

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
July 21, 2009**

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

Staff present: James Jans, Shanti Kraai.

Audience members present: Dave Mysinger, Gordon Fulks, Malcolm Freund, Robert Colclessor (arrived at 7:40 p.m.), Tom Layton (arrived at 8:30 p.m.)

COMMISSIONERS OATH OF OFFICE

Commissioner Robert Gaughan and Robert Churnside read as follows: “I, **Robert** of Corbett, Oregon, a duly elected Commissioner of the Corbett Water District, do solemnly swear that I will support the Constitution of the State of Oregon, and the laws thereof and perform the duties as a Commissioner in said District honestly, fairly and to do the best of my ability, so help me God.” The paper retaining the oath was then signed and given to the district clerk to keep on file in the district office.

APPROVAL OF THE AGENDA

Robert Gaughan requested item 5, approval of the agenda, be switched with item 4, election of officers. **Victor Schmidt** would like to add former board member Marion Kirkham’s resignation as item 6a. **Robert Gaughan** made a motion to approve the agenda as modified, **Sonny Boyd** seconded, passed unanimously.

ELECTION OF OFFICERS

Sonny Boyd nominated Jeff Hargens to keep the position as chairman of the board. **Victor Schmidt** nominated Sonny Boyd for the position of chairman. **Sonny Boyd** states that he feels Jeff Hargens is the most suitable for chairman and has done a wonderful job so far, therefore he would like to decline the nomination of himself as chairman. **Sonny Boyd** made a motion to have Jeff Hargens stay in the position of chairman, **Robert Gaughan** seconded, passed unanimously. **Sonny Boyd** made a motion to have Victor Schmidt stay in the position of vice chairman, **Robert Gaughan** seconded, passed unanimously. **Victor Schmidt** made a motion to have Sonny Boyd stay in the position of secretary/treasurer, **Jeff Hargens** seconded, passed unanimously. Robert Gaughan and Robert Churnside will remain as commissioners. **Robert Gaughan** brought up the idea of changing the policy in order to allow all board members to sign checks due to issues of availability of board members. It was decided to discuss the issue at a future board meeting if the office is still running into an issue of unavailable check signers.

APPROVAL OF THE MINUTES

Sonny Boyd made a motion to approve the minutes of June 16, 2009 as written, **Robert Gaughan** seconded, passed unanimously.

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MARION KIRKHAM'S RESIGNATION

Victor Schmidt states he has spoken with Marion Kirkham regarding his resignation and was previously unaware of the reason he resigned. Victor Schmidt distributed copies of Marion Kirkham's resignation letter. In his resignation letter it states he was concerned with the direction the board was taking and could no longer serve as a member of the board. **Victor Schmidt** would like the Oregon Association of Water Utilities to submit their consultant review for confirmation the board is operating accurately. **Jeff Hargens** states that he feels the board is operating right and cannot find any logic in Marion Kirkham's views. He states the board members are trying to follow our rules and regulations to the best of their abilities. He will visit Marion Kirkham at a later date to speak with him about his concerns.

LEAK ADJUSTMENTS

2-1060-00: After reviewing this case the board did not see this as a hardship. It was noted that the standard leak adjustment that was issued made the bill less than the cost of water the prior year. **Victor Schmidt** made a motion to accept the standard adjustment that was issued with no additional adjustments to be made on this account, **Robert Gaughan** seconded, passed unanimously.

4-1985-00: After reviewing this account the board of directors viewed this case as a hardship. **Jeff Hargens** made a motion to issue an adjustment to the March/April billing cycle including the units from the leak into the average, making the units used during the leak reduced from 76 down to 32, **Robert Gaughan** seconded, passed unanimously.

LEAK ADJUSTMENTS: TIME LINE AND FREQUENCY

James Jans states customers are applying for leak adjustments to get as low as one unit removed from their bill. He states that with the way the policy is currently written, customers have the ability to receive an adjustment in the summer just because their bill is high from watering too much and claim it is a leak. He feels there should be a limit as to how many leak adjustments can be issued to an account as well as a time limit on how far back dated the adjustment can be made. **Sonny Boyd** states he would like this to be on the agenda for the next regular board meeting with recommendations from the district manager.

PACE ENGINEERS: LETTER OF INTENT

James Jans states that Pace Engineers has requested \$2,500 to write a letter of intent to receive a low interest loan. **Jeff Hargens** received the informational packet with the cost break down and requested that the other members of the board receive this packet as well prior to the next regular board meeting. **Victor Schmidt** states he would like the district to pursue the hydro grant. **James Jans** said that he is staying current with the hydro grant process and it is something we can do on our own without the assistance of the engineer. **Jeff Hargens** would like the letter of intent to be tabled until the next board meeting when it can be discussed after all board members have had a chance to review it.

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C.O.L.A

According to the Portland Consumer Price Index, the cost of living has increased 2.7%. It was noted that no cost of living was issued to the employees the prior fiscal year. **Sonny Boyd** made a motion to issue a 2.7% cola raise to all regular employees, **Robert Gaughan** seconded, passed unanimously.

LA PORTE: DENTAL INSURANCE

James Jans states that our insurance agency, La Porte & Associates, informed us when we signed our new contract that the rates decreased by 5% with no change in our policy. Months later however, we were informed that dental coverage was not included. We turned this issue into the Oregon Insurance Division who contacted La Porte & Associates on our behalf. Afterwards, they offered dental insurance if we agreed to pay the agency for the six months that we were not covered. However, one of the two employees covered would like to do this but the other does not. The agency needs both employees to agree to this in order for them to offer dental coverage, therefore neither of the employees are able to receive dental insurance. **James Jans** states that we may search for a new insurance agent when our policy expires.

RESOLUTION 2009.07.01: AMENDING THE ADOPTED BUDGET

Shanti Kraai states that Tunie Betschart from the Tax Supervising and Conservation Commission contacted her to inform her that some of the figures on the original resolution to adopt the budget were incorrectly placed. The numbers have now been moved to the correct places and the new resolution will correct the issue. The resolution was then signed by the members of the board.

CONTINENTAL UTILITY SOLUTIONS, INC. : PENALTY SETUP

The representative from C.U.S.I. contacted the office to inform us they cannot charge a penalty of 10% of the entire bill, which includes water use, PERS and the base rate. They can however charge a 10% penalty on water use charge alone without the other services. The other option is to pay \$1,200 for their technical support staff to alter the software to provide a new penalty that will include all services in the 10% fee. **Jeff Hargens** made a motion to adjust the ordinance prior to the second reading to charge a \$10 or 10% late fee on just the water usage, **Sonny Boyd** seconded, passed unanimously.

MONTHLY REPORTS

Secretary/Treasurer Report: Copies of the check, credit card, money market, CDARS, LGIP, and PERS summaries were distributed to the members of the board. **Jeff Hargens** made a motion to approve the financial reports as presented, **Robert Gaughan** seconded, passed unanimously.

Managers Report: See attached.

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PUBLIC COMMENTS

Tom Layton, Chief of the Corbett Fire District, states they use Cook Paging to receive emergency dispatch pages, however, not all of the volunteer fire fighters are able to receive signals at their homes. He would like to put up more transmitters to extend the coverage area and is asking the board if Cook Paging could place a transmitter on one of our water reservoirs. The representative from Cook Paging informed him that the Loudon Road and Hurt Road reservoirs would be good locations for transmitters. **Jeff Hargens** states that the board of directors would need drawings of what will be put up prior to approving this but does not see any problem with accommodating this request. **Tom Layton** states that they will need to place a building on the site to store equipment. He says that they are looking at other sites as well but wanted to bring this issue up to the board for review. **Jeff Hargens** states that the board is willing to work with them and would like more details when available.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON AGENDA

James Jans states that we have purchased a new Dodge Ram truck and have sold the 1993 Ford pickup. He states that the front transmission seal on the dump truck is leaking and would like to know if the board would like to sell it as is or repair it first. **Jeff Hargens** told James Jans to make the repair prior the putting the vehicle up for sale. **Robert Colclessor** states the logo on the new truck was never approved by the board. **James Jans** states that the logo the district previously had was outdated and the new logo fits our needs.

Gordon Fulks states that if the district is having a difficult time finding available board members that are authorized to sign checks we could make a new position, assistant treasurer, and have four officers of the board. He states we will need to check our policy prior to doing this though.

Gordon Fulks would like to know how the fire hydrant situation is. **Tom Layton** states that in the last 10 years the amount of fire hydrants has doubled. He states that the water district and fire district are working well together to get new hydrants installed.

James Jans states that on July 4th, 2009 the employee that was working on our consultant review from the Oregon Association of Water Utilities passed away. **Jason Green** from O.A.W.U. assured James Jans that we will receive our consultant review very shortly.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

Robert Gaughan states that the district managers review will be held at the next regular board meeting in executive session.

Jeff Hargens welcomed **Robert Churnside** to the board.

Victor Schmidt made a motion to adjourn the meeting, **Robert Gaughan** seconded, passed unanimously. Meeting adjourned at 9:00 p.m.