

APPROVED  
**CORBETT WATER DISTRICT**  
**Verbatim of all commissioners per Commissioner Colclessers's request**

Regular Meeting: 7:00 P.M.

**Tuesday, July 18, 2006**  
Corbett, Oregon

Chairman Freund - called the meeting to order Corbett Water District regular Board meeting Tuesday July 18, 2006 at the Corbett Fire Hall.

**Review / Approve Agenda.**

Freund - has two items to be added to item 9 personnel policy procedure and board policy procedure section nine unfinished items

Colclessers - Malcolm you're doing chapter 9

Freund - the board policy and procedures section 9 that was the section that we didn't adopt pending conversation with SDAO

Gaughan - you're talking about the office policies

Freund - board policy from several months back

Freund - Anything else

Colclessers - what else did you say

Freund - I said the personnel policy and procedures that we've been working on and we want to talk about pagers and COLA somewhere in here

Gaughan - that's right we were going to discuss that

Freund - we can schedule all that in one category if we want

Gaughan - where in unfinished items

Freund - unless you want it somewhere different that's fine

Freund - anything else

Gaughan - I have some questions on one of the bills but I'll talk about that when we get there

Freund - your bill

Gaughan - no one of the expenditures that's all

Colclessers - I'll make a motion we adopt the agenda with the add on we put in there on item nine

Gaughan - I'll second it

Freund - Its moved and seconded to adopt the agenda as amended with the 4 items added. Those in favor

Freund, Gaughan, Hargens, Kirkham, Colclessers - aye

Freund - passed unanimous

**Approval of the Minutes.**

Freund - approval of the minutes for June 20 2006 regular meeting

Gaughan - I assume these were corrected because I read them and they seemed pretty sensible, they must have been corrected either that or Jamie's getting real good

Freund - ask the secretary treasurer

Gaughan - well, was there any corrections or did this just get popped right out?

Colclessers - Jamie corrected what there was already

Gaughan – oh, I read it and it seemed good, I was impressed, I didn't see anything else wrong  
Freund – no further  
Colclessner – did you find anything Malcolm  
Freund – it seemed like an extra word somewhere but I forgot where it was, I didn't mark it, I'm sorry  
Hargens – I read it and I didn't find anything  
Gaughan – if there's an extra word who cares as long as it isn't pay Bob all the budget  
Gaughan – I guess I move we approve the minutes of June 20<sup>th</sup>  
Freund – Son, Dad?  
Gaughan – Dad do you want to second it so we can get on?  
Kirkham – I'll second it  
Gaughan – I knew I could count on you  
Freund – It's been moved and seconded that we approve the minutes for the June 20<sup>th</sup> 2006 regular meeting, those in favor?  
Freund, Gaughan, Hargens, Kirkham, Colclessner – aye

### **Secretary / Treasurer Report.**

Freund – monthly reports and business secretary treasurer report, Bob  
Colclessner – I'll hand you out something here in just a minute  
Colclessner – Jamie when I signed the checks last time, I know on our check they use to have everything listed and I see you do do that on some of them but I didn't see that on all of them, like the job position, earnings and hours, the rate current, year to date, then the quantity and overtime, comp time, sick, vacation, jury, all those things should be listed separately on the stub, so whoever is signing it can see what's going on. So if you would continue to do that and make sure it's on all of the ones and the current year to date and I don't know if all of them had it on there last time or not, but if you tried to make sure that was on there  
Jamie said she would continue listing the year to date information.  
Gaughan – do you want all of the pays  
Hargens – doesn't your computer just do that  
Frank replied yes, that it was done automatically.  
Gaughan – I would like that to if I sign checks, it's a good idea, thank you  
Colclessner – I'd like to get an engineering cost for Rohrbach and 366<sup>th</sup> so we can do a comparison with them for Christensen  
Frank – he does not have the numbers  
Jamie – said she could get them  
Colclessner – I would also like some background on it too and I still would like a bill that was submitted to the school for the inter-government project if you have one listed out to the school you gave me a copy of the rough draft for the made up time and stuff I'd like to see the exact bill that went to the school  
Jamie – Okay  
Hargens – can that bill be shared with all the board?  
Colclessner – yes  
Jamie – said the bill was for \$2,600  
Colclessner – that included labor, the backhoe and everything  
Frank – said it included all insurance and fuel  
Gaughan – we did buy some pipe back  
Frank – yes  
Hargens – according to the minutes it sounded like it went well accept for the city

Frank – said it was a rainy mess, the first section was quick and then they hit lava rock, blue stone near the sidewalk, found two fiber optics, two main power trunk lines that nobody located or knew about and underneath was lava rock, took three guys to pick it out, then Frank used the backhoe to back over it. After that somebody called the city of Gresham and put a stop on it, so staff moved the meter there and left the hookup for the other meter and put in a jumper so down the road the meter can be put back. He does like it better were it's at. We discovered several taps under the existing line that were leaking that were illegal and whenever you have a sprinkler system you have to have a backflow assembly on it and that line didn't have a backflow assembly on our line, nor on theirs so it was a direct backwards contamination of the system, so by us taking control of that line they can't do that.

Hargens – so they're cut off now?

Frank – yes, that whole line is dead

Hargens, - but the meter is now way in on private property

Frank – it's in front of the school

Gaughan – it's by the driveway

Hargens – the only thing you get involved in that is if something happens to the line and it breaks and blows up their asphalt and your on private property so you're left responsible for fixing it and everything else, that's why they pull them all the way back to the right-of-way if they can

Frank – and that's the reason why we left the other jumper in because eventually that's were it will go. It will go back. The line was pressure tested for 72 hours at 300 psi and only lost 2.5 pounds

Hargens – Is that their fire line?

Frank – no, that's the water line just put in for domestic. Their fire line is a different scary story.

Gaughan - have you gone to the county yet to find out who turned you in because it's a public record

Hargens – it's probably a plumber

Frank – just letting bygones be bygones

Gaughan – darn, I would like to know. I want to send them an IOU for my share of the school tax I have to pay for incurring expense

Dan Marsh – is there a backflow on it now?

Frank – yes

Colclessor – frank this front sheet I gave you, you made up back in the budget report it was in our packet and our water sales are highlighted, proposed annual water sales as \$475,116.24 and reservoir rate surcharge at \$12 a month, \$1,526.40 for a total sales of \$627,756.24 and there's a lot of more information there that I expect everybody look at, next page copy with the letter to TSCC last time, I've got check marks next to material and services and personnel services and the loan repayment \$214,979 for services, total loan reserves repayment \$156,280 and you add those figures together, Malcolm you have those figures added up don't ya, could you read them off. Material and services are \$157,750.

Freund – it comes to \$529,009

Colclessor – take and in \$20,000 unappropriate ending fund balance, sort of a fixed cost its carried over each year. Then contingency if there is anything left, about \$60,000 a year for the last few years,

Malcolm – \$609,009 that's the approximate fixed cost each year

Colclessor – that's sort of normal over the years, we just about eat up our water sales with those cost, usually you add them up and it eats it up. Turn over the next page, that sort of gives us an idea on what we have to look forward to next year and what we want to do. Frank says he needs to have money provided to him to do any work and I think the last couple of months Franks got a taste of no money to spend on anything because of some of the unknowns we've had out there and now that

the contracts are settled we can move ahead and I understand that maybe Malcolm is going to report on the \$600,000 has been approved being sometime we'll be getting it. We need to put our thinking cap on and put together a plan Frank can follow he's got this money we got coming in pretty much categorized to spend, and on the next sheet 2003 & 2004 personnel sheet, notice the total on that \$364,800 around \$365,000 at that time, next page 06/07 budget total \$214,979 so that leaves \$150,000 that we have been able to not be paying out, well with one less employee and other benefits the Board has been able to reduce. I see material and services keep going up, and of course personnel services will be going up to because the guys will be getting there certification and moving up in their steps and wages and of course all of the perks will be going up accordingly, so we do have those things to look at, thankfully this budget year Frank has put us in a very good position with contingency of \$149,171 and unappropriate fund of \$109,171 so we are going to have at least \$150,000 if we do not spend any contingency for our next budget year, so we have to a foot ahead already on our budgeting but we still have a lot of work to do, so we need to think of the best ways of getting these things done Frank will continue to try and save money any way he can. So that's my report , I just wanted everybody to understand we really are in a good position, the loan is about equal to about what we saved, so we are looking pretty good without any adjustment there, in fact we don't know what our payments are going to be because we've been making payments over the past two years on the loan already which is throwing a king in the State they have to figure it out. That's my report I wanted to share with you

### **Financial Report.**

Jamie reviewed the financial reports with the Board. She reviewed with the Board the Budget versus actual and cash flows.

Gaughan – I was questioning some of these bills that we have the Nextel system now, why do we still have to pay pagers, why do we have both, can we not cancel it for a certain time, is there a reason why need both

Frank – the TP will not send the page to the TP phones

Gaughan – the next logical question is why not

Frank – he is not a computer programmer

Gaughan – are they going to fix that

Frank – if you want to spend the money, it's not a warranty issue

Gaughan – why do we have to spend money to change the phone number

Frank – we've not changing the phone number the computer will page the pagers it's a internet address, its arch wireless internet address, it's a sub net so it directly pages. In order for staff to communicate around the district staff uses the Nextel phones, the phones are capable of receiving internet style page for more money, right now, he's not willing to spend more money 1-he doesn't want Taurus to come out and spend 6 months trying to program it 2-these phones are on trial, he doesn't want to changes things around 3-setting up a completely redundant program that was originally set up to do. The computer is working, Zac solved the crash problem with the PC anywhere and found a different way to communicate, soon we will be offloading the pager once the sensaphone is dialed back in. its old technology and staff is trying to find the cables.

Gaughan – it's about 800 a year and if we didn't need it why are we spending the money

Frank – not indefinite, in a trial phase one or the other will disappear

Hargens – Nextel isn't there a lot of dead spots

Frank – we have the walky-talkies and they work excellent

Hargens – so you don't hit a repeater

Frank – it's through a satellite, it works up at the North fork, they worked up at his parent's house

Hargens – they work throughout the whole area, because mine goes dead from here on

Frank – yes linked  
Freund – but you have just the cell phone  
Hargens – no I have the radio  
Colclesser –using towers  
Frank – linked to each other through a sub net, each person has an individual address, no dead spots have been found  
Freund- sounds like next generation  
Hargens – can you talk all the way to the coast  
Frank – yes  
Colclesser – he talked all the way to his folk’s house in coos bay  
Frank – the only place some interference is inside the front offices. We have the government plan and we are linked up with cascade utilities and the parks  
Jamie – water sales will be reached for the budget year, auditor will be here first part of September, estimated ending year balances per category,  
Freund – so water sales gets us up to the budgeted amount  
Jamie –yes  
Freund – looked at that the other day  
Jamie – purchase orders  
Freund – need to get Gaughan out of the office, he signs everything  
Gaughan – amazed – some more joking  
Freund – well Nextel shows up here to was that to purchase the phones  
Jamie – yes  
Frank – phones plus two months of service  
Freund – anything else

**Manager’s Report.**

Freund – Manager’s report, I guess the second B, we had 1B and now we have 2B

(I left frank’s report the same and added in only when Commissioners spoke as verbatim as requested)

Frank went over with the Board the following scheduled projects:

*Distribution System* – In general the distribution system is functioning well and the system health which has a direct effect on water quality is excellent.

Customer water use reduction is no longer an option and water restrictions are coming soon. The District needs to consider an alternative water source to the Gordon Creek, either a well or hooking up with Troutdale. Over the next two years Frank has predicted that the water flow will continue to decrease by 15-25%. With the high temperatures this weekend there is a possibility of running short on water. Currently the new filter pond is sitting still because there is no water to spare for the pond at this time.

Frank – the weather this weekend should be in the 100s, welcome to Arizona

Colclesser – that means sales are even going to be less, Frank

Frank – filter two not getting any water

Hargens – what about posting notices to conserve water because we really haven’t had to go to that in the past, but if we’re right on the edge maybe it’s just enough to not start the restrictions.

Basically informing people to conserve water whenever possible, don't wash your vehicle, don't water the lawn nearly as much, just to see what happens

Frank – in the process, water lawns early mornings or late evenings. Cascade utilities drops 30 pounds in a 10" main when there sprinklers are on. Plus the school is not losing 30,000 gallons a day anymore.

Spoke about this in winter when folks keep their faucets running to keep from freezing.

Freund – lots of little users equal a big user

*Leaks repaired* – Leaks were repaired on the Historic Columbia River Highway, Smith road and on the North Fork intake road. The leak on the 10" main on the Historic Columbia River Highway was a challenge for staff. The records indicated the main was 4' deep and it was actually 7' deep. The lateral used to supply the fire hydrant was all flanged and leaking. The water was off for a total of 4 hours and the repair took a total of 14 hours to complete. All major users were notified and the phone message was changed to notify customers.

*Water Treatment Plant* – The Treatment Plant is functioning well and water quality is excellent. The flow at the South Fork intake is so low it will not reach the intake basin. The flow at the North Fork intake is 40% of normal and the temperature has risen which means this is not a temporary drop in flow. The demand from the community during the hot weather exceeded the flow capabilities of the Treatment Plant. With the current North Fork intake flow the District is only able to run a max of 860 gpm through the Treatment Plant and the community demand reached 1400 gpm.

Water is in short supply this year and Frank believes that reduced water use may become a requirement. Notices asking folks to conserve water will be posted in the community.

Based on future weather patterns, historic data and field observation, Frank believes the Corbett Water District must act soon to secure an alternative water source. At this time consideration must be given to limiting any new customer hook-ups to the system until source issues can be taken care of.

Frank spoke about a beaver being stuck in the strainer. Frank does not know how the beaver made it through a 10" mechanical flow meter, there was no other way the beaver could have entered into the pipe. Both intakes have screens that are in good shape and locked off.

Frank – cost of delivering the chemicals

Freund – charge for going clear up there or for the delivery

Hargens – I think a lot of the are petroleum based chemicals

Frank – sodium is not, but there is a lot of energy used to produce it

Freund – I was just wondering if the charges were for having to go up the mountain and Donahue, could it be dropped off at the District because the district goes up there everyday

Frank – would require hazmat license to transport it and they would still charge us

Hargens – also start budgeting for those fuel related products

Frank – PVC

Hargens – something you're going to have to look at, fuel prices are expected at \$4.00 this summer, so it would affect everything

Frank –reduced chlorine usage, but still use it and it's a required component

Frank – beaver in strainer, through a 10” mechanical  
Hargens – it spun a round a little bit  
Frank – it won’t fit through a 2” pipe  
Hargens – is there water around it  
Frank – no, because of the flow its like trying to suck a pea through a straw  
Hargens – was it dead  
Frank – yes, funny Zac just about flipped seeing the beaver sticking out, no way it could have gotten in from the south Fork because its off and screened, and no way it could have gotten through from the North Fork because its also screened unless he could squeeze himself down to ninety thousandths to fit through the screen  
Freund – we’ve replaced those screens  
Frank – we have cleaned the old screen and modified them  
Freund – anyway he could have wiggled around the screens  
Frank – no, that’s what they thought  
Gaughan – there’s no place he could have walked to and got in  
Frank – we can’t figure it out, the guards are locked to the screens and the locks aren’t cut  
Freund – how many keys are out  
Frank - they would have to know how to do it, it’s a 2 hour drop for those screens  
Gaughan – a little more than a prank  
Hargens – when you say ninety thousandths what does that refer to  
Frank – opening of the screen – ninety thousandths of a square inch or pretty close to a sixteenth of an inch of a square  
Colclessner – three thirty seconds  
Frank – At the strainer the PSI is 70, and the beaver didn’t stand a chance  
Frank – always looking to the future, for water availability  
Freund – you’ve alluded sometime ago about snow pack, water that’s not rain water, and it kind of plays out as exactly as you said, last year was a low snow pack, by the time it migrates to wherever it goes to get there it was that delay factor, so then they talk about a higher snow pack this year but it ain’t here yet, maybe it will be here next year  
Frank – we need the gradual melt and not the current fast melting. When it melts fast it does not permeate the ground it goes to Bull Run  
Gaughan – they’d probably notice us putting a pipe over there  
Frank – are intakes are not far from Bull Run, we share the same watershed  
Frank – we are going to have to ask folks to curtail there water use, next we will have to limit new installs. There is a need for an alternate water source. Problem is were to tap in a well because you’d be tapping into the same aquifer  
Gaughan – get a pump and pump the Columbia

### **Correspondence.**

Freund – correspondence, do you have any correspondence Jamie  
Jamie – the I-deposit review document  
Freund- we’re in the second cycle of the two billing cycles  
Hargens – doesn’t sound like its going to good  
Jamie – Colclessner had asked for a more in-depth review so this is was what staff came up with  
Frank – have you talked with the bank  
Jamie – has talked with Leslie on a few items. The system is getting better, and staff is getting quicker but there are still a few problems, and it takes extra time

Freund – that’s why it’s on trial for two billing cycles to see where we are at and I think that really comes up next month

Hargens – is two cycles going to be enough to give it a fair try. The only thing I look at is we are going to have increasing fuel expense and now maybe, everything I’ve read so far, I’ve gotten the idea that you guys don’t like it, but its going to get more expensive to make more and more trips to the bank. I think its really worth trying, I don’t think anybody on the Board is trying to make anybody’s job more difficult, we’re just trying something that may work or may not, but you have to give things, especially with increasing expenses a try.

Colclessner – this District has drugged its feet sort of getting into technology

Hargens - I have too

Colclessner – at Freight Liner if we didn’t have the tools or the equipment for the machines you don’t compete with the other truckers

Jamie said that I-Depositing took a lot of additional staff time because it added another step to the depositing process; however, in the month that bills are not sent out it does save some times, because only a few checks are being deposited into the system on a daily basis.

Gaughan – I’m wondering now, every time I go to the bank and make a deposit, I have to stand there while they put, and the same machine you’ve got in the office, Wells Fargo runs their checks through it, if you have a 100 checks do you have stand there with 100 check and wait for them

Frank – no, you just give it to them and they look at the deposit slip and counts the cash and gives you a receipt, if there’s a problem typically you know about it the next day

Gaughan – they go in the back room and start double checking, your figures to see if they compute and if they don’t they let you know.

Hargens – I guess something to think about is, it is going to be coming do when we should decide ... tape runs out and gets turned over

Freund – you brought it to me to start with to look at

Jamie – Leslie came to me and it was something new

Freund – Something that’s reasonable and if it helps the bottom line, and we weren’t even looking at escalating fuel cost when we started that, save the district money for the whole entire picture

Hargens – everything that’s new has a big learning curve

Freund- there is correspondence from Brian but maybe we want to hold that until we talk about Brian’s things, right because we did get something from him

### **Election of Officers.**

Freund – where are we, Item 5 election of officer. Customary to elect an officer the first meeting in July, as the outgoing chair I would like to take this opportunity to thank everyone for there help and support for this past year, thank you all and my suggestion for officers are chairman the needle pusher Bob Gaughan, vice-chair Marion Kirkham, secretary/treasurer Bob Colclessner. Are there any other nominations? I’ll entertain a motion

Gaughan – Do you want to do something Jeff

Hargens – no I’m doing just fine, I’m still learning, you’re doing such a great job

Freund – That’s why I thought I’d give you a little more time to learn things

Hargens – give me a couple years

Freund – it helps before you get stuck in the hot seat

Freund – with no other nominations I’ll entertain the motion

Hargens – I make the motion that we nominate Bob chairman, Marion vice chairman and Bob still treasurer and secretary



Hargens – do I need to second it too, I guess they're bashful their all getting nominated, do you feel like you're moving up

Freund – I'll second it, those in favor?

Freund, Gaughan, Hargens, Kirkham, Colclessner – aye

Hargens – I guess we should have asked if you wanted the job

Gaughan – there is no asking about it. Here you better practice I have a feeling I'm going to get sick a lot

Freund – here its all yours

Hargens – does that mean the meetings going to go a little quicker?

Gaughan – okay, lets move to item 11 let's adjourn the meeting

Gaughan – tonight I have to start

Colclessner – yes

Gaughan – oh my god

Freund – you mean you weren't ready for that

Gaughan – no, I read that and I thought it wouldn't take effect tonight

Freund – that's why you brought the brownies. It was a bribe

### **Lee-Pace Engineering Review of Payment for Services.**

Gaughan – move on to Lee Engineering, what to do we have here Frank, is this his report? Or is he trying to get us to pay?

Frank – one is his report, one is his response to

Gaughan - itemized billing

Freund – those little emails that went back and forth. You recall when we were in the office, and Frank

said he hadn't heard anything yet and

Gaughan - and now we've heard something.

Freund - suggested I contact him. So I said the board has requested through Frank the time sheet breakdown for the invoiced that have not paid. CWD has patiently waited several months for a response while the status remained on hold pending request of submittal. Brian responded it was the first time he had heard about it. He requested a receipt for timesheet frank has asked several questions. I will ask my accountant to prepare. He sent it to accountant and myself...I saw he hadn't sent it to Frank, which I thought it was odd, so I sent it to Frank. Frank said he'd have Jamie find it in the minutes. We know it's in the minutes, Frank. That isn't the issue. The issue is in the response he made to me and the fact he didn't respond to you. And he still didn't respond with what was asked for.

Frank – It's still not what the board requested. Which was a breakdown of how he came up with those numbers. I have all this stuff already. We'd just like to know why you have 9 people employed for a month where you did nothing.

Freund - So he's broken down some items and the rates and it's tied to a project number. But what did he do? That's what we're asking. He doesn't spell it out

Frank – Yes he needs to spell out what Phil Beverly did for 32.5 hours. Mark Nelson for 5 hours...for what?

Freund – the only thing I see a breakdown for is for travel and mileage

Frank – questioned why Douglas Baumgartner budget was moved from him budget to Nancy Zelnek. Then it was moved again between employees, none of whom came out to inspect the TP.

Gaughan – how much do we owe if they don't do another thing for us?

Frank – 22509.28 and the money is held aside. This isn't the first occasion that this has happened.

Freund – What would you do Jeff?

Hargens – I would get the breakdown. I wouldn't pay them until you get it. Especially when you don't know what they've been doing. And who the people are who've been working on it. Are they actually working for you or have they gone over budget on another contract and needed a place to bill it because that's what an engineering firm needs to do. It happens a lot. They should tell you exactly what they've been working on.

Freund - That's been our suspicion.

Colclessner – I have a problem with them going over budget without coming to the board and telling them first and the board authorizing the overage like a change order or something else.

Frank – If you remember, his response to that was it was in the contract.

Gaughan – contract went up so we spent more money so normal is 25%

Frank – quit playing games, explained why it was billed

Gaughan – the board wants an itemized bill

Colclessner – I think the best answer is you were elected chairman and Frank needs to notify them and uh then Frank write a letter and both of you sign it.

Gaughan – right, saying we want to know what these guys did for that time. What were they working on?

Colclessner - chairman of the board and the manager

Gaughan – Can I get new business cards, so I can hand them out. (Have a good laugh)

Colclessner – If I print them you can

Hargens – You can put on there anything you want

Colclessner – That will make one more letter than from the board and the manager.

Gaughan Did you make it a motion Bob. I'll second it.

Colclessner – Make it a motion, Jamie.

Gaughan seconds it. I'll sign it. Shall we call a vote?

Vote ayes unanimous.

### **Revolving Loan Fund Status.**

Freund – Just a second, before we leave Lee,

Gaughan – already gone

Freund - I apologize, I didn't go back to see if this number changed.

His monthly report...his tallies.

Frank – No.

Gaughan – he'll just charge us 150 for another

Freund - I know

Jamie – how did you get the monthly report?

Frank – I gave it to you to put in the packet

Jamie – Oh it's the one from the beginning of the month. I thought it was an additional one.

Colclessner – Yeah you put it in the pack.

Freund – That's alright it's just one of those nagging things, that we've kind of noticed the numbers keep crawling if you will. we don't see any results, any products. Is that the right word Jeff?

Freund – yeah okay alright yes, Bob, I'll move on.

Gaughan – give us that report

Freund – Good news, contract has approved by the assistant attorney general. I expect he will have a contract from us shortly.

Jamie – this week

Freund – no

Jamie – I talked to her yesterday

Freund – I talked to her today. The person who is finalizing the contract is out of the office this week. So will need to see if there's a backup. Otherwise it will not be finalized for another week or more. When I get a PDF version I will email it. She sent sample documents and a sample resolution so we know what to expect to sign and its close. We have to doctor it a little. However the conversation today yeah um I think the bottom line is Frank you can do some hard planning.

Frank – I know, I have been

Freund – you can do some real hard planning

Frank – I have been

Freund – you can do hard planning

Frank – I have been

Freund – Can't spend money yet.

Frank – I know

Freund - She's hopeful in two weeks. She'd like to have it at the end of this month, but I really think that's squeezing because there's some internal problems, like Bob alluded to. It's not a clean up front start from scratch loan instead it's a reimbursement from money we spent. So they will send us the old promissory note and we'll sign a new one for the total amount. It's still not straight forward because we've already made some loan payments and it doesn't fit the run of the mill, plug it in the computer amortization. The numbers have been tweaked a little so we don't know the actual dollar. And I hadn't realized it had been modified five times. The only things that had been modified were the description. It still was titled reservoir and the description was including the Headworks and the upgrade the pond and so forth. The project didn't start as we originally thought so the end date was extended. That's where the modification came from. They're thinking of going back to square one with the original title, and go from there. The monies have been approved, but they have to go through the internal hoops so to speak.

Gaughan – The state has the money?

Freund – The money's there. That was the other thing she mentioned to me yesterday. On the computer, you weren't there. But that's because you were so far down the line that you didn't show up. But the monies there and has been approved. And oh and 4.09% or less. There's a chance they might tweak it a little. It won't be more than it was originally.

Hargens – So maybe under your projects list you might, since we are trying to conserve, is look at some of them that may help. Just a thought. It might change your mind in a couple of them on the priority list.

Colclessor – Christensen and Knieriem are

Gaughan – Christensen and Nielsen are leaking like a sieve.

Hargens – since we don't have water to loose, so it might be something to think about

Colclessor – are there many leaks like last year where you did that sucker thing and went out and fixed a bunch of leaks?

Frank – right now leaks are Smith Road, a bad piece of 2" pipe, like Christensen. We just fixed one there.

Most of the stuff we're dealing with right now is strictly maintenance issues. As far as leaks we haven't had that many in the mains. It's in the surface lines. Knieriem that was, Littlepage that was surface lines that go everywhere. I have a feeling that we'll have problems right around the school there on those hydrants because they're all done the same way, straight up, flanged, and people like to park their cars on hydrants, you know, when they have a few too many to drink. When you have a flanged hydrant, it's not going to give very well. Even if you have them traffic flanged and a pad around them, they still move down in the ground. And a flange is a solid joint and don't give....well, it does, it's the pipe that gives. But we have several areas to deal with. Christensen is definitely one. Res. 4 is definitely one because we have to overflow it to keep water coming to the

community. Within an hour the flow can change down here and that reservoir will drop about 10 feet. To both reservoirs that's like res. 4 is 350,000 gallons and I mean, it just goes. This weekend all we can do is turn throttle station wide open and cross our fingers. If nobody uses water, it's going to overflow. We have to run up and down with the vehicles which is fuel costs to constantly tweak it. It's a big water loss one, especially these times. There's Christensen and I'm going to try once again to get the person there on Nielsen to co-operate. If not, then it will be scenic review and odot and everything else. We'll move the main and then he'll have to pay to hook up the meter. I have plans and now that I know money is here, I'll start squeezing on the suppliers.

Colclessor – Res. #4 once you get that finished up you'll have an altitude valve on that

Frank – it controls itself

Colclessor – but right now, there's no way to control it, just kind of overflows.

Frank – Res. 5 Loudon res. Before it was throttled with a valve, we worked 55 hours straight to find there was a valve 4 feet down that was stuck and held it at 10 feet. But the demand from the community pulled it past what the valve could supply and sucked the tank dry, so district paid for an altitude valve which left it wide open. It was like it was never there and its functioning perfectly, that reservoir's at 29' like clock work

Colclessor - the reason that it didn't run out before was because that PRV was froze shut down there, so they weren't demanding that much water, so once you cleaned that up and got Mershon fixed right, it wasn't back feeding

Frank – It actually crosses down there just below O'Regan, it goes down and feeds into Rickert

Hargens – that's my driveway, down to Rickert, it goes down a 4" line and up the hill

Frank – pressure reducing station at the top

Hargens – down off of Rickert, you pretty much almost have to have one down there because it has a lot of pressure

Colclessor – end of Rickert just before the split in the gravel

Hargens – that's Frank Windust's place if you go up and to the left that's our house

Frank – Go left all the way up to the top, ends up at a house under the power lines

Hargens – that's the Andersons

Frank – there's a pressure reducer

Gaughan – well, are we ready

Hargens – we're ready, we were just talking

Gaughan – its good information here and I think we're beating a horse.

### **Public Comment on Items Not Listed on the Agenda.**

Gaughan – item 8 public comment, Dan do you got any comments, you're the only public

Dan Marsh asked about the status of the new filter pond. Frank said it was off line and sitting still. The pond will be off until sometime in October or November when water could be spared to season the pond.

Hargens – so you don't have enough water to utilize it

Frank – yes

Hargens – don't have enough incoming water coming in

Dan asked what the gallons leaked per day this year versus last year. Frank said there was approximately 30% water loss this year but he did not have the necessary data on hand to calculate the exact gallons lost.

Colclesser – 37% is what you said last year

Dan asked if it would be feasible to use the I-Deposit check scan system in the slower payment processing months and to take the checks to the bank on the heavier check processing months. Jamie said she could do it that way, but West Coast Bank would charge a fee per check deposited physically at their Bank.

Hargens – maybe we can find that out when we look at whether we are going to keep it or not. That's a good idea to know if we can on that one particular day

Dan asked about the procedures for public comment when the comment pertained to an Agenda item. The Board felt that with the extremely small audience attendance it would be okay for the public to comment on Agenda items at the time they were being discussed.

Gaughan – if there is 10 people I wouldn't want. But if it appears to be a pertinent point I wouldn't want, if you feel it's a pertinent to the discussion and its good information, ya I would probably welcome your input at the time. If you're going to ask a question as to why we are even discussing it, well then I probably wouldn't want you to

Freund – you'd probably want him to raise his hand to comment

Colclesser – just one person its not that big of a deal its when you get several people

Gaughan - and once you let that one person talk pretty soon its eleven a clock and they all go home and we are on number two

Gaughan – okay, we are going to have to read this statement to go into executive session to finish Frank's review

Colclesser – you have 9 yet

Gaughan – I'm sorry

Colclesser – he's jumping the gun

Gaughan – I missed 9, I wrote over it and it just blended in

### **Unfinished Items for Board Consideration.**

Gaughan – item 9 unfinished items for board consideration, I'm sorry guys. Is there any unfinished business?

Colclesser - policy and procedures section 9

Gaughan – yes. Pager and COLA we added too, I just wanted to get out of here guys, we don't want to be here at 11:45 again. Okay, board policy and that's this thing you just gave us right

Colclesser & Freund – No

Gaughan – you're talking about the thing we adopted

Colclesser – section 9, you got section 9 Malcolm

Freund – SDAO

Gaughan – that's the thing we adopted once before, you just wanted to make sure we did it

Freund – no, we adopted the policy except for section 9, because section 9 we were cross ways because Dennis led us down the path which was incorrect.

Freund- what you have is SDAO's response and they are saying to add that there to our resolution and that makes our resolution correct. But you'll note that says appendix A. Appendix A they supplied a sample, which was a fire department but LuAnn said it was a very good example and if we just massage it and modify it for CWD that we would be in good shape and I think that we would look at Frank to see if he sees a problem in other then just changing the names

Frank – no problem with the document, but he does have a problem with there already being adopted a set of model rules

Freund – right

Frank – question is how do these conflict?

Freund – all I can say is that came from LuAnn and that's kind of our drummer

Frank – the rules have changed

Freund – yes. This refers to the modified rules.

Frank – needs to talk to Andy Jordan

Freund – item 3 talks about the model rules and it behooves us to talk review it make sure we are up to date. Which she didn't say go for that, just add number 2 and adopt. But number 2 refers to exhibit A, which the rest of this refers to exhibit A. it looks reasonable and all it does is say go back and go according to ORS, check with ORS on all this stuff and doesn't that follow the model rules

Frank – wants to make sure, since the Board has already adopted model rules and adopting another set, check on any legal conflict

Hargens – you can't have both you can only have one

Freund – the one we had originally broke it down into all kinds of categories this one is more streamline, instead of saying between 5&10 ..., it says up to five and then jumps up to 25, the rules are still the same, because even the old one had it broken down into chunks, when you read them it basically repeated the same thing over, you did do a good job finding the best bidder, if you don't get formal bids you still log the bids, this just kind of scrunches it together and makes it more streamline. At least that's the way I read it

Hargens – aren't we just adding this section to it

Freund – Jeff, to give you a tad bit of background, that second paragraph, we had that it and out about three times because our previous auditor said that's what we needed

Colclesser- and he wrote it up

Freund – there was no exhibit A so it was kind of crazy and then LuAnn said it was all wrong, he told you wrong and he also told you it wasn't 5,000 you could go to 10,000 which was absolutely contrary to law and so we said wait a minute and backed off and we removed that and we said we were just going with paragraph one, and that's were we kind of tread water until we got squared away with the second paragraph. LuAnn was trying to help us with the document to give us the package to move forward with the second paragraph

Colclesser – I have no problem Malcolm if he would check with Andy Jordan

Gaughan & Freund – right

Colclesser – and make sure we are clear on that

Freund – that's why it came up now out of the blue, its been hanging for a while and we want it resolved

*Personnel Manual.*

Colclesser – now personnel policy and procedures

Freund – incidentally, I noticed you were looking at, I guess that was in correspondence I'm sorry. I guess those little folders you were looking at was from other districts

Frank – yes

Freund – everybody has a copy of it, its informational stuff because we're going to be talking about it rules and regulations hopefully in the not to distant future

Frank – yes

Freund – and that gives you some thoughts and ideas from other Districts

Colclesser – lighten up your loan for poor payers and heavy fees

Freund – excuse me, moving right along, Bob

Gaughan – so what do we have left

Colclesser – personnel manual

Gaughan – and we have pager and COLA

Freund – this is from Deb

Colclessner – this is the answer to her comments

Freund – she had a lot of places in there where she said comment or question and we tried to resolve those the best of our abilities, that was received in June for copies of each of you to review, I'm sure you did that. Colclessner and I reviewed this again a second time with a little more appreciation how to read the comments that Deb made and she did some rearranging which at first go was kind of confusing because we couldn't find the reference with SDAO

Colclessner – she changed the language

Freund- she shifted, she took the things that she thought fit together, with our research we really found that everything in this document is SDAO stuff its just located in a little different place

Colclessner – it was also Fire district stuff that we had to adjust to water district

Freund – there was one thing we found that was a fire district item that we scrapped cause it didn't apply. So, basically since this was SDAO material we feel a formal review by SDAO is not required for adoption a copy however would be sent to SDAO when these modifications have been done so they have a final copy as of to date, not to say its final for ever. I hope we modify it and some board modifies it before 10 years go by, or 11 like the past one. In line with our goal with having things in place for the new budget year, I'd like to move to adopt this CWD personnel policy and procedures with these modifications noted affective July 1 2006

Kirkham – should we wait until Frank contacts council

Freund – that's another item

Gaughan - this is policy and procedures

Freund – that's the contract

Kirkham – okay

Gaughan – just changed a couple of things around looks worse then what it really is

Freund – it looks worse, primarily what this is, is picking up a few of Deb's notes that we felt were really good, she's excellent at what she does and she's worked in the government and private and public sectors. She had a good business head and what we tried to pick out was some of her comments that were really important, and I have to say my own view I think some of her ideas are better then some of SDAO's she has some comments in there that keep you out of trouble

Colclessner – I think she corrected where we didn't understand fire district

Freund – there were little words in there that were inflammatory and she pointed that out. Thank you very much, so, that's pretty much what this is all about the one question we did not answer that's missing on here is right in the middle of the first page 20 verify life insurance, Jamie does frank have life insurance

Jamie & Frank – no

Freund - I wasn't sure and that's why we got that question, because that was one thing we couldn't answer with ourselves or with Deb and she had questioned it

Colclessner – its not with the medical insurance

Frank – no

Freund – if you would change that note, that item to remove life insurance from that item I, its on the disc

Jamie – does not have this information

Colclessner – well you made up the copies

Jamie – I printed the copies, but I didn't now I was suppose to keep it

Colclessner – oh, you burned them

Jamie – no, you brought in the disk and I made the copies

Colclessner – I don't have the disk

Freund – anyways, life insurance changes

Colclessner – my copy was 60 some pages

Jamie – you brought it to me on a CD

Colclessner – she copied it from their CD and made the changes

Freund – she said she brought you the CD, and brought the CD to Jamie to make copies

Colclessner – would you check Jamie

Jamie – yes

Freund – what we tried to do here is walk through by page and item, if you can't follow it give us a holler

Jamie – okay, not a problem

Colclessner- do we want to have a workshop on some of this its pretty much done

Freund – if the board is acceptable of what you and I did, it's pretty much done until we see an area that needs addressed

Gaughan – basically didn't we already adopt this policy, its already been adopted

Colclessner – a rough draft

Gaughan – okay now we need to adopt the final with these changes

Freund - yes

Gaughan – do we have a motion on that

Freund – yes I made a motion but it hasn't been seconded

Hargens – I'd second it

Gaughan – motion seconded, have a vote

Vote ayes unanimous.

Gaughan – unanimous, hopefully we find the disk so we can print and do it

Freund – we need to look at, hopefully we never have to look at it, but it was a question of payment for something, if you get into a health issue, or a drug issue, or something like that paying

Gaughan- paying for the cure

Freund - paying, for whether the first individual pays or it's a shared pay that's a decision the boards going to have to make down the road it is not defined in here, but it was one of her little notes, if ultimately you needed to decide and we said well at this point lets just go and we don't have any issues pending and we hope we don't have any issues pending for a little while but its something that needs to be addressed someday, so that its in a document

Gaughan – are we too small, isn't there a law that you have to have so many employees you have to provide rehabilitation

Freund – family leave law and we are too small

Colclessner – 25 on some or 15

Freund – we went over that this afternoon

(Everybody talking over the top, but every body is saying we are too small)

Colclessner – helping somebody with a problem in drugs or alcohol or something else

Gaughan – I know, working at Xerox if they were going to fire someone everybody got a drug problem immediately, they had to rehabilitate them

Freund – well they saw you shooting all the time and they wanted in on the action

Gaughan – they never fired me, they paid me to go away

Gaughan – that's what I'm working on here, to get paid leave this job

Colclessner – basically all that kind of stuff for 15 or more employees we just didn't even put it in

Gaughan – right, we have some stuff here on pager and COLA guys and its 9:00. What do we have on pager and COLA other then my question on pager and we answered that. I know what COLA is we are planning on implementing that I believe this year

Colclessner – yes

Gaughan – who has the discussion point, talk points



Colclessner – Malcolm and me sort of sat down and did some figuring we went and used the old standard they used before and Malcolm do you have those figures

Freund – are we talking pager

Colclessner – no, COLA

Freund – no I don't have the numbers in front of me, but I think we came up with \$.65 an hour as the COLA, when we used the COLA formulas and that would be everybody, not frank.

Gaughan – the boss don't get that

Freund – no, he's salaried, that was 4.5%, in that ball park so it's the board's decision to discuss if that's appropriate or if you look at something else, some folks are saying they only give them half the COLA. I mean that, I think it comes back to what money we got, what can we afford and

Gaughan – remembering we didn't give them any last year

Freund – right, consideration

Gaughan – I've heard some stuff, but not about pager pay you're talking about giving them COLA, and Frank's talking about doing away with pager pay anyway, you're going to start carrying the phone or is that a miss understanding, Frank?

Frank – right now, he hasn't dealt with it and honestly, with the money coming up and the work that has to be done I don't have time to do it, its something that gets dealt with in the down time.

Discussion on pager pay was tying that into the hourly wage, that was were it was left at the budget committee. Dave Mysinger had some ideas and Barb Adams

Gaughan – and Jeff had some ideas

Hargens – I can't remember

Gaughan – you were thinking to give up your life that a dollar something an hour wasn't much money for that week. I've heard all kinds of things, people want to put it in the pay and make it a pay thing instead of a pager pay so, then nobody gets it

Colclessner – I was hoping the system was in good enough shape where there wouldn't be much pages and the guys would get overtime when they go out like any other job

Freund – when you go out you get paid for it, you go out and get overtime for it

Frank – they do now

Hargens – but do you need someone in the district area 24 hours a day because that's what you're asking someone to do, either that or they could all be camping together in Eastern Oregon at the same time.

Freund – the way Frank was setting it up with the phone system was that everything would go to him

Colclessner – with the phone system, they would come to him and he'd get a hold of somebody

Freund – that seems like that makes a lot of sense cause he's the manager and he should know what's going on so he should get the call and decide, do I need to call out the whole nation guard because the system going off like old faithful or is this something I can go up and tweak a valve or call one of the guys go tweak a valve or whatever. Asses the

Hargens – but what do you do when he's gone

Freund – well, with that phone system he's never gone, that was the point with the Nextel phone system. Correct Frank?

Frank – yes, but the one thing you're going to have is

Freund – you know what's going on because you're getting the calls

Frank – you're going to have to have an employee, besides myself, if I'm not in the area there is going to have to be an employee on call, so that's essentially a pager pay issue, there is so many routes to go, I just haven't, right now I don't have the time to come with this is hard cold how we are going to do it. I can tell you the way it was done my other water district. You were handed a phone, the boss would ask if you were available this weekend if you were okay then you got the

phone and you were on call, you got paid 8 hours on Saturday and 8 hours Sunday and if you got called out then you got overtime. You didn't get called out much but that was pretty much how they did it

Gaughan – they got 8 hours of straight time

Frank – yes

Gaughan – assuming they didn't work

Frank – yes. Just for having the phone strapped to you. You have to be within 15 minutes of the service center, so we are going to pay you to have that cell phone strapped to and keeping you around here and if you get called out we are going to pay you overtime because now you've already worked your 40 hours, the Union wouldn't allow them to take 8 hours off Friday and you work 8 hours Saturday and Sunday. They had to pay a full 8 hours Saturday and a full 8 hours on Sunday and if you got called out you got paid OT, there are so many different ways

Freund – Deschutes water districts they get paid when they get called out and they have X number of available bodies available on the crew and it rotates so their concept is that it doesn't make an overburden on one person or two people, they all rotate and take their turn and the only pay they get is if they get a call out, they consider it a part of the job

Frank – agreed

Freund- what they expected when they took the job it was part of it

Gaughan – Jeff what were you going to say

Freund – there was another water district Southern Oregon that I went to, it seemed like they gave them 4 hours that they paid on the weekend, required to go to ....(tape ends) cont. That's 2 in Oregon I can go into Iowa. I didn't find any that paid extra, basically they got paid for going out Hargens – do you know how I would look at that. I would look at it as I'm available for the hours when I'm off duty I would be available to work on a main break if I was around

Colclessner – right, that what

Hargens – that's how I'd view it but that's not exactly what it says, it makes very confusing so I don't think you could really hold anybody's hand in the fire that you want them here 24 hours a day and they can't have a life of their own

Colclessner – no and that's not what this means, this is what Frank made up and the employees

Hargens – right, and I understand that, but I think it's just the way you're looking, the way people view it

Colclessner – well, I'll tell ya, our pager pay, to me is a very poor waste of funds for the District I think they could much better used and I think there is a better way to do it then the way they did.

They ran that pager pay way up so high with the last crew and they shouldn't be going out that much Frank said what a couple calls a month now

Frank – customer calls typically 2-5 calls a month. Most of the calls we are getting right now are from the TP, no matter what you have to respond to that

Colclessner- and they get paid for that don't they

Frank – its 2 hours automatic

Colclessner – automatic 2 hours and so we just keep adding another \$160 a week on top of that and to me we're not, it's not a good investment for our, we have a lot of work to do, to me it's a poor investment of our money so that's my opinion. Right here they wrote right in here that they would be available on weekends and holidays and I interpret it just like you do if their gone on vacation or take a trip and they are not here so they can't work so that's why the manager should have someone else on call outside of the district or something to that he can work with to handle those problems. I was really sad when we put that pager pay in cause it was always the superintendent who took those calls and he would call people that's the way it always was and to me, and I thought it was coming out of overtime, in fact in the minutes it says it would be overtime. That's where the money was

coming from, we didn't have to set aside any special money when that came in. That's my opinion of it. I think the money for pager pay, for no more calls than they should get, and it should be getting better as we get into improving this district.

Freund – can you hear what's going on?

Marion – sure

Freund - Okay. Just checking, with those new ears.

Gaughan – I don't know where we're going with that, but I don't think we're going to settle it tonight.

Colclesser – Well, we wanted to get this new budget year and get started on all the district, have everything like we've been talking about this how long, Frank, we've talked about it? Can you give us an idée more per hour and stuff?

Freund - About as long as you've been here.

Frank – Yeah, and before that.

Gaughan – If you're going to ask somebody to hold the phone on weekends, you know, and you're not going to pay them, then the wage has got to be a little bit of compensation and you know, you got to make it look good enough if they get a call I think maybe it should be a 3 hour call out, even if it takes 15 minutes, but that's my opinion.

Hargens – That might be a way of doing it as you don't have the pager cost, but you when you do get the call, you make it worth their time.

Gaughan – Yes, A three hour minimum or something, you know, for standing by. The only restriction is that, you know, you can't have 26 hours of three hours in a 24 hour period.

Hargens – What kind of calls do you get? Do you get...do you have to go out and look at something or tweak something at the....

Frank – typically, the kind of calls we get will be the chlorine pump's gassed up. Or if it's a customer call it will be I don't have any water or uh one recent one is county drove over a meter box, broke the meter, you know and that was after hours, so that's a pager call. And so, stuff like that.

Hargens – And so do they fix the meter? Or do they just shut it off

Frank – They fix it.

Hargens - and wait till the shift?

Frank - They go up there and fix it

Colclesser – Couldn't they shut it off, Frank? They'd be out of water...

Frank – If you shut it off, the question is do you want to be at the receiving end of the customer?

Hargens – So they actually have calls where they perform work, or they have the option of calling someone else to give them a hand if it takes more than one person.

Frank – right....yeah

Hargens – or call you if they have complications or something, right? So,

Frank – I'm always available so...and but typically most of the calls we get are from the treatment plant, you know and uh,

Colclesser – How can we resolve that, Frank?

Frank – Unfortunately, that's the nature of the treatment plant. Chlorine, sodium hypo chlorate, likes to go to gas. When it does that your positive displacement pump you get gas in it, it don't pump no more, you get that page, you have a limited amount of time to get up there. If you don't solve the problem, you're in violation.

Colclesser – How often does that happen?

Frank – oh god, for a while it was pretty nice, it wasn't happening at all. Lately, with this latest batch of chlorine, it's usually 2-3 times a week and up to 2 times in a weekend.

Colclesser – It is the chlorine, then?

Frank – oh yeah, it's how they manufacture it. I've engineered a degassing setup that works very well, but it can only expel so much gas. The gas of chlorine that we got is when they put it in a certain color barrel, it reacts with a barrel. You'll actually get barrels where they're bulged because it's gassing up in there. Yeah, unfortunately, it's sodium hypo chlorate for you.

Kirkham – does the manufacturer know that this exists, this problem?

Frank – oh yeah, and the people that deliver them don't care. Oh yeah, they've got people out there switching names on barrels, so it's you've got to watch it real close.

Freund – I would think they'd be concerned about the barrels.

Frank – Well,

Freund – getting fat.

Frank – Well, the people that deliver them don't care. I mean literally, they used to come in by Univar. They'd deliver it. Now it's shipped by Stewart Stiles, it's in their truck. And oh it's chlorine. They just slap it on their dolly and deliver it. They don't care.

Freund – They just go from point A to point B and deliver stuff.

Frank – Well they had, the latest delivery they had chlorine, ammonium sulfate, and some hydrochloric acid from a chip manufacturer, all in the same truck.

Gaughan – Good thing a barrel of diesel wasn't in there too. They'd be well on their way to

Frank – well, ammonia and chlorine cause caustic gas and you're dead, so

Freund and Gaughan – oh wow

Frank – Right now Univar is the only company that deals with the small guys. So I tried my hardest to find somebody to deal with us. They're the only ones. I gotta do what I gotta do. So, my suggestion is, we review the suggestions from the budget committee and come up with some ideas and hash them out.

Gaughan – My feeling is that if we take away the pager pay, we have to make it at least a little bit attractive. To ask a person to stand by, I mean, I'm sorry we're not going to pay at all and we expect you to work the next year for free. Well, no, I'm not going to do that.

Hargens – Refresh my memory, how much was the pager pay?

Gaughan - \$160 a week, isn't it?

Frank – yes

Hargens – And so you take turns weekly?

Frank – yes

Gaughan – Collecting \$160 a week, although Frank doesn't get it, do you?

Frank – No, I'm on call 24 hours a day, so ....

Hargens – so you're talking about getting called out once or twice a week?

Frank – um, typically,

Gaughan – you talked about twice on the weekend.

Frank – Typically, if the chlorine pump gives out it's usually on the weekend. Fourth of July they had to go up there twice.

Hargens - and they get paid overtime?

Frank – Two hours automatically

Freund – Frank doesn't get paid anything

Hargens – So basically you're eliminating the \$165 (editors note, misstated, actual is \$160) and adding another \$30 if you get called out once a week. If they get called out twice, it would be at least \$60.

Gaughan – On the weekends they get double, what do they get for Sunday?

Frank – Two hours plus overtime.

Hargens – So do the guys count on the \$165 or do they kind of think it's not much

Frank – Oh they actually count on it.

Hargens – Some want it more than others.

Colclessner – I'm sure they count on it because they've been gettin' it ever since they come to work. So, I mean, whose gonna turn down \$160 a week?

Freund – Well,

Frank – One of the suggestions I had was take the (Colclessner talking in the background...don't know what he's saying) \$160 and increase the hourly wage to match the \$160 per week and it's now part of your job. Pager pays gone, it's stuck to your side. You're getting the \$160 whether you carry it or not. It's part of your job, you're expected to do it. That's one of the other ways I've seen it done.

Gaughan – But we don't want to give \$160 to every employee.

Frank – yeah

Gaughan – You're only gonna , let's cut it in half,

Freund – You're only gonna wear it a third of the time, theoretically.

Kirkham – What if each one of them gets eighty dollars.

Hargens – but it doesn't save the district any money. You were looking at possibly eliminating it to save the district some money.

Colclessner – yeah

Hargens – By doing it like that, it doesn't save the district any money at all.

Kirkham – But isn't that part of the job? They hire on at the water district, isn't that part of the job?

Frank – Yes, you hire on at the water

Kirkham – to be called up.

Frank – yeah, it's just like the firemen

Kirkham – so why should you give them pager pay then?

Frank – I don't know, you know

Kirkham – just because it's in the past, they've had it, they expect it, but you said no other district you know of has pager pay.

Frank – Yeah, you don't get 160 bucks.

Kirkham – So why should this district keep paying that?

Hargens – what it is is a benefit that you've given the employees and now you're taking a benefit away. And when ever you take something away like that it creates hard feelings.

Gaughan – Right

Hargens – And it's something they've had, something they've known about, something they've learned to expect. So a benefit

Colclessner – So I say I'd like it to roll right back into their wages then (this part is said over what Jeff Hargens was saying, so it might be incorrect.), and readjust the wage step scale then.

Freund – Are you saying we don't give a fair wage? Is that where this is going?

Frank – No, it's

Colclessner – I think

Freund - The district is deficient on wages so

Frank – Basically what it is

Freund - it has to supplement the wages in order to be attractive to be a decent wage for the experience or years or whatever. You know how you

Frank – You almost have to look at it like you have a car you like you drive in Arizona. You have AC and you have your air conditioning taken away because somebody says that's polluting the atmosphere. The air conditioner you live with it, you need to have it someone takes it away and you're going to be upset. Now why can't I have my air conditioner. It's kind of the same thing. They've been paid pager pay. It's a benefit. A good example: That's what happened with the union deal. The employees were active because there were such radical changes. There were such hard

feelings. They were talking wage reductions and things, so they reacted that we're going to go union. So whenever you take a benefit away, you'll have a reaction to it. If you take the \$160 away per week, that's a benefit they were getting per week or \$320 for two weeks, and so forth. That money's now gone from their paycheck. That's a benefit. They don't see it as um well

Gaughan – they see it as a cut in pay

Frank – As a cut in pay. You're literally you've taken \$160 away from me.

Freund – You've taken my bonus away from me.

Frank – Exactly. You've taken the benefit.

Gaughan – I won't stand by anymore on weekends. You won't know where to find me.

Hargens – I think instead of changing the wage structure, I don't think I'd care for that. I'd keep the pager over the changed wage structure. I don't think they're really associated. I would almost just rather keep the pager system that it is or modify it differently. The wages, they've hired on for those wages and I believe them set.

Kirkham – Why should each one of them get \$160 a month when only one of them is on duty.

Hargens – I thought the \$160 per week only goes to the guy that's on duty. One guy may do it every week for a month, am I wrong?

Frank – The only person who gets the \$160 per week is the one who carries the pager.

Hargens – Right,

Kirkham – Oh, okay

Hargens – So if the guy wants to do it and is the only one that can do it three times that month, then he gets paid three times the \$160.

Frank – yeah

Kirkham – okay

Hargens – so it's fair that way, um,

Gaughan – yeah, that's what I see. It's fair because a lot of people won't do it. If I did it every week and you two don't why shouldn't I get paid? Why should you get the same amount of money and I

Freund – Because you're a nice guy.

Gaughan – I stand by.

Hargens – it's like being on call. If you're a doctor or nurse or stuff and you're on call, they do it by the hour, though. They get paid for on call, about \$3 an hour. If you're paid \$160 over a 7 day period, including the evening, it doesn't amount to a lot per hour.

Colclessner – If they go out twice in a week,

Hargens, Frank and Colclessner talked at the same time. The gist of Frank and Hargens conversation was that the additional pay would be \$1.25 per hour more pay to include pager pay into the hourly wage of the workers. Colclessner was talking about being paged twice in a week after hours and getting pager pay as well as the two hours minimum and coming up with \$220 extra that week.

Colclessner – plus their regular pay, which in my opinion is not bad pay. I look at this here. The teachers get \$9.00 to \$13.00 the food workers at the school. \$9 to \$13 where some of these others \$13 to \$19. I mean, these guys are in that ball park – they're not hurting. They're getting just about as good a wage as anybody out at Freightliner or them.

Freund – Do you think three hours overtime on a call out? Three hours overtime on a call out?

Colclessner – That would probably better than what we got.

Hargens – If you eliminated the pager and then have the three hour call out?

Freund – It seems that it would be more appropriate for actually going out

Colclessner – right

Freund – to go and do, to be called out and do a job. That seems to me like it would fit better. You would actually get wages for working. You get your pay for going out.

Colclessner – I'm thinking about the rules and regulations. I want to put in there people call and leave us leave that there's a fee that they're charged and pick up that call out for that guy.

Freund – if you get crank calls or there's not a problem, yeah.

Hargens – is there a way of monitoring the calls? Do you know when they get called out or...

Frank – the call would have to come to the superintendent or the manager and the manager would have to make that determination, but I can guarantee you that there will be some irate customers if you do that. It's real easy and right now, the crew if someone calls the emergency pager with a billing question, they don't charge the two hours for that, its call back during business hours and talk to the clerk. Sometimes they get a little upset if they do that because they want an answer now. But our practice is that.

Gaughan – I want a .....first.

Hargens – So when one of your workers has the pager during the week, do you know how many times he gets called out during that week?

Frank – During that week? They list it on the time sheet and typically, the average right now is about 3, last month was 4 in the month.

Hargens – So it's the honor system. They fill out their time card and put it on there.

Frank – Yeah it's listed on their time sheet. If you're called out, you have to list it on the time sheet.

Colclessner – So that would be \$640 a week or month for how many call outs you say.

Gaughan – 5

Frank – Typically, it's usually four

Hargens – so 4 times 3 is 12 hours times \$30 dollars an hour.

Hargens – I think overall the district will save money that way. My concern is will the guys carry the pager or will they, I mean

Colclessner – well, it's up to them. It's that much money a week. And their wages are not that bad and as they advance, they get better. I mean.... You can never

Freund – Before we belabor it all night, I just through out a motion to get something off dead center. I move that there be no separate pager pay. And we modify the call out to three hours.

Hargens – of overtime

Freund – overtime

Colclessner – overtime. If they're called out.

Freund – If they're called out, yeah. And like we're trying to do with everything else effective July 1 so we can do everything on a fiscal year basis. That was our goal was to try to get everything on the budget year. So we're together right?

Someone – right

Freund – so I guess that's my motion

Kirkham – I second it

Gaughan – Any discussion? I guess ?????? Motion's been made and seconded.

Colclessner – You got it Jamie?

Jamie – Yeah

Colclessner – You want to read it?

Jamie – Moved – Moved to separate pager pay and modify calls to three hours overtime effective July 1<sup>st</sup>.

Gaughan – Call for a vote

Freund – That's next.

Gaughan – Those for

3 Ayes Freund, Colclessner, Kirkham.

Gaughan – Those against – no Hargens, Gaughan. Laughter. I guess 3-2 carried it.

Freund – Well, at least we moved forward on something rather than talk about it for another hour.

Hargens – I'm not really against it. I just don't know how I feel about it yet.

Gaughan – Right, I'm the same way. And I wonder how it will affect the employees and their attitude

Hargens – It's a concern.

Gaughan – Right. I'd rather err on the side of keeping the employees happy.

Colclessner – I'd like to get into COLA

Freund – Can we move on?

Colclessner - Yep

Gaughan – To the COLA? Okay, let's discuss the COLA

Colclessner – Well, Malcolm looked back and found out that back in the older days, they took and added the employee's wages together. Then they took a percent of that and everybody got the same.

Gaughan – In hourly wage.

Freund – The same cents per dollar

Hargens – What's the COLA?

Three men answered, Gaughan was understandable

Gaughan – Cost of Living Adjustment

Hargens - Okay

Frank – which currently for Portland is 3.3%.

Colclessner – And we didn't give one last year.

Gaughan – Right, we didn't do it last year

Frank – Or the year before

Colclessner – We was just flat broke

Frank – So

Freund – So what were you proposing?

Colclessner – 4.5% comes up to 65 cents.

Gaughan – 4.5 huh?

Colclessner – if we figured right it was 65 cents.

Hargens – Is that for one year. So go back and tell me how you figured that, the 4.5.

Freund – Oh we added the wage. Oh, we didn't figure that. We took that from uh what did we take that from? That's what the COLA was.

Colclessner - Yeah

Gaughan – So, everybody

Freund – So everybody gets it yeah.

Gaughan – From the clerk to the board members, we each get 65 cents.

Colclessner – every step gets 65 here

Freund - yeah

Gaughan – So add 65 to our zero, we're still not getting a lot.

Freund – We get 65 now

Gaughan – Well that's true.

Hargens – So all hourly employees

Gaughan – all hourly employees

Hargens – is that correct?

Colclessner – Regular, part time and regular

Hargens – just basically an hourly employee



Colclessner – yep

Gaughan – effective July first.

Freund – effective July 1<sup>st</sup>, yeah. That was, that was our premise.

Colclessner – Yeah, we wanted to have everything try to be all done to start this budget year with.

Freund – We needed to get all things squared away with this budget year.

Hargens – I think that's fair.

Gaughan – Does anyone want to make a motion on?

Colclessner – I'll make a mo...go ahead

Kirkham – I'll make a motion on 4.5%.

Gaughan – or 65 cents an hour per the board?

Kirkham – right.

Gaughan – second?

Hargens – I have a clarification. Is it 65 cents an hour or is it 4.5% times their hourly rate?

Freund – OK. You're right. It's been moved and seconded, right?

Gaughan – no, it hasn't been seconded.

Freund – Oh.

Gaughan – It's been moved and a question came up.

Freund – OK, but you need to have it seconded or dropped before you discuss.

Gaughan - Oh

Hargens – I'd like to drop because I have a clar...I need to clarify something

Freund – I'll second it so we can move on. OK. The discussion. We took the hourly wage of each employee and

Colclessner – excluding Frank.

Freund – yeah, excluding Frank.

Hargens – all hourly right

Freund – all hourly and

Colclessner – added them together

Freund – added them together and divide by the number of employees, you get an average. Then you apply the percentage to that and you get the cents per dollar. I mean the dollars.

Gaughan – the dollars per hour

Colclessner – the cents per hour.

Freund – yeah and so then and then that cents per hour is applied back to everybody. Every hourly. And that is the formula that was in the district.

Hargens – that was the

Freund – the reason Jeff is what we talked about in the past. When you apply a percentage, you know with your people. The top ones go like that and the bottom ones go like this and it gets

Hargens – proportionately different. Right

Freund – Yeah. And so, I think the district years back come up with that equation, that methodology to uh

Hargens – to keep the steps equal

Freund – Yeah, yeah – To keep it more on an equal basis.

Hargens – OK. Great

Freund – That was a, the methodology that we applied.

Hargens – OK. Thank you

Freund – Do you understand?

Hargens - Yes.

Freund – OK Great.

Gaughan – So again, it's been motioned and seconded.  
Hargens – No it has not. We have to start over. It's been dropped.  
Freund – It's been motioned or moved and seconded.  
Colclessner – He seconded it.  
Hargens - OK  
Freund – So I could be able to discuss.  
Gaughan – So the discussions over  
Colclessner – What is the motion Jamie?  
Jamie – 65 COLA Across the board for hourly employees.  
Gaughan – right and it was seconded  
Freund – effective  
Jamie – July 1<sup>st</sup>  
Gaughan – right  
Hargens - 2006  
Gaughan – vote  
Unanimous ayes.  
Gaughan – I do have a feeling back on this 3 hour call out though. The thought occurred to me. I said it earlier but we didn't say anything.  
Freund – Is it possible to get 26 hours  
Gaughan – right. Let's say they get called 9, 12 times in a day. That's 36 hours. You can't do that, right?  
I mean, I think we should opt for 24 hours in a day. I mean, they shouldn't get paid for more than 24 hours a day is what I'm saying.  
Frank – well, one of the things is who's going to be accepting the calls. You didn't define that. You defined three hours a day  
Gaughan – three hour call out  
Frank – three hour call out, but  
Gaughan – to the person who has the ... I guess is what we were.  
Frank – I mean you know. You're going to have to say the person carrying this you're not allowed more than 12 or whatever, you know.  
Gaughan – well, you wouldn't be allowed more than 24.  
Frank – yeah.  
Gaughan – In a day. Because you can't.  
Freund – You can't have more than 24 hours.  
Gaughan – You can't work more than 24 hours.  
Frank – Yeah  
Gaughan – I s'pose  
Hargens – We probably should refine it and put a max on it. You're probably right.  
Freund – It's one of those glitches we could fall into  
Frank – Either way, it's not going to go over well.  
Gaughan – I know. But it was 3 against 2 so it carried.  
Freund – Do we need to put more definition in it?  
Gaughan – I think so. I think we need a little discussion in retrospect how we're implementing it, other than telling Frank to give them the bad news and that ought to go over like a lead balloon floating in a cloud. And the fact that we cannot you can't possibly work more than 24 hours in a day. I mean, there has to be a limit of callouts.  
Freund – I guess if you look historically like Frank said 4 or 5 a month, that's not an issue. But still it's that possibility, that glitch that could happen.

Gaughan – right. In essence,...

Hargens – If an area runs out of water, you're going to get 9 calls. If all of a sudden a city block runs out of water, you're going to get 9 calls.

Frank – I'll show you an answering machine that's smoking.

Hargens – It all depends on ....

Frank – It's, this is a real tough

Freund – This is a realistic number on there, I mean, 24 hours.

Hargens – You can't

Freund – When you say 24 hours at a maximum, is it realistic to say that someone is really going to work for 24 hours? Sometimes you gotta sleep don't ya? Everybody but Jeff. He's young.

Hargens - It's past my bedtime.

Gaughan – Mine too already, and we've gotta

Colclessler – There's gotta be an answer to it and I mean a to me the three hours callout pay time and a half

Gaughan – In essence in my mind it just seems in essence we're cutting their pay in half on the standby by doing that. It seems it will come out to about half what they got on their pager pay.

Freund – I guess I would like to trust to put faith in the people. And say, ride with it and if it's abused, then we have to address it. That's my thought.

Hargens – The only thing I don't like when it should have been part of the discussion before is and I just came up with it is...what if you don't get called out? And you've carried it all week for nothing and you've got zero, how inclined are you going to be to want to carry it next time?

Gaughan – Not very inclined.

Hargens – Not very inclined.

Freund – Part of the job.

Hargens- I understand it's part of the job, but it that's. You're right it's part of the job and then the next guy comes in bragging because he got 4 calls.

Gaughan – Been there done that.

Kirkham – But he's got to let us know what those 4 calls were.

Hargens – Right.

Kirkham – Was it just a customer that didn't have a problem. Was it their fault, the customer? Then we can address that why uh making up some policy.

Freund – Rules and regulations

Kirkham – Right. That would cover if they do that and it is at fault, then the customer has to pick up the overtime.

Frank – The way uh it's set up right now, the way it was approved is that, the only way for it to effectively work is you're going to have to have the manager is going to have to receive the calls and then the manager to have to dispatch the person. Because eventually the incentive to carry the pager is not there. The only incentive is that if the manager calls me, I'm going to get three hours of callout. But why do I want to carry the pager for a week. I'm not going to get paid for it. You know.

Freund – maybe the manager should carry it because the manager needs to know what's going on in the district. That's my thought.

Frank – So the way it been approved that's what's going to have to happen is somebody's going to have to....Either the person carrying the pager is going to have to do it or it's going to have to be deferred to the manager or one person that's designated to be the receiver of the calls. The person could dispatch.

Freund – Does the manager designate someone else.

Frank – Cuz the incentive to carry the pager is gone. The \$16 a day to carry the pager is gone. That's where I see it going.

Freund – I guess it bothers me that you think of it as an incentive to carry it.

Frank – It is. It's a benefit that's been taken away.

Freund – You know. When it's an incentive to do your job. I . . . somehow those words don't belong in the same sentence.

Gaughan – it's an incentive to do the job after hours. To me, that's

Frank – it's a form of overtime, per say.

Freund – well, they get overtime when they get called. That's what we upped the ante on. (I don't understand the rest.)

Gaughan – We've gotta kind of move on or we'll be here all night. I just hope we don't have employees looking for jobs. We've got a lot of training in there. If we lose an employee over that money, it's going to cost us a lot of money in the long run. And a lot of grief, but since it's been approved and carried, I think we should move on and go into the executive session. And we'll review Frank before we're all so tired that we can't remember why we wanted to talk to him.

Jamie,

Freund – You're the chairman, it's up to you to run the . . .

Gaughan – Pursuant to Oregon revised statute 192660.1, we're in the executive session to review the performance of an officer, employee or staff member pursuant to standards, criteria and policy you have adopted in an open meeting unless the person requested an open meeting. Performance of District Manager Frank Sterzinar

Gaughan – what do we do when we come out, just announce that we are come out

Freud – yeah

Colclessner – open the meeting up

Gaughan – open the meeting up we've been in executive session to discuss Frank Sterzinar's performance. We'd like to come out of executive session and take a vote on salary in a public meeting at 11:05 in the evening

Colclessner – I make a motion that Frank moves up to the 46,000 that was put in the budget for him

Gaughan – with the possibility, the other, are you going to mention the other stipulations, or

Freund or Kirkham – can't understand them

Gaughan – the motion has been made and seconded that Frank move to 46. All in favor?

Unanimous yes

Gaughan – unanimous

Gaughan – okay, what do we want

Colclessner - reopen

Gaughan – no, we don't have to reopen, we just forgot to declare that's effective July 1<sup>st</sup>, so I think we need to

Colclessner – modify the motion

Gaughan – modify the motion to effective July 1<sup>st</sup>

Freund – you're the motion maker

Colclessner – I make a motion that we bring Frank up to the 46,000 commencing July the first

Kirkham – I'll second that

Gaughan - the motion has been made and seconded. Have a vote, all those in favor

Unanimous yes

Gaughan – unanimous, which means we can go to step 11 and adjourn the meeting

With there being no other business Chairman Gaughan moved to adjourn. Meeting adjourned at 11:15 p.m.

