control program update. It states that all new residences get a backflow. Last year we had 105 back flows that needed to be tested, we only did about 7 of them. The rules should be that if a customer owns a house or irrigation system, they have solar heat, radiant heat, are 30 feet above the street, they get a double check and get a back flow. We will run the program and send the form out every year, however the home owner needs to get it tested. If the customer does not get it tested within a certain amount of time we will need to shut the water off. The field workers sent out a survey a couple of years ago and only 1/3 of the people responded and no follow up was ever made. He had one of the field workers get a list of the account numbers that have not filled out a survey. Every home owner that comes in to get new water service gets an application to fill out for Multnomah county to get a survey. **Jason Green** states that this takes years to implement. **James Jans** states that this will take 6-9 months to get the system started, educated and implemented, then has to be ran every year. **Jeff Hargens** states that he would like more time to review and discuss this topic. **James Jans** says that this is just a stepping stone and will need to be reviewed in more detail. **Brian Lee** states that what James Jans is following is standard and is the same plan that Oregon City is using.

PACE ENGINEERING: WOODARD / NEILSON PROJECT

Brian Lee distributed to the members of the board the new cost estimate for the Woodard / Neilson Road project. The engineering has been considerably reduced in both scope and cost. The surveying work is a full blown topography survey, adding stationed intervals every 50 feet. **Jeff Hargens** wants to know what our needs are to be able to install or replace an existing water main. Our needs should be to get the permit, which we can do, and to make sure we are in the correct right away or easement, and our own as built information. We have a master plan to upgrade to our system which, as long as we're following APPA standard details of installing the fire hydrant, we should be alright. We only need engineering in special circumstances.

MONTHLY REPORTS

Financial Report: Copies of the check summary and LGIP account balance were distributed to the members of the board. **Victor Schmidt** made a motion to accept the monthly account report as presented, **Robert Gaughan** seconded, passed unanimously.

Managers Report: See attached.

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PUBLIC COMMENTS NOT ON AGENDA

Robert Collessner would like emails to be sent out pdf format or open office. **Malcolm Freund** stated he attending a meeting of the fire district and they adopted the gatsby rule, which is basically where the board of directors becomes the internal auditing committee. **Jason Green** does not feel that we have a need to adopt the gatsby rule as policy because it is law. We do however need to have communication with our auditor. The office is already following most of the gatsby rules, one person opens the mail, another person signs the check, then another person makes a deposit. **James Jans** states that our auditors, Pauly Rogers and Company, told us that we need to have a software program other than QuickBooks to track our money. We submitted a written notice to cancel our contract and will be using a different auditor for the next budget year.

COLA 2008-2009 BUDGET YEAR

The wage scales and cost of living reports were distributed to the members of the board. **Jeff Hargens** states that the employees should be given step increases for the pay wages, but not an increase for cost of living. **James Jans** states that we have the money to issue both the step increases and cost of living in the budget. **Victor Schmidt** states that due to how the economy is falling apart and the job market collapsing he does not feel that a cost of living should be applied, and just having a job with Corbett Water District should be a positive thing. **Jeff Hargens** would like to only give the employees their pay wage step increase, and next year apply cost of living. **Victor Schmidt** made a motion that we do not effect the cost of living increase for this fiscal year, cost of living increase is zero, **Robert Gaughan** seconded, passed unanimously.

PAY WAGES 2008-2009 BUDGET YEAR

James Jans states that Kevin Moran and Zachary Bertz should receive a raise to be at the highest level of the first step scale. They cannot receive another raise until they have been employed with the company for five years. Kevin Moran has a grade two in distribution, Zachary Bertz has a grade one in treatment and a grade one in distribution. **Jeff Hargens** states that the manager, James Jans, is authorized to give the pay wage increases within the guidelines.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

Jeff Hargens made a motion to have Robert Gaughan authorized to sign until the new elected officers have accepted their responsibilities and are able to sign checks, **Victor Schmidt** seconded, passed unanimously.

Jeff Hargens adjourned the meeting to go into executive session at 10:05 p.m.

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EXECUTIVE SESSION

No decision was made in executive session.

Meeting reconvened at 10:41 p.m.

Robert Gaughan made a motion to increase the pay wage of district manager James Jans by \$2.00 per hour, **Victor Schmidt** seconded, passed unanimously.

Jeff Hargens adjourned the meeting at 10:45 p.m.