

# CORBETT WATER DISTRICT

## APPROVED MINUTES

Regular Meeting: 7:00 P.M.

Tuesday, August 15, 2006  
Corbett, Oregon

**Commissioners Present:** Malcolm Freund, Bob Gaughan, Bob Colclessler, Jeff Hargens, and Marion Kirkham.

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

**Audience Members Present:** Sue Fry, Donna Colclessler, Dave Mysinger, and Barbara Strasbaugh

Chairman Gaughan called the meeting to order at 7:00 p.m. at the Corbett Fire Hall.

### **Review / Approve Agenda.**

Gaughan - review and approve the agenda. Does anybody have anything?

Frank - actually I do, hopefully you have the notes, Lee Engineering basically nagged (?) out of coming. I'm not sure if you got it, but he, Jim Schaver, the project engineer wants to reschedule to another meeting.

Gaughan - so we don't pay him until he comes and talks to us, right

Frank - well, if that's what it comes down to

Gaughan - does he realize that?

Frank - well, the owner of

(slam - Laughter - Gaughan - darn flies)

Frank - the owner of lee Engineering, which is Pace understands that. I'm no longer dealing with Pace I've gone to the head honcho who owns it

Gaughan - good, so they did break out the thing I was kinda interested in talking to them, I wanted to know why they charged so much for the secretary to type, to tell us what they already should have told us as part of the project

Frank - there is many, many questions

Gaughan - okay, so we are taking that off the agenda, 4 is eliminated for tonight. Is there anything we are adding? (pause) nothing to add? Last chance.

Hargens - so are they going to reschedule that for next month?

Frank - I haven't heard, evidently he's taking off out of town

Hargens - okay

Gaughan - I think we are going to move on to the public hearing of the state revolving loan fund increase.

Gaughan - I see we have a few audience participants here, or have come here to scream at us for borrowing this money at a cheaper rate

Hargens - do we need to approve the agenda?

Gaughan - probably, thank you

Kirkham - I make a motion we approve the agenda

Gaughan - second?

Hargens-I'll second

Gaughan – motion has been moved and seconded to approve the agenda, all in favor

Unanimous yes.

Gaughan – unanimous, now we can go to section 3. Thank you

Hargens – you're welcome

Gaughan – for correcting the ...

**Public Hearing: State Revolving Loan Fund Increase.**

Gaughan – public hearing on the state revolving loan

Freund – is now open

Gaughan – is now open, right

Freund – is there any comment

Gaughan – Susan

Susan – I think it's great. I approve, I think it's a good idea to take out the loan, and I'm really happy that they have lowered the interest rate

Gaughan – I was wondering if everybody knew that the whole loan interest rate went down to 3.5% instead of 4.06 and we borrowed more money and its 3.5

Susan – that's really nice

Freund – they recalculated the entire loan

Frank – what's the LGIP interest earning?

Gaughan – I'd like to mention that that was only decreased since I was chair (too many people talking and laughing at once to hear) Anybody that believes that we'll sell ya the water Department for cash in the morning (laughter)

Colclessler- there has also been two payments made, Jeff, in December of 04 and 05.

Freund – and there will be one in December of 06, so we're chipping away at it already

Gaughan – Malcolm did you get the payment rate now that we have to pay

Freund – well, its not finalized it won't be finalized until we make the draw, its all time dependent when the thing is finally said and done and we have all the money drawn then they'll calculate and tell us exactly how much, but its in the 150,000 range, maybe, its in that ball park

Gaughan – we were paying 156 before

Freund – 146 we were paying, so not very much difference

Colclessler 124,600

Freund – 124,600 okay, excuse me

Colclessler – that was what it was last year budget, 10,000 was put over in unappropriated fund balance so it didn't go in

Freund – thank you treasurer

Gaughan – we appreciate that, okay, if there's no comments or no objections what do we do

Freund – you need to close

Gaughan – close the hearing and then...

Frank – actually before you close, one of the things, I believe we got the contract today, if you look at the top the Corbett Water District is questionable on nonprofit and it definitely a community water system not a non community water system. That is one area that Janet or the contracting staff will have to change because that is in conflict with federal government and state we are a community water system, so I'm surprised because they look at the DHS website and get our profile and I don't understand why they call us a non-community when we are truly a community water system

Gaughan – where does it say that Frank

Frank – um, it should be

Hargens – you're saying we are not a non-profitable

Frank – the question is whether we are truly a 503c entity, we had this discussion with Dennis Conner a while back and there is kind of a floating area of non profit,

Hargens – the profit basically goes back to the consumer or reutilized

Frank – a 503c is something like, we are kind of in a different level a 503c would be like a corporation or people that you would give money to and they would help children down in Mexico, that's a 503c, its just trying to, its strictly terminology, but the important thing, I'm not seeing it in here, because we were looking at it earlier

Freund – I remember reading that earlier Frank and that you're talking about and I didn't question it only because it took the original and made modifications, apparently that was in the original and was not questioned at that point

Frank – yeah, I don't now why

Freund – right, wrong or indifferent, that's how it carried down

Frank – yeah, we just have to make sure its right this time, because

Kirkham - It's just questionable

Freund-I understand

Frank – non-profit is questionable, non-community water system is a definitely wrong

Hargens – I understand that

Frank – that could upset, you know, somebody else

Hargens – that needs to be changed

Frank – down the road somebody could take a look at this, and the district decides to borrow money again and go well are you a community or non-community, you've got a contractor that says you are a non-community but the State who monitors you says you're a community, so they are looking at your State because they are your primary agency. I'm trying to find it, it's in here somewhere, anyways that needs to be altered, as far as

Hargens – who addresses that?

Frank – I'm assuming that would have to be just a simple word change, on their part, or as far as they are concerned it may mean no difference

Freund – okay, that was on the revised form opinion of counsel, page one, which is the document behind here, I don't think we have that document

Frank – contract amendment 5 page 1

Freund – yeah, exhibit G at the top, we don't have exhibit G in this information, it was a part of the first attachment

Jamie – copied the second email that had the amended attachments

Freund – corrected the 20/25 date, the original, the only thing I copied was the first attachment of the original transmittal.

Jamie – I did not photocopy for the Board the original email from Janet

Freund – it's a revised form of opinion of counsel the borrower is a blank duly organized and validly existing under blank and borrower has the representative power of authority to accept the business that is now conducted, the borrower owns a community water system parenthesis non profit, non-community water system as defined as under the act of Oregon law, that is eligible to receive funds. I think, Frank, isn't that a place for choices for here is the choices and you cross out the ones you don't want

Frank – I'm not sure are we suppose to cross them out

Freund – this is for counsel, suppose to review this

Frank – our counsel, okay

Freund – that's the way I understand it

Frank – Okay, if this is the document they want us to put a signature to that has to be changed

Freund – is this correct, the borrower owns a community water system

Frank – yes

Freund – parenthesis, alternate language, so I think we just cross out what's in parenthesis

Frank – there is a lot of parenthesis I'm not an attorney

Freund – I understand

Gaughan – contract, they had 2021 here so if you look at the table our payment of 2021 would be like 558,000.

(everybody talking at once hard to hear)

Freund – you've seen this obviously because that's were you got the, I would look at the original and see what was in there, because they are essentially the same document

Frank – I don't have a copy of the original

Freund – it should be in the file

Jamie – I have the files

Gaughan – so with my limited legal degree we're okay

Frank – yeah, as long as it goes to counsel, technically they are going to have to massage it, I'll make sure that whoever the counsel is will make sure its properly stated

Freund – at the end of that 3 pages, page 1 counsel, there is also the amended and restated promissory note and end of that it says notice to borrower do not sign this note before you read it.

That's were we read the 2021 and said wait a minute, the schedule goes to 2025 and that was just an oops

Frank – the 2021 would be an expensive oops

Gaughan – yeah, like 558,000 final payment we would need to have in our pocket

Frank – that's it for me

Gaughan – okay, anything else? So do we just agree to accept this and to move it on to counsel?

Freund – no, well you need to close the public hearing officially

Gaughan – okay, closing the public hearing with the taped comments very few fortunately

Freund-now we're back to the regular meeting

Gaughan – we're back into the regular meeting

### **Approval of the Minutes.**

Gaughan – approval of the minutes for July, and my understanding Bob is that we are not going to approve them, right

Colclessner – I give you the copies she drafted and then after I saw the agenda I thought some of the information wasn't there, some of the board member's comments and I thought it would be important that the minutes be written down as stated, so I asked Jamie to do them verbatim.

Gaughan – right, she is in the process with Zee of doing them

Colclessner – right, the minutes you got were just for informational purposes, to get an idea of what was said partly, anyhow

Gaughan-okay, so we are going to table the minutes until the next meeting. We don't need a motion on that right, or do we

Multiple board members – no

Gaughan – so we are tabling item 5 until September meeting and moving on to monthly reports and business

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

Gaughan – secretary/treasurer report. (pause) secretary/treasurer do you have anything to report

Freund – secretary/treasurer report

Colclessner – yeah I would, okay, when I ask for information it may sound like I want it for me but I'd like to read my duties as the clerk treasurer for the water district, its section 3 in our policy and procedures manual: officers and duties of the secretary-treasurer:

1. The Secretary-Treasurer of the Board shall cause accurate minutes of each Board meeting to be taken, transcribed and drafts distributed to each Board member in a timely manner for review prior to approval. The Secretary-Treasurer shall maintain properly authenticated official minutes in chronological order and a separate file of all drafts of minutes. Any of the foregoing responsibilities may be delegated to staff members under the supervision of the Secretary-Treasurer. ~~The Secretary-Treasurer shall send copies of the audit to State, County and TSCC or local agencies requiring its submission.~~
2. The Secretary-Treasurer of the Board shall assure that accurate accounting and financial records are maintained by the District.
3. The Secretary-Treasurer shall annually review the District's financial audit with District personnel prior to submitting the audit to the Board for acceptance. The Secretary-Treasurer shall send copies of the accepted audit to State, County and TSCC or local agencies requiring its submission.

Colclessner-This has generally been done also by the clerk, so that is the duties so when I ask I try to ask as the Board for information

Gaughan – Is that it Rob?

Colclessner – yeah, that's it

### **Financial Report.**

Gaughan – financial reports and matters

Jamie – Is there any questions about the budget versus actual. It hasn't really changed much from last time. There's nothing different unless you have any questions.

Colclessner – Just on the uh water sales. Are we down to 25,000 or is there more coming?

Jamie – There's about 24/25 outstanding.

Colclessner – Still coming.

Jamie - Out of the accounts receivable, we will be very, very, close.

Colclessner – Thank you.

Jamie – You're welcome. Okay, I want to talk about the transactions with the vendor's sheet if there are no questions about the checks. the district operates on an accrual basis of accounting, which means revenues and expenses are incurred when earned and not when cash or invoices are received. I don't know whether you folks saw this. It looks kind of different. Under the Active Construction company bill, it has the first amount of a bill to them and it's listed as the account number 202 to accounts receivable in main and then the second item is the bill payment by check from the checking account out of accounts receivable. So it almost looks like we're paying them twice. One's a bill and one's a bill payment. And that's so the revenues and expenses are being taken back to June 30. So it goes into accounts receivable and then it's paid back out of accounts receivable as a check.

Freund – Um hmm

Jamie – Does everyone understand why? Okay, I just wanted to make sure that no one was thinking we're paying them twice for a lot of the work. Are there any specific questions on any of the checks?

Freund – So you're bringing it back into the fiscal year?

Jamie – Correct. Perfect.

Frank – I'd like to make a comment.

Jamie – Sure

Frank – Um, this here is in compliance with GASB 35. This is what the auditor wants to see.

Gaughan – Okay.

Frank – So, and essentially this shows us a tally of where we are, actually. You know. That way we don't end up seeing \$268.00 negative when we know we have \$13,000. So, this kind of gives us that idea. You know the balance. But this meets GASB 35. This is what the auditor is looked for.

Colclessner – That'll stop the thing with half the \$268.00 and...

Frank – It should. This is by law.

Gaughan – Okay, sounds good.

Jamie – So there's no other questions on the transactions for vendors? Any checks questions?

Freund – So all transactions have the numbers there twice.

Jamie – Yeah, it looks really odd.

Freund – It looks odd. It's almost like one item shouldn't have a number here over in the last column.

Jamie – right.

Freund – Only have a minus when you actually write a check to minus.

Hargens – Right, it seems like it. Why put a minus in front of the bill and maybe the bill payment should have the minus.

Freund – Exactly

Hargens – It would be a lot less confusing.

Freund – Is that something the program does or?

Jamie – Yes, this is how it comes up because it actually is two separate items. Because the first one I'm inserting the bill ...

Freund – you're putting the invoice in the category it comes out of.

Jamie – To like mains, the treatment plant, or whatever.

Freund – Yeah.

Jamie – And then the second one, all we're doing is taking cash out of our bank and paying...

Freund – Writing a check.

Jamie – for it. If we only showed one, it wouldn't tell you what category it went to.

Gaughan – Oh. Why do we have the minus?

Jamie – Because it's moving the money. It's taking it out of mains, the category of mains.

Gaughan – Oh, it takes from main.

Jamie – Yes.

Gaughan – Okay.

Jamie – And it moves it over to accounts receivable and takes it right back out.

Colclessner – Oh, okay. Now when I look and see a check number I know it come out of an account.

Jamie – Correct. So then there are purchase orders. Any questions on those? I don't have the price yet for the backhoe bucket, the repairs. There's still question about whether it's under warranty.

Frank – Actually, that is under warranty.

Jamie – Oh, perfect.

Frank – 100%

Gaughan – Okay, that's what I was hoping.

Jamie – Yes. They wrote up a work order just in case before we can get them up there.

Freund – You needed to have justifiable cause.

Jamie – Any questions on any of the purchase orders?

Freund – What's the repair on the locator sending unit?

Frank – A broken board. Uh, the board inside. The machine wouldn't send out the signal.

Freund – Oh

Frank – It was, uh, sporadic, so we had to send it back to get repaired. And unfortunately, it's not covered under warranty.

Freund – Was it a handling issue?

Frank – Actually it's pretty common with that.

Freund - Oh

Frank – particular model.

Freund – Okay.

Frank – It's a result from uh, combination of corrosion that's built up from the batteries and you're as gentle as you possibly can with this thing. But what they actually ended up doing is encapsulated it in rubber compound, the whole board. So it's actually waterproof, fracture proof. It's one of the upgrades to the unit. Unfortunately, if it had waited another year, we would have had the upgrade.

Freund – We did that thirty years ago. I remember the communications industry.....

Gaughan – I asked Frank when I signed this and he told me and I forgot. The turbidity meter, I know what that is. But what is the other thing, the full block or is that all part of the same unit?

Frank – Um, actually, the turbidity meter differential probe and flow block are items that we have to have to be compliant with the Department of Drinking Water. Um, and this completes the water treatment plant upgrade. We didn't have enough money in the current loan to complete this. And if we bought equipment through the, you know, if it was engineered by Lee Engineering and put in by the contractor, it would have been...

Freund – Twenty thousand

Frank - you know, astronomical as far as price. But sweet talking the Hach representative and all that, we've managed to knock, to get some excellent prices. So

Gaughan – I remembered a question when I signed, but I'm old and I forgot.

Freund – What is a probe \_\_\_\_\_?

Frank – Actually, uh, it's what the probe sits in and allows the water to pass before the probe without aeration or air bubbles at a predetermined flow rate. It's a proprietary deal. If I had a milling machine, I could make it. I don't have that available to me at the time, but uh, um it's just one of the components of that unit.

Freund – Just curious what it was, thank you.

Gaughan - Darn flies up here.

Jamie –Next one is, Bob had previously asked for the school bill. So this is the breakdown. There was 80 hours of work performed for over 3 days. There was a 25% equipment and payroll cost, after the labor for a total of \$2600. And it shows the breakdown and the times.

Colclessner – Jamie, I have a question. Up there on the 25% equipment and payroll cost, where you did the 969.28 in each individual one there.

Gaughan – I had the same question. We all did.

Jamie – What's that?

Colclessner – Well, I multiplied those figures and I get a dollar more on each one of them, on what's there. And I don't know why they come out like that.

Gaughan – I did too Jamie and it's not a big deal, but I took my calculator and it come out to 242.32. And 185.52.

Jamie – Oh. I don't know.

Gaughan – And I thought well, it's only 3 bucks, but we don't want to do that every time we do something.

Colclessner – yeah.

Jamie – I'll look.

Gaughan – It's a little late, I think.

Jamie – It's never too late. I can take care of that. Any other questions?

Gaughan – Well, so we have the bill of 623 dollars.

Freund – Frank, did you have a specific number that it costs so much an hour for the backhoe or something like that? You had something like that worked out, didn't you?

Frank – Actually, we made more by the 25%

Freund – Oh okay.

Frank – If I assigned an hourly value to it, we actually made a lot more with the 25%.

Freund – Okay. I'm looking at the tables you created a long time ago.

Frank – I have tables for it and I use that when we move meters and stuff

Freund – OK

Frank – but in this case I felt it was more prudent for a little more money dealing with some of the materials that we found. Lava rock is not too good on a backhoe.

Freund – OK

Gaughan – I have another question when I saw this that came to mind. The pipe had we bought that pipe.

Frank – Hmmm (YES)

Gaughan – I guess we made the net of 2603, but what did we really collect, because we gave them money for the pipe thingabob.

Jamie – I want to say the pipe was about \$1100 that we bought back.

Frank – Yeah

Gaughan – So we ended up getting around \$900 from them.

Freund – And the pipe that we'll use.

Frank – Yeah.

Gaughan – well, yeah, I saw this and wondered did we pay them money to get the pipe? They still owed us money.

Frank – Yeah, they still owed us money.

Gaughan - That was my concern.

Hargens – So what is your hourly rate for the backhoe, approximately?

Frank – For the backhoe?

Hargens – For the backhoe that you usually use. Not necessarily this particular job.

Frank – Typically, I use about \$75 an hour.

Hargens – Un-operated or operated?

Frank – Un-operated.

Hargens – Un-operated?

Frank – yeah. Operator - I look at the labor as different.

Freund – We don't have a specialized person that's an operator, so it's one of the crew.

Hargens – Right, no, I was just curious.

Freund – How does that fit with your business?

Hargens – That's why I was just asking. It's substantially different. You're looking at a company who spends 2000 hours a year on a backhoe versus 800 or so. What are your hours?

Frank – we just turned 500

Hargens – how long have you had the backhoe?

Freund - Three years.

Hargens – That's substantially different. Our rates are down around \$40 un-operated. But it's totally difference in usage. After 3 years, I'd be trading it in.

Freund – Yeah you got it wore out.

Hargens – Pretty much.

Freund – Just a curiosity.



Hargens – I was curious as well. I wanted to make sure he was covered because I know he doesn't do a lot of hours on it, but at \$75 for doing jobs like this, it does cover it. The backhoe. Because they do wear out in just in age.

Frank – yeah

Freund – yeah

Hargens – I mean, some equipment specially diesel wears out more by not being used than by being used.

Freund – From a school standpoint, that's probably pretty reasonable as opposed to them going out and renting one, having brought out and delivered

Frank – Right

and use it and take it back and all that.

Frank – Yeah I think it was \$125 an hour is what

Freund – the rental?

Frank – the rental on the piece of equipment they are looking at, from, and that didn't include hauling it over to them from United Rental.

Freund – right

Hargens – and not having someone who's not accustomed to running it

Frank – yeah

Hargens – and trying to get something done

Frank – yep

Hargens – totally different

Freund – significant

Frank – cost savings

Freund – cost savings there everybody

Gaughan – we won they won

Freund – yep

Hargens – for 2,600 they got three days work they really needed to get done, that was pretty inexpensive.

Freund – right

Gaughan – right

Hargens – if they had a regular contractor come in it would have cost them that much a day

Freund – yeah

Hargens – if not more

Freund – and it saved a big water leak for the district.

Frank – yeah

Gaughan – or we going to have to adjust there water bill on that?

Freund – I hope not

Frank – I don't know where that is going to go, but I can tell you right now, after they put down the new dirt I guess on the football field they've been moving a lot of water.

Hargens – they've been watering?

Frank – oh yes, it was up to 300,000 gallons

Freund – that's the only thing they're watering though, isn't it? The rest of the field is drying up.

Frank – yeah

Freund – I noticed things were pretty brown around there

Frank – fixing that leak, we can run res 4 throttle station on the 2" only. We've been running it here only on the 2"

Gaughan – Damn flies are driving me nuts.

Frank – Before we had the 2”, 1 ¼, 1” and ¾ on just barley keeping us from going empty. Right now we are running the 2” with the demand. Even you know those few hot days where the usage spiked we still maintained just the 2” and we are not overflowing right now.

Gaughan – That’s just from the School

Frank – that’s just from the School

Gaughan – Yeah, they were really losing water

Frank – 63,000 gallons a day. Actually destroy the meter with the amount of flow going through just wiped the meter out.

Gaughan – Can I have it just for a couple of days? (laughter)

Jamie – Are you ready for the next one?

Gaughan – yeah, 6 B

Jamie – Colclessner had also asked for the breakdown for engineering for Rohrbach and 366<sup>th</sup> and some history. The Rohrbach line was completed in October / November 2003 for 2200’ of 6” and 4” ductile and eight customers. The engineering for that was almost \$3,300. The project for 366<sup>th</sup> was done in September and October of 2004 with 1,050’ of 4” ductile for 15 customers. And the engineering total is 6,500; the actual number is lower because in June the invoices changed from just assisting in waterlines to assisting staff and waterlines. Is there any questions?

Freund – I think that’s good information and I think the reasons why we really were after this, is that it relates back to item 4 that’s not here tonight.

Gaughan – right

Freund – because, when we are trying to compare some cost on other projects that are way, way above these amounts, or either of these numbers and so we wanted to have something for comparison

Jamie – and I also gave

Freund – and I appreciate that, that’s great information

Jamie – I also found that the original documents from 2003 for the Rohrbach project had been estimated to be less than \$5,000 for engineering and then the original for 366<sup>th</sup> was \$10,000

Freund – Well that puts it into perspective that the real job in question, Christensen, has gone absolutely the other direction, way over estimate and we haven’t done any work yet.

Frank – yeah, well year to date we are pretty close to \$750,000 that we have spent on Lee Engineering.

Freund – yeah

Frank – The Christensen project

Colclessner – Could you say that again?

Frank – Just a little over \$750,000

Gaughan – right

Frank – since we’ve dealt with Lee Engineering. The Christensen road project, I mean, we’re pursuing it. We’ve already gone to the County, because we have to do the NSA and just about all the meters here, but we have to right now we are going for grading and erosion control permit and because we are within 150’ of Smith Creek. The problem we have is they limited are window from May to October 1<sup>st</sup>. So, if we don’t get it done this time we can’t do nothing until next May – October period next year.

Gaughan – What’s your projected time once you start?

Frank – Once we start to do it

Gaughan – one week, one month?

Frank – We are figuring we would be all done, all the people hooked up and everything would be dead within one month.

Gaughan – but we have to start before September

Frank – yeah

Gaughan – Oh boy

Hargens – You're not in the creek though, are you?

Frank – We are within 150' of it.

Hargens – You shouldn't have those restrictions, just being within 150'

Frank – That's what we said.

Hargens – I've never seen that. I know a lot of your live water stream activity has those barriers or you're in a wet land, but just cause you are 150' away

Frank – Our excuse was even, we are going right up Christensen road at that point, we are not on the bank. We're cutting asphalt, we're, you've got a culvert, the culvert according to their engineering is 10' below the road surface, we're only going 3'. Actually 3 to 4', actually we are going to be 4' right there

Gaughan – What did they tell ya?

Hargens – I don't think someone is reading it right. I really don't because yes after October 1 you fall into wet weather measures, but all that means is you have to clean it up, you can't leave spoil piles or what have you.

Frank – yeah

Hargens – And you have to cover up when you are done at night. They can make you do that kind of stuff, but just because, I've never seen it just because you're by the creek.

Frank – yeah, we, they started quoting all these rules and we are saying here's are map, this is what we are doing, they want a detailed itemized synopsis of who's hauling away the spoils, how we are going to deal with it, what's the protection, the whole 9 yards. We went and had a meeting with the person that is handling the permit and it's like there is not give. They are not, it's our way or the highway, so, you know.

Colclessner – Any suggestions Jeff?

Hargens – I would just put it in. (laughter) Well you have to follow their rules, but I don't think somebody is reading those rules correctly. I really don't

Colclessner – I agree.

Hargens – I don't know much about Multnomah County, but in all the other Counties I work, that's not the case.

Colclessner – I have a friend, that in 05, he has a cleaning business and they were making them with the ORS and OAR, he got in and studied them and what they were doing is contradicting each other and making him get a CDD, which is constructional tare down for changing the property. He was just cleaning windows and gutters and whatever, that's his business. So, he went down and researched it, and went down and testified and they changed the law. The attorney agreed that it was wrong. And so there is a lot of stuff in our governing bodies that people are misreading and the people that should be double checking are not getting that done, for some reasons. So, we have a bunch of problems we got to deal with and if you know of someway to help.

Hargens – I don't know. I just thought that because I do work way past October one and I'm a lot closer to some major streams then that and I don't fall into those categories. Yes, I fall into wet weather measures, which is just totally different, just your erosion control is stepped up.

Frank – yeah

Hargens – That's the only difference. Now, are you just into the road or are you going outside of the street?

Frank – At that point we are going almost right up the middle of Christensen, about the station 200 we go into the out past the fog line, then we continue up the fog line out of the road bed, up to were we connect to the new 4" that feeds down to Camp Angelo

Hargens – Now I can't believe you fall under having to get an erosion control permit.

Frank – That's

Hargens – I mean, my understanding is that you should go into Multnomah County and just get a street cutting permit. That is what I would expect.

Frank – yeah, and that is where we started.

Hargens – and I think that is all you should need.

Frank – yeah, we filed with Allen Young, he is the guy that handles it for Multnomah County, the cutting the County roads and all that, and typically here is what we are going to do and we fax it over to him and typically 15 minutes later we end with a thing here go for it. Well we did that and he comes back no, you are within a

Hargens – a sensitive area

Frank – a sensitive area. January 1<sup>st</sup> the rules changed and Christensen road is a part of the scenic gorge commissioner review area. So, and Knieriem road. We are dealing with Knieriem road right now. You've talked to the land owner, he just wants to move his meter approximately 300' to his driveway. We have to get a scenic review, and Oregon historian to come out and say there is no historic burial grounds within so many feet and this all changed January 1<sup>st</sup>.

Hargens – but aren't you maintaining your facility. Isn't that all you are doing?

Frank – yeah, that's our argument.

Hargens - I guess that's what I, you have a right to maintain your facility, which is no difference from the gas company or anybody else. You have the right to go in there and maintain your facility.

Frank – yeah

Hargens - I don't know how

Colclessor – Who is this under Frank? Is it State, County, Federal?

Hargens – It should be Multnomah County.

Frank – Multnomah County. Even the land owner on Knieriem had to go get a permit to dig a ditch from his house to his meter.

Colclessor – Could we get Lonnie Roberts to look into it.

Frank – I started with Patti Smith and

Colclessor – Well Lonnie is County

Frank – I don't know if it would do anything.

Colclessor – He could get on it and check it out.

Hargens - I think it is ridiculous. You should not have to go through all that to maintain your facility.

Frank – yeah

Hargens – I think you want to prove you are just maintaining your facility. That could mean replacement or whatever, but you're maintaining your facility. You should not have to go through all that because when they County comes out and maintains their roads, they don't have to get an erosion control permit. They don't have to go through all that process, yet they are maintaining. We should have the right to maintain our facilities.

Freund – They are the County.

Hargens – It doesn't really matter in this world ...(talking at once) you own the facility, you have the right to maintain it.

Freund – yeah

Hargens – No different then the County owns that road, they have a right to maintain it.

Colclessor – Frank why don't you get a hold of Lonnie, he's got a new aid, Bob Payne had a heart attack he retired here, we met him the other day.

Freund – Tom Mac is Lonnie's new right hand man.

Colclessor – So you can get a hold of him, he was the board of policemen I believe.

Freund – He is learning fast and eager to help us. He was out here with the road closure. He was out here taking notes like mad. He said he was here to help Lonnie represent East County.

Hargens – What happens when you have a leak and you got to go repair it? You just go repair it.

Frank – Actually, we have to file a permit.

Hargens – But don't you go do the work first.

Frank – No. Well we file the permit and then head out to go do the work and hope it comes back with Allen's signature.

Hargens – Don't you have some leaks on that line

Frank – That things a soaker hose.

Hargens – Why aren't we going to fix it?

Gaughan – We should be fixing those leaks.

Frank – we can go fix the leaks, but we have to send in the permit and he signs it and we get it back and go. And I guarantee ya that if we call in a locate, ya know to have a locate done, he's on the phone within minutes, they are watching.

Hargens - Well maybe since our facilities in Multnomah County maybe a couple of us need to go down and have a meeting with Multnomah County from the Board and say we want to maintain our facility. Why are we having to go through all this process?

Colclessner – Good idea Jeff.

Hargens - And maybe we should find out what the gas company has to do to maintain theirs because we are no different.

Colclessner – or the phone company.

Hargens – Just maybe their a little bit bigger, but that doesn't matter.

Colclessner – yeah, I don't think we have gas here. It goes to man power

Hargens – They have gas part way.

Gaughan – They have gas in Springdale.

Hargens – Up to Springdale at least, then I think they stop. But the Phone Company and Power Company are no different.

Gaughan – Right.

Hargens – Power has buried stuff and they don't have to get a permit. I guarantee if they have a repair they just go and dig it up.

Colclessner – Set up a meeting with Lonnie, or Dick is it, or whatever.

Hargens – If you think it would help, I would be glad to go in and meet with them.

Frank – It would definitely help and I've been talking to Cascade Utilities and they have to do the same thing. This fiber optic job they did up here, it was suppose to be done, about 2 years ago they made them do the same thing we had to do

Gaughan – I think its time somebody called Lonnie.

Frank – Scenic review and they were boring, directional boring in. Any of those junction boxes they put in, they had to have scenic review on.

Hargens – But you have an existing facility and if that erupts you are going to have a big erosion mess.

Frank – Oh yeah.

Hargens – So lets get in and fix the line, it needs repair,

Frank – yeah

Hargens – It needs to be replaced

Frank – yep

Hargens – So,

Freund – You've got a good angle there. This is repair, repair you can't put bands on it anymore, there just isn't anything left to put bands on the repair ... (tape ends)

Hargens – Get down the procedures up front so he doesn't have to go through this every time.

Colclessner – Exactly.

Hargens – We will fax in our permit what we are doing, but it should just be an open street permit and you have to get it back to County standards. That's common, you have to pave it to County standards.

Colclessner – If they have any questions they can call out there and find out. They can talk to you.

Freund – Frank, would the water folks be any backing from the standpoint that it is leaking and we are suppose to maintain a system with a minimal amount of leakage, and we are trying to accomplish that.

Frank – Right now

Freund – Will they give us any support?

Frank – The Department of Human Service Drinking Water Program is in such an upheaval, if you actually get a hold of someone and get them out you are lucky.

Freund – Okay, just a thought.

Frank – I've been trying for 8 months to get Carrie Salius, the engineer that handles us, she's the lady that did the investigation when the community member called and said I was poisoning the water system. She is the one that handled the whole situation, and I tried for 8 months to get her out here and say look at my Treatment Plant, come up and take a look. You have not been out here, you don't know what you're dealing with, so come out here and take a look at my Treatment Plant, so I can tell you, so you have a better understanding.

Freund – Right.

Frank – Finally last week she came out and took her around and now she has

Freund – a feel for it

Frank – yeah, but she handles the whole Eastern side of Oregon.

Wows from the board members

Frank – There is another person that handles the whole Western side. So, what's happening is this.

Freund- You say East and West is that like from the Willamette river

Frank – From the Cascades East and West.

Freund – Oh, okay

Colclessner – Let's not beat this horse to death.

Hargens – Lets set up a meeting with whoever we need to set up a meet with Multnomah County, whoever

Colclessner – Lonnie or his aid

Hargens – The higher up the better

Colclessner – yeah

Hargens – Then I will find out what other Utilities have to do in Washington County and Multnomah County. I have connections I can find out exactly what they have to do.

Gaughan – Well who wants to go to the meeting?

Colclessner – You're the Chair so you go with him.

Gaughan – Again we have to hang out together.

Hargens – What day do you golf? (laughter)

Gaughan – What ever day we don't go to the

Hargens – I was thinking we could get in 18 holes (laughter)

Gaughan – So, who do we set up with Lonnie?

Colclessner – Make an appointment with Lonnie. Tell him you have a problem with our

Hargens – And Lonnie is exactly who?

Gaughan & Colclessner – He is the East County Commissioner

Colclessner – He's out here in meetings once a month in generally.

Freund – He or his sidekick every first Wednesday to our meeting.

Colclessner – Frank try calling him to set up a meeting.

Gaughan – Is that NEMCA?

Colclessner – with 2 of the Board members to set up a meeting to discuss the problems we are having out here. Its time to take care of our system.

Frank – Not a problem.

Gaughan – Okay, now after the 31<sup>st</sup> ... When can we do this,

Colclessner – Frank will have to set up a time

Gaughan – I want to mention I'm leaving for the East Coast.

Hargens - When are you going to the East Coast?

Gaughan – The 31<sup>st</sup>.

Hargens – Well I'm back next week.

Frank – I'll be back next week on the 23<sup>rd</sup>. I'll still be around, but I'll be on vacation, because I have to burn up vacation hours under the new rules, so I will be here, so I'm open.

Gaughan – So anytime after the 23<sup>rd</sup> when Jeff gets back. Can you take time to go do it? After being gone your business won't go in the crapper?

Frank – Shoot for the 24<sup>th</sup>

Gaughan – Sounds good to me, make sure you get the appointment

Hargens – What day is the 24<sup>th</sup>?

Colclessner – Today is the 15<sup>th</sup>.

Frank – I believe its Friday.

Jamie the 23<sup>rd</sup> is Wednesday.

Hargens – Let's do it Thursday

Gaughan – Thursday, Fridays not a good day.

Hargens – Thursday the 24<sup>th</sup>. Anytime and I don't care where we meet.

Freund – Maybe you should have a window

Colclessner – yeah, set up 2 dates, so Lonnie could have a choice.

Gaughan – Just don't do it Friday morning I got to haul bread for the old folks will starve, especially the ... doughnuts.

Frank – If the 24<sup>th</sup> doesn't work, you're going to be gone how long?

Gaughan – To the 14<sup>th</sup> of September, or forever if a terrorist brings a bottle of drinking water on.  
(laughter)

Hargens – Can't have shampoo in your carry on now.

Frank - So I'll shoot for the 24<sup>th</sup> or the

Hargens – the following Monday.

Frank - or the following Monday, which would be the 28<sup>th</sup>.

Gaughan – When you talked to her did you find out who called in about the poison report?

Frank – They won't give you that information without a subpoena from an Attorney.

(board members talking in the background)

Hargens – Let's do it Monday or Tuesday the 28<sup>th</sup> or 29<sup>th</sup>. Are you back by then Frank?

Frank – yeah.

Hargens – Okay.

Jamie – So, is it back to me now?

Gaughan – Yeah, do we need to look at that again?

Jamie – Frank brought it to my attention that the Board had some concerns that the money was paid with legal funds or not.

Gaughan – I think that was solved, wasn't it?

Colclessner – What's that?

Gaughan – That 19,000 check

Colclessner – The reason I asked that question was because I showed Malcolm the paper work that came in December for that check and it had attached to it change order 19 and 20. 19 is the one that was on the re-sand blasting reservoir 4 because they took the dehumidifiers out and it got coated again and they had to resandblast. They wanted us to pay for it but we wouldn't do it, and they rejected the check and then they redid it and change order 20, but they were attached to it with no other information, and then I look at this and that and it's the same amount.

Jamie – So everybody is clear that it was not an illegal expenditure?

Colclessner – It wasn't illegal.

Jamie – Okay, I just wanted to make sure. The Clackamas check says 207 Capital which is the Headworks project and the Stellar J check says 730 System which is the General fund.

Colclessner – yeah, you explained that

Gaughan – So we are all happy

Jamie – I also did a project summary. Stellar J work was 20% District funds and 80% loan funds. Clackamas was 87% loan funds, 8% headwork's funds, and 5% general funds. Engineering for Reservoir no. 6 was 227,230 and WTP was 321,148.96.

Jamie – Any questions on any of the documents?

Freund – Those are nice charts.

Jamie – Frank suggested it.

Gaughan – Marion raised the question, for us to meet we don't need a motion right to approve the chairman and him to gather information. Do we need a vote of the board? We are not getting any authority.

Colclessner – No.

Hargens – We are just trying to find out what procedure

Gaughan – It's a workshop.

Freund – As long as there's not a quorum. You can't make a decision.

Gaughan – Right.

Colclessner – You can go look for information.

Hargens – We're just trying to help Frank out. To find out how we can make this process easier.

Colclessner – And you already have a consensus of the Board.

Gaughan – Okay.

Hargens- Plus you're going to have a lot more projects, so we better get a procedure down.

Gaughan – yeah.

Frank- oh yeah.

Gaughan – I guess we are ready for the manager's report, unless you got

Kirkham – Talk about that permit business I got a letter that they are closing Corbett Hill. Would that be a good time for that project to happen? Put that new water line down.

Frank – Christensen road?

Kirkham – No.

Colclessner – Corbett Hill.

Kirkham – Corbett Hill.

Gaughan – What are we doing down there?

Kirkham – Because they are going to close it, so you wouldn't have to have flagman.

Frank – The water line is new for a portion of it and it goes cross country. It doesn't go down Corbett Hill road.

Hargens – Does it go down the side?

Frank – It goes down to Chamberlain and then right next to your place (Mysinger), right next to Dave's house it goes right on down the hill. It crosses down into a landowner's driveway and there



is a series of valves that is currently under his retaining wall that we have to dig up and find, 2 power, ones a 7,200 and ones 300 volt, there is a 120 fiber optic 300 pair truck line that all go down with the same water line. It goes to this guys retaining wall, does a 90, goes down his driveway and where his driveway is it's sliding, the whole hillside is sliding. And its all part of why they are closing Corbett Hill road for. Our water line goes right down that and then goes and feeds him, then goes down Rasmussen Road in a galvanized 2", which is another Christensen road soaker hose. The only way, right now if you go and dig there we could end up in a very large, large project. Meaning a portion of that hillside is sitting on I-84. We had to do a repair there and while we were there the ground fissures really bad. That whole hillside is moving.

Hargens – Marion is saying is if there any work we may have to do during the road closure, we can do while the roads closed?

Frank – We've got 2 PRV stations that we have to essentially dig up and put a proper box in because they are being driven over and the boxes are sinking. So we will be in there dealing with that.

Gaughan – While the roads closed?

Frank – Yeah.

Hargens – So when are they going to close the road?

Dave Mysinger – After Labor Day.

Hargens – For how long?

Jamie – For three months.

Freund – It is under discussion.

Hargens – During the School year?

Freund – Yes. The meeting the other night, they had here about road closures, the bottom line was the Feds and the State and the County never talk to each other. They each had plans to do stuff, and they each had there plans and then all of a sudden, oh gosh, you're doing one too, oh, and you are also. It all came to a head and yeah they had a bunch of School people, bus drivers, and Tom and a couple of firemen were there and it was really quite an issue because of the School and fire having to go all the way down and around. Adds an hour a day to the kids, leave at a quarter to six and Hargens – Sure, ones coming from Bonneville.

Freund – I think its quarter to six and get back at four thirty now, and add a half hour to each end for that trip. They talked about a number of different things that I won't go into. The bottom line was that the powers were going to get there heads together and see if they could come up with something a little more palatable. Also, not have the closures coincide of each other, but run them consecutively. Incidentally one of the contractors that was doing the job up there is the same one doing the hill. So, its like gee I'm busy up hear, how can I be doing that one at the same time. It would make more sense to do it later, and they were really looking at October instead of September. It looked like pretty much a definite delay. The discussion went as far as putting it off until next spring. So, they said they would talk about it and come back to the committee. That's what come out of the Wednesday meeting.

(Multiple people at once)

Hargens – I was thinking about the one on Chamberlain you want to do.

Frank – On Chamberlain that's joining the 2 sections. The side from Mershon, there is a new pipe for Mershon that comes down Chamberlain. There is a new pipe from Corbett Hill and they terminate, they don't connect. And there is about 2,700' that would tie those 2 together.

Hargens – We'll if they do close that section of Corbett Hill there would be less traffic.

Frank – Yeah.

Hargens – Because it all would be going one way.

Frank – Yeah.

Hargens – You would only have the residence then.

Frank – Yeah. We are looking into it. We are also looking into the possibility, while they are digging that area up if we could drop in some, a couple sticks of pipe in that area they are digging up. So I've been working with the powers at bee to see if they would go for that.

Freund – You had said at one time that you wanted to go on down the road and abandon the over the hill line.

Frank – I would like to do that but it is going to be spendy.

Freund – Its not to feasible?

Frank – We'll the way Corbett Hill road is there is a lot of turns.

Freund – Right.

Frank – There is a lot of houses there, it would be nice to cut across some of those turns instead of every joint you have there is another potential problem.

Freund – Yeah.

Frank – But I figure if we can get the pipe in down there, then its there. When we get down to it I'm sure Corbett Hill road will be closed again sometime and we'll sneak some more in and eventually we will get it down there.

Gaughan – I think we are ready for the manager's report.

Frank – Alright.

Colclessor – Maybe, well, could I, I'd like to, the board to appoint Jeff as our lead man or point man on this contracting, you understand a lot better then the rest of us the different things we've just been talking about, cricks you gotta be around, wetlands and all that and you would be a lot better to help Frank, like you have tonight. On ideas and stuff, so I would like for the Board to appoint you as our lead Commissioner with Frank to do that. To take that responsibility on.

Hargens – I'd be glad to help in anyway. Even if you want me to look at things you want to run, and how it can be done and everything else. I deal with it all day long.

Colclessor – That gives you authority to do that, and then you can come back to the Board if you need a vote.

Freund – We can make a motion

Gaughan – I was gonna say I think we need to make a motion on that.

Colclessor – I make a motion that we appoint Jeff as our contract and overseer of the items we just talked about in this portion of the, wetlands, the different things we are putting up with the County and different agencies, help maybe get something's straitened out and get us some freedom and on contracts we take, what contractors we take on too cus we are a little bit short in that area and we need some good advice.

Gaughan – I wanna

Freund – That was a long motion.

Gaughan – Does Frank welcome that help?

Frank – Yep, oh yeah.

Freund – I'll second.

Gaughan – Malcolm seconded it so there has been a motion made to appoint Jeff as contract overseer and helper of Frank whenever prudent. Its motion and seconded do we have a vote? Unanimous yes.

Hargens – Do I get to vote.

Gaughan – You can vote for yourself on this one. Its unanimous.

Frank – They are real nice to talk to, at least in the dealings I've had. That can change I guess.

Freund – There looking at the book and going by the book and not looking at reality, reasoning.

Gaughan – Okay. Manager's report.

## **Manager's Report.**

Frank – Distribution system we are running corrosion control, that's the water systems PH, which we use sodium bi-carb to control the PH in our water, we are holding right where we want to be. So that area is perfect. System chlorine residual, we only got roughly, we've actually got a .04 system demand which means the water is clean. Our turbidity, if you look further down in the report you will notice the raw water turbidity is .035 NTU. Bottled drinking water is .250, our raw water is cleaner than bottled water. Because of that we don't have essentially the bad guys in the water for the chlorine to attack. The only reason we hold a residual at that point is to meet the residual at the end of the system, that is required by law. Which is .2 we run it at about .537 which is a tolerable chlorine factor, as far as the human taste pallet and still forward a very effective oxidation kill ratio for any of the bad stuff in the water. Disinfection bi-products that's a quarterly, so we won't have our next information for quite a while. Distribution system is functioning well. We have been working hard to locate valves. The valve book we have is pretty incomplete. For example, the valve set sitting under that guys retaining wall that a pretty critical valve set because it shuts off the main going to Clara Smith and shuts off the main going down to Rasmussen, but right now its under a retaining wall, so it is worthless. We are our and about doing general maintenance items in the District. Fixing hydrants and correcting things while at the same time gearing up for the big projects. We are trying to get all of the tedious small stuff done while at the same time take care of the planning in preparation of the bigger projects. Right now we have sand bags all the way across the North Fork that is the only way to get enough water into the intake structure. Right now, the real sad indicator is that the water temperature is coming up. That means there is less water riding lower in the saddle and its moving slower. With that one of the issues it is creating for us is fito-plankton, common terminology Algae, which severely affects the effective filtering capacity of filters. So, and there's no way to combat it. We can't put copper sulfate into the filters because not only does it destroy the algae, but it destroys the good guys that are actually the filter median. All we can do is rake it, keep our fingers crossed and try to make it through. I haven't found an approved lab in this area to study the genome of the algae. We do know that it's not the blue green that produces the neurotoxins, which is really bad. And we don't want that. That's our first concern. According to the people that we've had out, it's not that species. It's finding someone to take it and break it down into the DNA factor to tell us exactly what it is. And maybe we can find a way to combat it by raising the water level and the filters, changing the water temperature to make it inhabitable for the algae and therefore killing it without using the copper sulfate or additives. Again I have to stress that current weather pattern and the data looking forward, the Gordon Creek issue isn't going to get any better. Basically what happened is we got a ton of snow. It melted. And we got a huge burst going down Gordon Creek. That does us no good. We need that water to saturate the ground and flow out of the Gordon Creek aquifer. There are also people having wells up there dealing with the same issue. So it's a broad spectrum issue. And looking at the weather next year isn't going to be any better. And current estimate, I'm estimating we're at 40% of the normal flow. If the weather continues, I'm estimating next year we can be as low as 20%. We can't even use the south fork. The water doesn't even make it near the structure on the south fork. Actually we had to bypass it in order to allow enough water to continue downstream for the fish. Where we used to be able to allow two intakes to make up for the demand we can't do that. We're down to one and that's it. And we're sandbagged across to force the water in. So alternative water sources are definitely in Corbett Water District's future.

Gaughan – I saw you had that here Frank and I commend you on what you've done. Have you done any pricing on what the well will cost us? The kind of well we need?

Frank – Well, the problem is....

Gaughan – I have one more question. Would there be any water in the well aquifer up there that it would take..

Frank – The issue we have is trying to find a well in this area that produces, that can supplement or produce that amount of flow. And according to the data right now, there's only one well in this area that's capable of 300 GPM. We're looking in summertime, if we had to use it, at some where around 900.

Hargens – What about putting in our own well up by the existing facilities?

Frank – That's a major concern because if we put in a well there, the effect of cone of depression that we create through drawing would run everyone up there that has a well out of water. And so Water Resources, I've been working with them. They're suffering the same as the Drinking water program. They've got one person who handles the whole state now. We're on the radar now and definitely working and I'm doing everything I can. The possibility of doing something like that up there isn't looking too good according to the data from Oregon Water Resources.

Gaughan – It wouldn't do us much good to put one down here. Then we'd have to do another treatment plant.

Hargens – So do you see any relief yet at all? With the cooler evenings and all?

Frank – Actually what made the two most major effects was the school and this hydrant down here.

Hargens – The schools almost as much in a week now.

Frank – But they were using almost 900,000 gallons a month.

Hargens – So I guess what I'm getting at is do we need to look at restrictions for water usage or are we going to be able to maintain? It should get better in the next...what do we have, a month to go?

Frank – September is typically our worst month. October is when we drop off and coming to what I call an idle time. September is where, end of August, first of September is where it just shoots up, our demand goes way up. Currently I'm not seeing any drastic 104, 107 degree days coming up. It's generally going to be 90's, and middle 80's. We'll make it through this year. But next year, there's more than likely going to be restrictions. There's going to be the choice of watering lawns or watering crops. That's what it's going to come down to. And try to get people to get conscious of how they use their water. Wintertime we can supply it. It's there. Summertime is when we get hammered. That's what kills us.

Gaughan – So we need to build a trillion gallon reservoir.

Frank – Well, I've been talking to the land owners up there; Frank Lumber, Longview Fiber, BLM about creating a pond, a wild water pond, where we store the water. That creates another issue for us as far as we're creating an artificial wetland. That's one issue. The other issue is we're creating an ecosystem so we have to deal with the water differently. So far it looks pretty promising. Frank Lumber is on board and says they will help in any way they can. Longview Fiber, I'm climbing the ladder right now. BLM, obviously they're down in Salem and you talk to one guy and it goes on and on...so there's a ladder. But what I'm working on is a pond type deal, where we can handle the low flow and we have a large storage of raw water and we can produce it. And Drinking Water program doesn't have a problem with that. Obviously we'd have to get it engineered and everything like that. I think it's a very viable solution at this point.

Kirkham – Is there a good place to put in a reservoir up there?

Frank – Oh yeah, there's a really nice area to do it.

Hargens – So you're talking a dam?

Frank – Actually it would be a very large man made on the way down from. If it works out, hopefully, it would be a very large man made lake or pond. I'm estimating somewhere around 500,000 gallons is what it would hold.

Hargens – Like digging a pond and line it.

Frank – And line it. And it will be in line with. Basically our current water main would fill it and take water from it. Instead of having to run a whole new water main and everything, it will be we already have an access road to it, the water main runs alongside it and it's already cleared. All we need is to see if we can do it. So far, I've got one property owner game. All I've got to do is get BLM into it because where it is, you have three property owners; Frank Lumber, BLM, Longview Fiber, so you have to get each one of them to give up a piece, which is doable. They've worked with us before, so that's where I'm headed.

Kirkham – How much land would they have to give up?

Frank – We're figuring to meet the state guidelines, we're looking at five acres.

Kirkham – Five acres, you say?

Frank – Yep. A five acre plot.

Gaughan – Total?

Frank – Total.

Gaughan – That's not very big.

Hargens – You're going to put untreated water in it or treated?

Frank – Raw. Raw water.

Hargens – You're going to store raw water in it for use.

Frank – Yes. It'll just be there for us to take precaution.

Hargens – So you're going to flush through it all the time? That's where your raw source will go in and then come out?

Frank – Yes.

Hargens – All the time, all year.

Frank – Yes. And if we don't have enough flow through the North Fork, that pond is like a capacitor. We can draw from it and overnight we can fill it back up and draw from it and fill it back up because we've got a million gallon reservoir and it's a balancing act. We can balance it out.

Hargens – That's a good idea. It's worth investigating.

Frank – So that's where I'm headed with it as far as if I can get away without digging a well. And so far the price I've seen for digging a well for what we're looking for is well into \$250,000 when all is said and done.

Gaughan – That's what I was starting to wonder.

Hargens – But a lined pond isn't going to be real cheap though, either. It might be a better source.

Frank – If we can put the well in, then it might be an option. But it doesn't look like there's the water to do it.

Freund – Well, the lined pond would come out of operating expense?

Frank – Yes, out of operating expense.

Gaughan – How long would that lining last? Forever? Dream on right?!

Hargens – No they have good liners now. I mean, they last a long time.

Frank – Um, leaks and repairs. The ten inch main down there on the historic highway, I touched on this the last meeting I believe. It was a hydrant. The hydrant was installed on the top of the main with no valve. They could not shut it off. It was welded and just from straight steel pipe. It looks like something you would build like a lumber rack. It wasn't a heavy walled material. We tried to put a band on it to stop it. We later determined it was a pretty major leak down at the base where it connected to the main. I opted to yard that out, cut that section out. We need to replace the main going down the road right adjacent to it. At the same time, I did a stub out. I replaced the hydrant and did a stub out so we're ready to go down that road and replace that main. Obviously it meant that we had to shut the system down for four hours and we also discovered that the main was not at the engineering drawings of 4 feet, it was actually at 8 feet, which made it quite a challenge. We've been dealing with the North Fork intake, the main running from essentially the intakes. When they

did the logging, that whole area is very moist and essentially they laid down a bunch of oh what do you call it?

Gaughan - Pitrun

Frank – Yeah, pitrun and they're driving over with log trucks and they kept putting it down and it just kept going right to the mud and eventually started hammering into the pipe and just punching holes in it. So we have a total of 16 repairs up there. So we're in the process of getting Frank Lumber up there to replace the rock and getting the road built up so it's not....there's points where the trucks were actually driving on the water main. So they kept driving on the mud, on the water main, you could drive right up to it. So they've been helpful there.

Frank - Littlepage and Grange Hall Rd. fire hydrant. That's a really interesting one. It's an interesting one because it's a lot like the hydrant that we replaced on the highway. It's welded and there's no valve. We can't shut it off. That hydrant is welded and feeds Littlepage. We can't shut it off. There's no way. The other problem is that we have two fiber optics and a main trunk line resting directly on top of the main.

Frank - Then we have a main power line that runs behind the hydrant and also rests on the Littlepage section of the main. So right now I'm trying to figure out how I'm going to deal with that because I gotta to reduce the pressure going down Littlepage. At the bottom of Littlepage it's 300 PSI. And you don't dare open that hydrant down there, it's pretty exciting. But I have to, at this point it means another main shutdown. Another shutdown to the community. Essentially below Camp Crestview. But before we do that, it's going to mean a major rework in that section. We're working on lining up all the parts and putting together a pressure reducing station which we'll install at the same time when we put all the valving in and everything like that so we can properly control that section. Right now, where the leak is we can't even get a repair band on it. The pipes are so tight the conduits are so tight to it, we can't slide anything to it, we can't pry them up. And right now I'm talking to Cascade Utilities to see if there's some way they can lift some stuff up so at least I can get a repair band on it.

Colclessner – No plugs, Frank?

Frank – Huh?

Colclessner – No plugs?

Frank – Well, if you hammer a plug in there, it's just going to make the hole bigger.

Gaughan - Is that the hydrant that looks like it's set in the bucket of water?

Frank – Yep.

Gaughan - Okay I saw one somewhere and I couldn't remember where I saw it.

Hargens – So it doesn't have a valve on it or anything yet?

Frank – No. We can't shut the hydrant off. We can't shut off Littlepage. It's a direct connect right to the ten inch main coming down off of Larch Mountain. And the other thing I'm exploring is doing a tap, inserting an air bag and closing it that way. The problem is if you have a high degree of iron bacteria it can puncture the balloon or the air bag and you've got a new problem. You've got a hole with an air bag that just blew out at you. So I haven't found anybody that can freeze it for me yet.

Gaughan – I was going to ask you, what about that freeze kit we were going to get? We couldn't freeze that big of pipe?

Hargens – Oh you couldn't that thing.

Gaughan – No

Hargens – Have you of that process of cutting in a valve on an open line? I've just heard about it just recently. You might talk to A and A drilling.

Frank – That's whom I'm talking to.

Hargens – OK and I've just recently heard about the process that they can cut in a gate valve in the system without disrupting the flow. I don't know how they do it, but it doesn't even sound possible.

Frank – Yeah, I've been talking to A and A Drilling and their concern is the material, the corrosion of the pipe and if they do it, will it collapse. What they want is, they want us to excavate it. And so they can get in there and check it out.

Hargens – I imagine it's pretty spendy too. A couple thousand dollars, probably.

Frank – They estimate about 5500 dollars to cut that valve in. At this point, we're going to have to do something and if I have to shut the system down, then I'll shut the system down. I've gotta do what I've gotta do.

Kirkham – The main thing is to give the people enough warning so they can fill their bathtubs full of water or whatever.

Frank – oh yeah.

Hargens – You'd just shut it down for the day, won't you?

Frank – We would shut it down, I would estimate 4 hours. We'd kick off that piece and put a gate valve on the 10 inch so we could restore our service to the community. The only people who would be affected is the upper people of Littlepage because we would back feed from Loudon. We'd be able to push it up to a certain point in elevation and the water would also come down Knieriem Rd., it's also tied in so.

Hargens – That's probably the cheapest way to do it.

Kirkham – Where would you have to shut it off?

Frank – We'd shut it off at Camp Crestview and that would essentially affect, 4 hours if we did it in October, people probably wouldn't see any effect for a while. I know that Springdale area wouldn't because of Cabbage Hill. Cabbage Hill feeds that. And because I've got Loudon fixed I can back feed down Loudon and keep water up to the district office.

Kirkham – How about the school? Would they have adequate?

Frank – The school would have adequate water pressure. Because I'm able to back feed now where I wasn't before. Just a customer service line on Mershon that crosses under the road to his meter from our main we had to repair. Southeast Loudon we've been having some fitting failures. Due to the pressures and everything like that they just split. So it was just an easy repair there. And then SE Smith Rd. which is another soaker hose like Christensen. There's a lot of that two inch in the ground so a good portion of Springdale is. Again we've just been doing system maintenance items, service fire hydrants, testing backflow assemblies, doing customer service calls, new water service installs, and a lot of those are still stuck in permits. A lot of portion of our time has been dedicated to the Headworks, obviously due to the hot weather. Got to really keep an eye on that. A typical summer average I've listed here is 936,000 per day. We went up to 1,832,000 gallons per day for a burst, so you can see that it just about doubled.

Frank - Obviously we've been busy working on district infrastructure, keeping up on the big projects and we are not going to have time and we've had some very negative customer experiences, so essentially at this time we are suspending it because we have to focus on our big projects. Basically what we do for customer calls is if we get a chance we will do our best, but there are no guarantees. Its pretty interesting the responses you get. You need to do this for me, its your responsibility, its your water, even though its traveling through my pipe, we've gotten quite a few interesting responses. Some calm others flat out yelling and stuff like that. Right now its basically we've got to focus on getting these projects done, so that's our focus is at this time.

Hargens – So do you go out and look at the meter to make sure its on one side of the meter or not?

Frank – Yeah. We go out and verify the meter. We kinda have a check list for the customer. Is your toilet running? Check your valves in your water heater. If you shut off all your appliances, read your meter, is the flow meter the red dial moving? We have a check list that we go over, but as

far as grabbing the listening device and walking that customer's property and finding their leak. We are just postponing that.

Hargens – Is there... I totally agree that we shouldn't be on private property.

Frank – Yeah.

Hargens – I think that is something we should totally get away from. But maybe what we could do is there someone in Gresham or around that area that does that type of work? Leak detection? That you could just offer a name to help the individual out. I think for liability reasons you shouldn't be doing it period.

Frank – Right. That is what, I have actually gathered several names of companies that do that. Several are pretty large companies which means pretty expensive, but there is one person that does backflow assemblies and leak detection and he is fairly reasonable and he lives fairly close to the Corbett Community. I'm working with him to

Gaughan – Who is that?

Frank – He used to live here, his name is Roland BeeBee. He used to do the Water Districts backflow assembly testing. The District had a contract with him to do all the backflow assembly testing.

Gaughan – Oh, okay.

Frank – And now he is into leak detection. He is known in the Community.

Colclessor – Could Woody do that Frank?

Frank – Woody as far as

Colclessor – He does repairs. He did for her Grigsby.

Freund – He didn't go look for it, she called him and told him where it was.

Frank – He'll fix them.

Freund – He'll fix them.

Frank – But he won't go find them.

Colclessor – He's not a plumber but he can fix a leak.

Freund – There was a company down at Tippy's, leak detection services. That I don't know if you had that name down

Frank – Oh yeah.

Freund – But it looked like a bigger company, they had 2 vans down there.

Gaughan – Its pretty expensive I bet.

Frank – Its pretty spendy. I have their number and stuff.

Freund – Yeah.

Hargens – So you just make sure its not our problem. That its on the other side of the meter and offer them suggestions for who to call.

Frank – Yeah, and that is exactly what we do now. We verify that the leak is not on our side, if the meter is moving it is obviously not. We go and check to see if the meter is moving and verify and we have a check list, you know, try this stuff out. Essentially we just don't have the time to dedicate to it.

Colclessor – Can we address some of that in the Rules and Regulation. Put something in there, state laws were they can't abuse you.

Frank – There is, it actually is a Felony to do a lot of, One customer who didn't pay their bill and got their water shutoff and was consistently late or on the delinquency list since 2002. That right there, I spoke to the Sheriff and reports on file and if it happens again its done. Yes, it is a Felony and its under an ORS.

Colclessor – I hope we could help release some of that with our rules and stuff, maybe with some fees.



Frank – If you are going to get on the phone or come into the office and tear an employees head off verbally or mentally or whatever you are in trouble. The law is on the District's side.

Gaughan – Does that mean I can't pick on Zac anymore?

Frank – You can pick on Zac all you want. He loves it. (Laughter)

Gaughan – He's easy. (Laughter)

Gaughan – I have a question. How are we doing on those meter moves? Are we going to get those done before we get into major, I guess there's permits involved. Are we going to get that done before you are working?

Frank – More than likely not. Unless on the 28<sup>th</sup> or 29<sup>th</sup> we are able to persuade the County to climb off our backs. But in the Knieriem case that is the Gorge Commission, not County.

Gaughan – I still think we are just maintaining our equipment and to hell with them.

Frank – We are working every angle I can think of.

Gaughan – What do they do to us if we go move a meter? If you went down there and dug it up and did it, what would happen to us?

Frank – I haven't found anybody who could answer that for me.

Gaughan – That's why I'm wondering

Frank – I can't find it in the rules.

Gaughan – Maybe we should go do it.

Frank – I can't

Gaughan – and see what happens. Say oh, did we break the law?

Frank – but

Hargens – Worst case you just go to County court.

Gaughan – I know, I still think we should go ahead and just do it.

Hargens – I don't know they might fine you. Its your facilities.

Gaughan – I know, its our facilities that's what I'm saying. Anyways, go on with your report.

Frank – Okay.

Gaughan – They are wasting a lot of water. They are leaking like hell and its not going to get fixed until the meter is moved.

Frank – One of the things we actually get a lot of here, actually its died down here. On the weekend we will get billing calls, emergency calls.

Gaughan – Yeah, that's ridicules.

Frank – And we're not going to deal with those.

Gaughan – Right.

Frank – Its no longer. One of the issues is response time with the change there is no provisions for the employees to be within 30 minutes of the District. So they just have to respond as it applies now. I will do my best to respond and the employees. I will be calling them but I can't guarantee they will be within 30 minutes. But, no more of those irate billing questions.

Gaughan – Right.

Frank – They get pretty darn frustrating. Reservoir No. 5 basically we won't be doing that until the weather gets cooler because of the obvious summer demand and we have to install the bypass and because we are change the water system at that point I do have to get a review from the Drinking Water Program. That's an easy one.

Freund – Good.

Frank – I've already started the process on that. Reservoir No. 4 upgrade. We have to run power up there.

Gaughan – This is Mrs. Schmidts.

Frank – Yeah. We've done several archeology digs up there. We have a very good idea where the pipe goes and what it does and it is pretty scary. We discovered that the drawing that were done to

be pretty worthless. Worthless, simple. Basically with some modification we don't have to install 1,200' this is just carrying over from last time. We are looking at the electrical issue. One of the problems we have come up against is Portland General Electric because we are not putting the conduit down an abandoned pipe we are putting it in the ground they want an electrical contractor to perform the work. So, I'm kinda working with a few contractors to see how much they would charge. I have the conduit, its approved, how much would you charge me if we dig the ditch, you put it in there and give it your hail marry and appease PGE. That's were I'm at there with the power. The other thing is Mrs. Schmidt also wants to work into the project, so we are also accommodating her. Obviously all we are going to do is set her pad and they are going to stub out and put in a cap for her and everything from there they have to supply and do, we won't be hooking up their services, its just there will be provisions there for them and they would have to get an electrician to do the work.

Gaughan – I think she understands that.

Frank – Yeah. And she is still interested in Reservoir one.

Gaughan – That's the one we are going to abandon?

Frank – Yeah. Christensen road as you know the proposal of \$6,000 additional dollars from PACE Engineers for the final completion was rejected. We have filed for permits for grading and erosion control with Multnomah County. We had our pre-filing meeting on July 26 with Lisa Estrin County planning specialist. It was going to cost us \$868 for that and through some creative paper work and talking we managed to knock it down to \$350, but we are still having to jump through hoops.

Gaughan – Are you talking to Lisa on that, like if I was going to go build a house on my property I would have to go talk to her?

Frank – Yeah.

Gaughan – Oh my god. Can't you get somebody else? There are three other planners can't you get one of them?

Frank – I guess its like a lotto system is how it works there.

Gaughan – Unless you are a builder then you ..

Frank – I guess the let one go and now there is only three caring the load. And I guess its now pick a straw, pick a straw, ya know.

Gaughan – A friend of mine is building a house and had her and he couldn't get anything. He got a builder and she went in and talked to somebody there and get a different planner instantly.

Frank – Yeah. We may go there.

Gaughan – And they are progressing now.

Freund – What kind of permit is that?

Frank – Grading and erosion control.

Freund – Okay that's the one you were talking about and that kicked in the 150' from the stream and all that garbage?

Frank – Yeah, that's the one that covers the 150'

Kirkham – But what if you put that in and asked about that 150' after October.

Frank – What I'm submitting to her is we are essentially, when the funds are / if approved in time get us 200' just get the pipe in 200' cap it and get out of that window.

Freund – Right.

Frank - So, grading and erosion and control is no longer a problem and now all we are dealing with is Allen Young and we are working along side the County right-of-way that's the route I'm heading right now. Whether they buy it, I don't know.

Gaughan – Watch Jeff and I piss them off and that will take care of that. (laughter)

Hargens – That's what I was thinking about that fee will be back up to \$868. (laughter)

Frank – Water Treatment Plant as you see the North Fork is operating at 830 gallons per minute and the other is offline.

Gaughan – Isn't that pretty common, doesn't that one go dead in the summer?

Frank – Actually, in previous years we have been able to draw from both, although more from the North Fork than the South Fork. We usually switch to the North Fork because there is less leaves and the South Fork has a lot more leaves in it, so it tends to plug the screens, so we tend to go more towards the North Fork. At the time of this report reservoir number 6 was at 13.23'. Reminding you that 10' is the point of no return. Meaning we hit 10' we cannot produce enough flow to bring it back up it just drops, we go to zero, so 13.23' is a very scary point for me. When it hits that 10' level it goes like a rock, where talking really fast. And that means we have 788,243 gallons and we are holding our own on that one. As you can see we are really pushing filter ponds 1 & 3. I don't know what happened to filter pond 3, however I'm not allowed to put a camera down the pipe to check it out, but I have a feeling we had some sort of sand blockage within the under drain because it broke lose we were barely

Freund – It was almost plugged, wasn't it?

Frank – Yeah. 150 gallons a minutes was all we could squeeze out of that thing and we had a head on it that was, it should have busted right through it. One day we were playing with the valves, trying to evacuate some air out of the line and we, and it broke loose and its been flowing 420 ever since.

Freund – Thank goodness.

Gaughan – Did you turn around and say good job guys and walk out? (laughter)

Colelesser – What was it?

Frank – The thing that bugs me is I want to know what it was because if it happens again I need to recreate it.

Gaughan – Was that the day the Beaver finally got to the filter. (laughter)

Frank – Pulling it out of the strainer was bad enough. And I don't know how it made it there to this day. I don't know. It climbed in somehow.

Frank – Raw water, we spoke about this earlier, is .035 finished water is .043 NTU that's the result of the sodium, because the sodium is a particle. Cost of operation is still remaining the same. The cost of delivery, I haven't seen it because I haven't had a delivery. I don't know what the Alaskan pipe line effects are going to be, I don't know what is going to happen there. We have taken further steps to reduce utility bills, phone line and stuff like that to try and decrease the cost of operation. One of the other issues we've been having Sodium hypochlorite is unstable. I've come up with a degasser to remove gas from the pumps. You can't keep all of the gas out of the pumps...(technical stuff) ... Right now I am please to say we have not had a chlorine call. The next solution is we are going to have to mix it, which means more chlorine and increased cost.

Gaughan – If this doesn't work.

Frank – Well so far its working like a charm, the chlorine levels are stable.

Freund – you commented on black barrels and blue barrels.

Frank – Through a lot of research the manufacturing for the blue barrels involves iron and chlorine or sodium hypochlorite reacts with

Freund – the material. So is that something you can go back to the supplier and say this is creating extra gassing and hey how about not giving it to us in the blue barrels.

Frank - I have gone and asked, they only people that will give us chlorine in a barrel is the people we deal with. And I've asked them, I want blue barrels don't give me the black.

Freund – okay.

Frank – And they said unfortunately you get what you get and you deal with it. You don't like it go get somebody else, but we are the only ones that deal with it this way.

Freund – I guess when you back up stream their barrel supplier, or are they getting a big break on the cost of barrels

Frank – The manufacturer they get the materials from I've also contacted but I haven't got anywhere with that. Basically all of these barrels are recycled, we may get blue or black. The other problem is we buy such a low volume of chlorine this is the only company that wants to deal with us.

Freund – Right.

Frank – As you remember I tried to get another company to come out but they said no way. I can't get a 50 footer up there your toast.

Freund – I know there are some limitations that we are saddled with. It just appears that with what you told us about the barrels expanding just when they are delivered that they are full of gas and puff out

Frank – It is reacting right there.

Freund – It looks like as a supplier they would have some interest in not having their barrels all ready pregnant, safety issue.

Frank – Well what it is the company we buy from uses a separate shipping company. They don't care, even though they have the chemical handling issues. Our last delivery we had chlorine sodium hypochlorite and ammonium which is used in another treatment process and sulfuric acid in the same truck, all within a few inches of each other. You have black barrels that can explode at anytime because they are under pressure. You have your ammonia, and you have your warning for what happens if you mix Comet with Windex you get phosgene gas, you're dead. Anyways, we've got that under control. Kari Salius with the Drinking Water Program came to see the WTP... the manhole covers on the existing filter ponds need to be fixed other than that she was very pleased with operation of the plant, the operating procedures, the DRC protocol, and so on. Our triple redundant data system.

Frank – Because the modifications to the chlorine system is working we are not mixing water with the chlorine.

Frank – Manager's comments. At the last meeting we discussed pager pay and I was essentially asked to sell that to the employees, well the sell went \_\_\_\_, the employees are very upset. My position on pager pay is if you are going to expect employees to be within a 30 minute response time you are going to have to compensate them, especially on a weekend, that's their time off, and it's the fair thing to do. My other issue is the pager pay issue is gray, a huge gray area, we said three hours for call, what call? If I'm customer A and I call you do you get three hours, there is no defined policy. We need to define a policy. There has to be a policy. We have put forth, we said you have to follow this now, but what are we following? You get 3 hours pay. Is that 3 hours overtime? Is that 3 hours comp time? Is that 3 hours regular time? There has to be a policy. And I can flat tell you right now the employees are mad, okay. There is no way to glaze it, sugar coat it, they're flat mad. As a manager standpoint it creates a situation for me. As I pointed out earlier, I can't guarantee I will have an employee within thirty minutes. If I say hey, you have to be here within thirty minutes so I can call you and expect you to do this there is no incentive. The three hours may seem like a decent incentive but you're asking a person to remain on-call all weekend and if they get one call for that weekend, and we've asked them to stay. Ya know, on Friday you can't go out to the bar and go drinking because you've got to be within thirty minutes and I expect you to be in tip top shape. So I don't want you getting busted for drunk driving a shovel, or something. There has to be a policy. We have to revisit this and I feel if you involve the employees in the policy that would help alleviate the, essentially the upset portion of their, they don't look at the Board to well right now, so if they are involved then that can be, I feel that can be pulled out and a mutual situation can be handled, or taken care of. I felt that the decision was made pretty hastily.

I felt that, this is my personal opinion, I felt that the consequences were not weighed because we do not have a policy. If it was weighed and reviewed and a policy was done we would know three hours for this call, if this person calls, if you get an emergency call for a billing question its gone, its not addressed in the employee manual, there is no mention of it. That is area we have to deal with. The other one that really upset me and I'm not trying to belittle anyone but this one really struck a bad note with me. It was a comment made by the secretary / treasurer questioning who had authorized me to appoint or assign pager pay. I'm the manger that's my duty.

Colclessor – I think you misunderstood that. I asked you who authorized you to give up your time that you used to carry the pager and give it over to Zac and Kevin. You used to carry it a third of the time.

Frank – I carry it all the time. It's on me 24 seven, 365 days a year, I sleep with, I go to the bathroom with it.

Colclessor – I want you to understand what I asked you then. That is what I asked you. I didn't ask you, I now you have the authority. I now your contract very well that you have the authority, which I helped authorize. But I just want to clarify that because that bothers me what you're saying now.

Frank – That's how I felt when it was said to me in the District office. I felt that my authority was being questioned.

Colclessor – No that's not true.

Frank – And now I stand corrected and I apologize.

Colclessor – As I've told Malcolm the way you've acted that my question is not honored to.

Frank – With that said, come forward and lets discuss it and talk it over.

Colclessor - Well then there is one other thing you say you don't have time. That's right in the minutes that Jamie's give us and that's sort of been a problem too. You can't have time to talk to the Commissioners we've got a problem.

Frank – I have time to talk to the Commissioners. I just ask that please don't come in at the end of the day because 1-it gets the community really going and you won't believe the comments. Is there a meeting, is there a meeting? If you want to talk lets talk. Give me a call and say hey Frank I'm coming on down lets talk.

Colclessor – Do you remember when first come and I'd say 'lets get out of here Malcolm and let Frank go home?'

Frank – yeah.

Colclessor – I try to be conscious.

Frank – And I appreciate that, I really do. But as manager I also have to watch your backs and you very well know what happens when Commissioner cars are sitting out front, everybody knows everybody, and I've already, when Mr. Fulks comes to the office, that's the day I dread because I'm telling you all hell breaks loose. It really does and it is surprising everybody is watching who's in that parking lot, at what times and it is surprising. I just ask that you come in during the day. If you want to come in on my lunch time, do it on my lunch time, I would gladly stay there at lunch. I ask please don't come in at the end of the day because that is something to the community saying ah end of business nobody else there except the manager and the Board members up to 3 board members and them boom. You can't expect, someone is going to walk in a board member or commissioner, hi how you doing. All of a sudden you have three board members there it's an immediate quorum in the eye of community. I'm willing to meet with you at any time just please do it during business hours. I'll accommodate you in anyway I possibly can, please just do it during business hours because it's out there and everybody is being watched. Especially the manager and the board the radar is up and it's fixed, they're locked on.

Colclessor – Where is any appreciation.

Frank – The appreciation? (laughter)

Hargens – Probably go by there early in the morning or late at evening.  
Freund – The appreciation is in your salary  
Gaughan – Bob, you did cash yours this month  
Hargens - No mine bounced (laughter)  
Colclessner – Surely there can't be that many of them in community doing it, it has to be very minor.  
Frank – You would be surprised. It's a very vocal group.  
Colclessner – But it's not a big group. It can't be a big group.  
Freund – It's the same people  
Frank – It's hard to tell. All I know is I get  
Hargens – Does it really get to you?  
Frank – Oh yeah.  
Freund – The same kinda group  
Hargens – I guess I'm the type of person that. I really wouldn't want to see it stop. The only way to combat it is to keep. If they want to join in on the conversation then have them stop by.  
Freund – Yeah.  
Hargens – I guess I don't give into them. I really don't like running around. I've been in the community forever but I guess I don't now that side of the community.  
Colclessner – You can't run forever.  
Hargens – That's what I mean I don't want to run from it. I want to feel I can stop by there at 6:00 if I see your truck parked in the parking lot and I have a question I feel I have a right to stop and ask. Just like if I was any other community member, not a board member or anybody else. Just because I know more of what's going in the District then the other people now just from being here. There is no difference, it's pretty childish.  
Frank – Oh yeah.  
Hargens – It's unfortunate that it always has been in the community.  
Gaughan – Right.  
Frank – Where it gets to me is when I get a call from a person and they are just flat yelling. And I do get those calls. We are not talking nice. I recognize the voice I just can't put a name to it.  
Colclessner – That's sad because that's what the terrorist use. There is no difference if they are going to act like that, they can come and act like human beings.  
Gaughan – They yell at me. They see me at the post office and yell at me.  
Hargens – Or a bar or anywhere else.  
Gaughan – Yeah, down in Springdale (laughter)  
Frank – If the Commissioners have no problem with it then I won't have any problem with it. I have to watch your back, and the problem is I hear. I go to the stores and I get to hear it. I hear it on the phone and everybody is watching and I don't want to head into where we were 2 years ago.  
Colclessner – That's why we don't need this  
Hargens – Well I agree. I wouldn't want to stop if I knew it was going to put you in a bad situation. I wouldn't want to do it just for that reason  
Frank – Well, as far as those members hate my guts anyways, it doesn't matter, I just get tired of listening to them because I can't say anything to them. I have to sit there and bite my tongue because I can't say anything.  
Kirkham – Just lay the phone down and walk off Frank. That's the answer to it.  
Hargens – Really you shouldn't have to handle those types of comments.  
Colclessner – No.  
Hargens – You could just tell them they need to come to a Board meeting. You shouldn't have to handle that stuff. I wouldn't put up with it.

Colclessner – Frank just walk off and say come to the Board meeting. We have learned the hard way that I'm going to call for a recess and go call the Sheriff because I'm not putting up with it no more.

They are to respect it so we can do our business, whether they think it is important or not.

Frank – It gets me riled up and I just want to say something if I could. I would love to ..

Hargens – I think that's what they are trying to get is a reaction

Colclessner – Hang your self up a punching bag.

Frank – The thing is if I hang the phone up I've pretty much given them reaction.

Hargens – I'll tell my wife to quite calling (laughter).

Colclessner – Frank you have my permission

Everybody at once

Frank - What we get from a lot of the solicitors is the dead space.

Freund – So you just hang up on them

Frank – You get a customer that is screaming at the top of their lungs and you hang up on them, they know they just got ya.

Freund – Right.

Frank – So you just got to listen to it.

Gaughan – Frank I went to the Post Office and a guy climbed up one side and down another that you guys worked on that hydrant past 5:00. 'How dare you allow them to collect overtime for Christ sakes they make too much blah, blah, blah.' And I said I get my mail have a nice evening. (laughter).

Frank – I have to say that when we did that, I don't know who he is but we had a community member that drove up and stopped and said 'guys awesome job, its just awesome to see you guys out here working, I'm pleased.' I don't know who he is, I've never seen him before.

Hargens – He's from Clackamas County, he's just lost (laughter). That's good to see. You wouldn't have had that happen a couple 2 or 3 years ago.

Frank – No.

Gaughan – Mershon told me he can't understand why we can't sell water for cheaper. I said hey you don't understand we are lucky we are getting water out of the faucet right now.

Frank – Yep.

Gaughan- he said you know that guy that's running that District has really done a lot of good things for this community. I know very few people appreciate it but I know he has done a lot of good things. And I said thank you.

Frank – That is one of the rare comments I get to hear. But as manager I have to take on, after 50 something call it gets a little tiresome.

Colclessner – Frank you have done a great job for this District, getting us where we are at. The first day you were here you and Gene sitting up there at that Deverell station riding up and down on that 10' pipe.

Frank – Yep. I think Gene is still scared to this day that, that thing did that.

Gaughan – Anyways.

Freund – But anyways. To make this thing short so we can move on. Obviously the employees are discontent and the way the policy sits now I feel it is going to cost the District more as far as the three hours. We have to have a policy. We have to define it and come up with something to back up the change.

Colclessner – You resolved one thing right there that we never knew nothing about until last meeting. We heard you talking about the pump, but we didn't understand. You've now taken care of the problem.

Frank – Yeah.

Colclessner – So that's been accomplished.

Frank – Yeah. Its

Colclessner – We do need that list. I'd like to see it clear back to January when Gene was here of 05 (tape ends)

Frank – It's a huge gray area. There is no definition you get three hours.

Colclessner – Well we need that information.

Frank – It has to be defined.

Freund – I think we asked for that at the last Board meeting. We'd like to see that. That would help us to analyze the whole situation. Gets some of that date.

Frank – I don't have, I wasn't collecting data during Gene and Marc's era.

Freund – Oh okay.

Frank – So, this is just with

Colclessner - I just want from when you come here if you could January of 05 of all the pager pays.

Frank – Yeah.

Freund – Yeah.

Frank – I can do that. So, basically we've got to come up with a policy. I've actually had time to sit down and go through the employee handbook it leaves a lot of grey areas, it leaves a lot of grey areas in how the Corbett Water District and its employees do business. We've taken a general format and applied it to the District, when we have applied it to the District when we have special situations. And those areas are massively gray and those areas are open to interpretation.

Colclessner – It's open for revision. We did that to get something going and to get started on. Its been how many years? You've been here over two now.

Frank – Yeah.

Colclessner – We haven't had time. You don't have time to do it. Malcolm and me finally got in and did it so we would have something. It is not

Freund – Deb's review.

Colclessner – And Deb's review too. She helped, Deb was really helpful.

Frank – She did an awesome job

Colclessner – But we can look at that again, it can be changed.

Frank – What I propose is that a committee be established that involves a board member, member of the community, an employee, and obviously the manager and we compare apples for apples and oranges for oranges and we come up with a policy that handles how Corbett Water District works. Right now the policy we have is very good protection for the district but there is a lot of gray area as to what we do here. And we need to, we really have to get rid of these gray areas. These areas mean you can be opened up for liability. I mean, you remember what Ron Down said there at Sea Side as far as employment law.

Gaughan – Right.

Frank – It's the more precise

Colclessner – What SDAO give us we used and it was a Fire District so we

Freund – No, that came right off of the disc.

Colclessner – Okay.

Freund – That wasn't Fire District that came right off the disc.

Gaughan – I was gonna say a Fire District wouldn't be a fare comparison in my opinion.

Freund – That was there's.

Gaughan – They're at the station having dinner

Freund – The appendix covered Fire District and other special things.

Colclessner – Oh yeah.

Freund – and we tried picking out the ones that were appropriate of those appendices.

Frank – So what we have is



Freund – Define the gray areas. Could you list those, so we know where we are going?

Frank – One of the areas I feel that really has to be defined and this could get real sticky is insurance. How do you handle insurance? That is one of the key areas that, right now we only have one class. And Ron Downs in the employment law basically employees under, less than 25 employees, and you don't have a separate class everybody gets the same. We have to create a separate class. Another thing is we have to look at it fairly. That is a gray area. The other I would really like to see definition on is overtime and comp time, and vacation. Right now under current rules I earn three years, per contract, but under the current handbook

Freund – Three weeks you mean?

Frank – Three weeks every year of employment, full time employment. The problem is because I can't, I am required by law to take a minimum of 5 days, that's Oregon State law, but I can't take all of my vacation and I accrue vacation so fast that the current limits under the policy I lose a very large portion of my insurance, uh vacation time. That is one of the reasons why I'm kinda taking a vacation but not taking a vacation just to burn up that time because you can't pay out vacation. That same incident will happen to the employees in the next few years.

Gaughan – Why can't we pay out vacation? Is that a State law?

Frank – That's just the Districts rules, it could be changed.

Gaughan – Its in our book that we won't buy your vacation out.

Frank – The only time you do that is when you resign. I don't think its when you terminate, I think its only when you resign under good standing.

Freund – Or if you die.

Frank – Yeah, but (laughter)

Gaughan – Then you got quite a bit of vacation

Frank – You got a lot of vacation. So, those are areas

Freund – It gets paid to your survivors.

Frank – Yeah. Those are areas that need more definition. There is many more I have that really need to be defined.

Colclessner – We need to set up a workshop time and get going on it. You know its been so hard to do anything with the policies and procedures and employee manual or we haven't done even the rules and regulations and we've been fighting some of the problems there but its not done.

Frank – Oh yeah.

Colclessner – And you guys are fighting them everyday a lot of times. But we've been hung up in this mess. Like you were talking about earlier people watching us like a hawk, we can't get anything done. So we need to get in and get things set up and I know its going to be hard on you, you've got a lot of money maybe to spend.

Frank – Oh yeah.

Colclessner – So we got to get a done.

Gaughan – Who do we want to put on the committee or try and get? Who do you want to work with Frank? You're going to have to work with them.

Frank – At this point I will work with whoever steps up because my interest is getting the gray areas gone, get this defined, so we get this under the belt and off.

Gaughan – Are you going to make a list in your mind and publish it to them and the Board of what gray areas are in your mind?

Frank – Yeah. I'm looking at

Gaughan – I would like to know, I don't just want to hear it, I want to see a thing these are the following gray areas and so we are aware and that gives the committee, if we appoint a committee, gives the committee and you something to work on.

Frank – Yeah. That’s, the gray areas, I actually had time to read that thing from cover to cover 100% in great detail. And compare it to the original or the current, well its not really, well its kind of the

Freund – The 95 version

Frank – The 95 version and compare it and take notes to what we actually do now. How this stuff applies and how we are going to determine it. And so using all that information I’ve come up with these gray areas and also looking at mid-level managers package when we in See Side with Ron Downs, ya know the big seminar I took down is Salem with SDAO. There is a lot of areas.

Colclessner – Frank that old original 95. A lot of stuff was just verbal and never went in the thing and everybody knew it that worked at the District.

Frank – Yeah.

Colclessner – It was verbal. That’s why medical and stuff wasn’t covered very good. But now like you say it has to be down to black and white.

Frank – Yeah.

Colclessner – At least we got something started in July to work with.

Frank – As far as Oregon state law is concerned verbal is not a contract.

Gaughan – Right. I now in the future we don’t want to spend money, but looking around this table there is a bunch of old, except for Jeff, a bunch of old folks, this was not a good thing to give us to read and expect us to understand it.

Jamie – I knew this was going to change so I didn’t want to waste the paper

Gaughan – Its not awful but its pretty tough. It looks pretty good under the light here, but at my house it didn’t look to good. Do we need any action on considering a committee tonight. What are we going to do? Or are we going to let that drop like a rock until the next meeting? What are we going to do? Frank has made some comments and some suggestions as a Board do we want to get our thoughts together then get some volunteers.

Colclessner – Board members are there?

Frank - I feel there should be a couple board member, no more because of a quorum.

Gaughan – Right.

Frank – So, the commissioners are represented. Members of the community and an employee and the District Manager. So, everybody is represented and everybody has a say in it, everybody can argue it and come to a consensus.

Freund – I don’t now how Bob feels about it. I don’t want to speak for you, but you can speak for yourself, but we worked on and I’m willing to pursue and speaking with Deb she is very much interested in where it goes and I feel confident that she would be a community person that would stick with the program.

Colclessner – yeah.

Freund – Unless you prefer to see different faces on the committee?

Frank – No. If you and Bob are willing to do it its perfect because you have and Deb Simone you have a deeper understanding where we are headed with it, what you want to see, where you got it, the contents and points of view and so if we get everybody together, everybody gets their point of view out and it’s a discussion and come up with a working document for the District and can be revised in the future.

Gaughan – Then we get a report back to the Board because I would like to be able to look at it and say Jeff look at that, look at what they did what do you think, and then he says it’s the greatest thing since sliced bread and I think oh my god where are they going with that.

Hargens – It still has to come back to the Board for approval

Gaughan – I would still like some input back

Freund – It would come back to the Board.

Hargens – And that would be fine and maybe you do that then bring it back to the Board, then there would be an obvious discussion whats there and maybe it even goes back to being revised before its adopted. I think it is a good idea if you and one of your staff

Colclessner - I'll serve with Malcolm but if one of the others want to serve they can. Malcolm?

Hargens – You've been involved

Gaughan – You guys have been involved in this and you know where you're going with this and if Frank's willing to work with ya.

Frank - I feel that would be the way to go and we just

Gaughan – And an employee, if you get an employee in there hopefully they won't kill ya.  
(laughter)

Colclessner – Better not.

Frank – Anyways I think that would be an excellent path to go.

Colclessner – Do we need to make a motion or anything to that affect.

Gaughan – Okay, thank you

Frank – As far as the Board

Colclessner – Bob could probably appoint a committee.

Frank – Yeah.

Gaughan – I was trying to think who.

Frank – Myself

Gaughan – You have Deb Simone

Hargens – What staff member?

Frank - I would probably, more than likely look at Kevin.

Gaughan – Okay.

Frank – As far as another community member.

Gaughan – How about Dave. Dave would you be interested. He's been involved as head of the budget committee.

Frank – If you are interested we have a committee.

Colclessner – There you go, check with Deb

Gaughan – I like Dave to cus I think he's pretty level headed.

Hargens – He's been involved.

Gaughan – He knows our finances. Appreciate Dave if you would do that.

Dave Mysinger – Sure, I'd be glad too.

Gaughan – Now the problem is getting all these people to agree to a meeting night.

Frank - That will be fun. The 28<sup>th</sup> or 29<sup>th</sup> is booked up.

Colclessner – We don't have to do it this month.

Gaughan – I would like to get you going so we can get an end to this cus I don't like the employees running around with a hatchet in their hands. (laughter) I would like to get it solved.

Frank – What I'll do

Freund – Improvement

Frank – It is an improvement over 95. But there are areas that have become really gray, that could cause some legal issues if pushed. I've got to look out for the interest. I have the Oregon state employer's manual on hand and BOLI.

Gaughan – I would like a little discussion on this, one says no and the next says maybe and that's right from the state of Oregon.

Frank – They also admit that they have a gray area. So we just gotta come up with a date.

Gaughan – Got to make sure Deb will do it and come up with a date

Freund – Come up with a list of areas we need to review.

Gaughan – Yeah, I think you need to make that list Frank.

Freund – And a date together.

Gaughan – I'll call Deb Simone and you two are going to do it so and Dave's willing to do it, so if we can get the 6 of you together. And we will check the guns and knives at the door and you guys can work on it. (laughter)

Frank – At the next regular board meeting have a report and a plan

Gaughan – Add it to the agenda, where we are at and where we are going.

Frank – At the next meeting I'll have a list of the gray areas.

Gaughan – Tell the boys not to quite yet, not unless they get a better paying job (laughter)

Frank – that does it for me.

### **Correspondence.**

None.

### **Riverview Restaurant.**

Gaughan – Riverview restaurant, that's you Frank. They want you to hook up his house or something?

Freund – Correspondence. Is there any correspondence?

Jamie - You have that stuff from Brian. But I thought you wanted to wait. You

Freund – Oh, I'm sorry.

Jamie - You have the progress report,

Gaughan – but that's the only correspondence. We aren't doing anything about that tonight so...

Freund – there's nothing new....everything's on hold and there's no money

Frank – yep If you remember, Jeff, you weren't privy to this, but you might know now. When the whole Yoshida project started, we were I approached him. It originally started with a fire issue, he had to supply fire suppression to that area. He asked how much it would cost. And I told him quite a bit because it would mean enlarging the main from Reynolds school past Dabney Park to your location. An 8" line across the bridge. Basically I was headed that way, you know, under the current bylaws of the district, he has to pick up a portion. And if anyone else joins in they have to pick up a portion, and after 10 years the district picks up that line.

Hargens – District improvements

Frank – Yeah. Well, he somehow managed to get around it all and punched in a well, which gave him 300 gallons a minute so problem solved as far as fire prevention. So what he did is change the plan to a 2" pvc pipe within a 4" pvc pipe insulated with heat tape across the bridge to his restaurant. The problem comes in, he wants to hook up to that same line. To his house. In Multnomah county if you have two separate parcels you can't do that, because where our meter's located, because I won't cross the bridge. If you want water, you come over here, I'm not going over there. So he came over and hooked up. But where the county's looking at it is the meters over here on this side, it's feeding the restaurant. If the restaurant doesn't pay, it shuts off the water to the house. If the water's not owned by Junki Yoshida, it's owned by a different person, because it's on a different parcel.

Freund – the house

Frank – the house

Freund – yeah

Frank – that they're being shut off, too. And you can't do that. Plumbing codes.

Freund – Springdale issue.

Frank – Yeah. What they want us to do and I told the contractor up front. He wants to gift us that line across the bridge. Ok. I don't want to have nothing to do with that thing at all.

Gaughan – We'd have to put a power meter in there for that damn heat tape.

Frank – That’s one of the other issues. But I’m down there and I continually inspect the job. When you put pvc pipe in the ground, the temperatures stable. It generally averages 50-55 degrees. You don’t get a huge expansion/contraction going on. This stuff is outside in the sun. OK. When it gets hot, it buckles. If you come down there early morning, it will pull it apart. It actually pulled the joints apart.

Gaughan – On the outside pipe.

Frank – On the outside pipe. And people climb on it.

Gaughan – Oh gees.

Frank – I see a huge liability, because if that thing fails, I can’t fix it. I can’t fix it.

Hargens – I don’t think we can accept anything gifted to us unless it meets our standards. And I don’t think it meets our standards.

Frank – Oh it don’t.

Hargens – pvc pipe, so I don’t think you can accept it. You can’t accept it unless you bring it up to our code which would be ductile iron or steel line or something going across.

Gaughan – He can/ we can set another meter there and he can run another pipe across the bridge for his house.

Frank – That’s one of the options they’re exploring. And I, they’re really hoping that Corbett Water District would take that over and then put the meters on that side.

Hargens – No you can’t.

Frank – There’s no way

Hargens – No

Frank – There’s no way

Hargens – No, you’d have to bring it up to our code.

Gaughan – You’d have to use 4” ductile iron

Hargens – Yeah and run it across there.

Frank – And one of my reasons you know besides it being it doesn’t meet my standards and I can’t repair it because the issue of permitting because I’m working on a historic bridge. The work just to get that line was bad enough. I don’t want to imagine what would happen if I had to repair it. Or if it busts over the river, and we leak chlorinated water into the river, I don’t want to deal with it. I don’t have any room left for violations.

Hargens – So did we do the improvements going down to them? Did we do the well or did we just stop?

Frank – We just stopped

Hargens – And then he drilled the well

Frank – He drilled the well and

Hargens – I’m surprised the well master let him drill the well.

Frank – Well, he had an existing well, he just opened it up.

Hargens – Oh, right.

Frank – But,

Gaughan – right on the river, you know, you’re pulling water from the rock

Hargens – So why doesn’t he just get it from his well? Why is he even tied into our water?

Frank – Well, the water he’s pulling. He’s using the creek water now. It’s bad. It’s nasty. It’s bad.

Gaughan – From all those kids being in the river.

Freund – Yeah

Frank – But, you know with the quality, with the issues of the pipe aside, I came to him with an offer. Here’s my offer; we’re willing to put an 8” across. I had the city of Troutdale on board, I had the city of Gresham on board, we’re willing. You’re going to have to pick up a large portion of the cost, we’re willing to upgrade from point A to point B and if you want to include the homeowners

past your property, they're going to have to pick up a portion too. Now that offer was made to him and it was turned down. He went and found another route. I feel that that offer was put before you, you should have taken it. Now it's a hind site 20/20. I'm not taking the line. And what they want us to do is move the meters to his side of the road. Now I'm not. my argument is this, if we move the meters, by default, that line becomes ours.

Gaughan – right

Freund – yes

Frank – So I asked the question, if I left our current meter that we have installed on the Columbia River Hwy. and we put those two in, does the same thing happen. Kind of what I got from Multnomah County and plumbing code is well, we're not sure, but we think so. At this point it's basically I'm not going to do it.

Freund – We'll not take the gamble on that chunk of line.

Hargens – I'd just tell him it's not up to our code

Frank – Yeah

Hargens – The meters are to stay where they're at unless you upgrade it.

Freund – it's a gamble what the county's going to come up with

Frank – yeah it's

Freund – ok

Gaughan – he's just a poor little guy and we're a big bad water department and we get screwed down the road. Even though he has more money than we do.

Freund – put another meter alongside what's there and let him put his own line over.

Frank – Here's another snafu for you...he's one of the committee members that approved the loan for the Corbett Water District.

(Laughs)

Frank – He's on that Economic Council.

Gaughan – So we better get our money pretty quick.

Hargens – It's been approved right?

Frank – I hope so

Hargens – Well don't talk to him

Gaughan – Tell him we've got to wait until the next board meeting.

Frank – I came to him with the plan. He should have gone with it and now he knows it. But I can't take that line on.

Hargens – So all of them down there have well water?

Frank - Yeah

Hargens – I'm surprised they wouldn't all accept that plan, if they could somehow get on our water system all the way across.

Frank Yeah I...

Gaughan – There's five lots there or something like that.

Frank – There's quite a few. There's quite a few in there.

Gaughan – Yeah There's some that aren't even built yet.

Frank – Yeah

Gaughan – That would be a hell of a good selling point to get

Hargens – There must be 10 - 12 people over there on that whole section over there, with the available lots too.

Frank – yeah

Colclessor – Frank, tell him that if he puts decent pipe on the bridge and gets all the other folks to join in, we'll move the meters to the other side of the bridge.

Frank – I did that and his contractor fired back with well, we've got a 4" on the bridge right now, it's pvc...why don't you pull the 2" out and use it? It's already on the bridge. Problem. How do you protect it...it's subject to expansion/contraction and it's only permitted for a 2".

Kirkham – Well, with the condition of low water, I don't think we should be supplying outside of our district now. I mean, that's....

Frank – oh yeah. There's a point, I can't see crossing over and feeding those other houses.

Kirkham – Right.

Frank – Granted, he's using no where near the amount of water I expected. And

Colclessor – What's he running Frank

Frank – About 40,000?

Jamie –Between 30 and 40 a month

Frank – I was expecting somewhere in the 200's. So at this point as the manager I am not taking that line on and I can probably guarantee you he will probably be coming to a board meeting sometime later on. I was just giving you an overview of what to expect.

Freund – that is ... at this point

Frank – yeah. They are two separate parcels, tax lots and its against the District's rules for us to serve those two from one line

Freund-yeah

Frank – and its against Multnomah county so everything is stacked against them

Freund – its another meter along side the one that's already there, he runs a line from there

Colclessor – yes

Frank – yeah, he's looking at probably another year and half to get permits to cross that bridge again

Gaughan – this time he maybe he wants to cross it with good pipe

Frank – yeah

Gaughan -that we might want to accept

Freund – yeah, we may want to accept it if its good pipe

Kirkham – no, we don't want

Hargens – he could probably put a meter there, and then tie onto it and then come back to his line

Frank – off of

Hargens – you said he has a 4" coming off of it now

Frank – he has a 2"

Hargens – PVC line coming across

Fran – yeah, its a

Gaughan – its 2" pipe that's inside

Hargens – what I'm saying is he could probably have you put a meter in and then you don't care what he does on the backside of a meter

Frank – yeah

Hargens – that's not your business or any of ours, he could take it and tie it into his line and then come off of the other side of the bridge and not have to cross the bridge twice, only once

Gaughan – he could buy his own meter and

Hargens – who's going to care

Gaughan – as long as he doesn't sell it, someone might care when he sells

Freund – as long as he pays

Hargens – once he sells it, it might be a problem

(Lots of people at once hard to hear)

Gaughan – Frank can't he buy a meter himself and put it on that line on the other side of the bridge then run his house off of that as separate

Hargens – he probably could

Frank – whatever happens on the customer side we don't care about

Gaughan – he could buy a meter for \$400, have it installed, run the pipe, then he could have a separate

Hargens – he could do that and then separate out the house bill

Gaughan – we don't want to ..

Hargens – some people drill a well and it will feed 4 different houses and then split it up accordingly.

Frank – yeah, I

Freund – it makes no difference to us because it's a gallon of water is a gallon of water

Hargens – you're selling him the water, whatever he uses

Gaughan – right, if he needs to he can put in another meter on the other side and run his house on that

Freund – The only thing is we wouldn't get the base charge

Colclessner – the other problem is

Freund – you would not get the base charge on the second meter

Hargens – that's true, plus I don't now if we would recommend anything like that because its probably still against the counties rules and regulations. I think we just tell them no to his plan and that's all we can do

Kirkham – the other point is if the restaurant doesn't pay the bill and you shut the restaurant down, you'd shut his water down, so that doesn't sound good

Gaughan – anther Springdale issue

Frank – the other issue is it moves, if the meters are moved it moves them outside of the Districts boundary and we would be required to annex, which I don't want to even imagine that process. If its, its hard enough to get a permit, I don't even want to image what it would be like to get an annexation would be

Kirkham – with the water supply , we don't want it any how

Frank –no

Freund- I thought annexation was fairly easy when it was right adjacent to the district

Gaughan – if the people sign

Frank – Where? Clark County Washington, I don't know about Multnomah County

Freund – yeah, that's true

Frank – I really don't, at this point, I've said no

Freund – we've go enough problem without inheriting that

Frank – I don't need that one

Freund – and you're right, the people climbing on the pipe, that's just an accident waiting to happen

Frank – I would love to help him but at this point I am not willing to step out onto the plank and take a dive. As far as I'm concerned the meter will stay were it is at

Gaughan – run your chain saw out there cutting the plank off.

Gaughan – okay, I think right now, no nothing on that, lets move onto our other favorite subject here I-Deposit

### **I-Deposit.**

Frank – I believe this is on here for the Board because this is the end of the trial period

Gaughan – okay

Frank – and one of the issues I see is a cost of operation and actually it cost the District to use this unit where is we just shipped it off to Mbank they handle everything for free they don't charge us for handling all the checks and all that stuff and they take all the liability, this is your baby, we've



carried it from the office to you everything else is your problem. That's one of the issues I see. Another thing is the machine that thing is a pain, it's a check eater. One of the things I discovered is that it does print. There is a printer cartridge in that thing. Why it doesn't print, I'm assuming it's a software but how it handles large checks to small check is inconsistent. Large checks they electronically put void on and other fancy blacking out of the numbers, the small checks which we get a lot of, personal checks it does nothing to them. As far as time savings, how much, does it save you time?

Jamie – in the off billing month

Frank – right now, I just see, we are having to pay for it, I just see that cost and for some reason the guy only repairs the machine but he doesn't deal with the software, the person we met at that get-together

Freund – Carl

Frank- he only repairs that machine and he doesn't deal with anything else, our issue is the thing wipes out because we have to maintain tip top security on the District Clerk's computer because that has all our accounting information, granted everything is backed up and it is on a secure server, but we have security software on there and for some reason, we have tried several different security software's, the software for that unit disappears and has to be reloaded, it seems to be a constant thing, and we have to reload it and right now we have no idea who the IT person is, I'm trying to figure out were to go from there. But

Colclessner- have you called Leslie

Frank – I believe you and Z both talked to her

Jamie – I talked to her about some other issues

Gaughan – is she going to do something

Frank – right now nothing has been done, and that's my concern, I'm being told Carl is not the guy to talk to, and right now, in my opinion, I see the cost issue the other thing I'm worried about is we have money in 2 different banks right now and we have to transfer money from West Coast to Mbank and it's the paper trail, the auditor, all the stuff, there is no problem on our end, whenever you have 2 bank accounts I cringe because there is always a chance for error I just would hate to have to answer to \$50,000 missing and have to explain it

Freund – paper trail so you don't

Frank – a good paper trail but it is not in the bank

Freund – just for your interest the school has 5 different accounts at 5 different banks. We are not doing something totally different then others

Frank – no, we are not doing

Freund – as long as its documented and there is a paper trail, I think we are perfectly within our boundaries

Frank – yeah, the legalities is fine, just from an operation stand point its scary to me because I mean

Gaughan – how much is it costing us?

Jamie – there is no fees currently listed on the bank statements

Freund – that's why I was going to ask, as far as I know right now its costing us nothing

Jamie – it is on a trial basis, but once it is accepted by the Board there is monthly fee of approximately \$30.

Freund – yes, but its apart of the banks analysis, and I asked here the other day if she made those analysis and she said no not yet, we are waiting until this cycle has been completed until the end of the month and we send out the bills. To compare Mbank does not charge us anything, but they have the money, the obvious the way the bank works is they have they money and they are making money off of our money and they don't charge us because they don't charge us interest on our money. West Coast says there is fees to do this and this and they are balancing or calculating those

fees to see what the bottom line is against the interest on our money in the bank so really we are talking about the same thing there is only just 2 different ways about penalizing it if you will, so its not like you have a free account and one you have to pay for, it's the way you talk about them  
Gaughan – there may be a fee once she finishes and analysis, it may be free we may make money  
Freund – I think the fee schedule is negotiable if there is a question and the machine if you have difficulties and looking at what Z wrote up, she talks about the machine that was demonstrated which was different it printed a red line

Frank - which this one is capable of doing that it is all there

Freund - I guess the bank didn't know it was able to print a line.

Frank – and that concerns me

Freund – that's why they gave us the stamp but the other issue Z had was it was eating checks or not reading them properly and the smaller machine you put in one at a time so it wouldn't grab 2 of them and you're not going to have miss-feeds because you only put one of them in at a time

Frank – yeah

Freund – and they are perfectly willing to let the District use that machine if that's a more desirable approach. And also towards that end Leslie would like to come and sit with staff sometime when staff is process a bunch so after the next bill if that's a feasible approach from your stand point, hopefully a day when you have a lot of checks, a lot of payments and when Z is in so that anybody can work together.

Frank – that is doable

Jamie – we've learned that when the machine is clogged up that Frank can take it apart and make the cleaning repair

Freund- she would also like to see the situation with the software mess up

Frank – yeah, it just messes it up and the driver is gone

Freund – because she hasn't run across that at other process. She would just like to get educated on that and probably have Carl come at the some time

Gaughan – Malcolm how about we, I know everybody is getting a little tired of it, but we still don't have, we won't until our next meeting have the actual cost sheets, we'd go another month, I think we should wait until we get our cost analysis so we know what really is, we may be making money

Freund – if we make it, we don't keep it, it's a wash

Gaughan – at least we

Freund – we're paying the bills

Gaughan – right, and we get that answered, I mean I would like those gals to be with her at least once and if it can't be solved then I'm sick of it too

Hargens – and it could just take time to get used to, but in the long run I think it something we still need to look at

Jamie – the program is not difficult to operate

Hargens – the more we can keep someone off of the highway driving to and from the less liability and everything else, its hard to put a dollar values to all of that but I think it is something that is really makes sense for the District, now if we can just make it work for the District

Gaughan – it makes sense, it just needs to work

Freund – the exposure taking the deposit to the bank, because its not in the bank, once its in the bank it's insured.

Hargens – it makes sense and it should work but it has to work to your satisfaction and I'm all for it

Jamie – I liked Dan Marsh's idea of keeping Mbank and depositing checks through I-deposit and at the bank

Hargens – that makes sense to me

Freund – write up your deposit slips

Jamie – correct it would eliminate having to scan the checks into the system  
Freund – what time of the month would be more checks  
Jamie – before the 15<sup>th</sup> of next month  
Gaughan - ...  
Freund – the 12, 13 or 14<sup>th</sup> ... lots of talking at once  
Freund – what was interesting was two bounced checks, she ran me out a summary  
Jamie – I can review the data on-line everyday  
Gaughan – anyway, I think we should move off of this and get going, we do need to make a decision in the near future, I don't want to have this damn argument at Christmas  
Freund – so Jamie, Z is on Tuesday's  
Jamie – typically Z works on Tuesday's, but the next couple of week is a little off  
Freund – we're talking about a Tuesday before the 15<sup>th</sup>  
Jamie – Z will be on vacation and then I will be on vacation after her  
Freund – something will fit in there with the criteria of big volume to work with and if you would call Leslie she is already primed and I told her Tuesday would probably be the day, but I didn't know which Tuesday  
Jamie – Okay  
Gaughan – can we move on its 10:30 almost

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

Gaughan – since we only have one public Dave do you have anything to comment on items not listed on the Agenda?  
Dave Mysinger - no  
Gaughan – okay, done

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

Gaughan – unfinished items for board consideration  
Kirkham – on March 8<sup>th</sup> the Board directed Frank to get in touch with SDAO or Mr. Winters to come out and just wondered were that's going  
Frank – I have made 5 phone calls and just recently talked to LuAnn at SDAO and Lisa  
Gaughan – did he change his territory  
Frank – and I have called his personal cell phone and I have yet to hear back form him, and I've left the district's phone number, my own home number and my cell phone and I have yet to hear anything from him. I've got 5 phone calls into them at this point and I don't know, I've left messages, so either he's gone off of the map or gone on one heck of a vacation or just too busy to come talk to me, and I don't think he's to busy to come talk to me because he loves coming out here, you've met him and he is just a real kick in the pants, so I don't understand why I haven't heard anything from him, because I've contacted him on his personal cell phone and left messages, I've left him a message everywhere I can leave him a message and I have no return calls, at this point I don't now what to say I'm trying  
Gaughan – anything else  
Freund – looking at the future from the board stand point what date would the Board be available to meeting with him, if Frank can get a hold of him. When we get done with our vacation and stuff our trips the end of September  
Gaughan – right anywhere in there and then come January I'm going to Mexico. Marion might get his wish and run a meeting, I think I'll be gone  
Freund – they said they didn't have any Corona's down there anymore  
Gaughan – any what, I didn't hear what you said (laughter)

Colclessner- Corona's .... (laughter)  
Gaughan – any more  
Freund – so, shall we set something up  
Gaughan – yeah  
Freund – okay,  
Gaughan – Malcolm do you know how to set something up with  
Freund – I'll give Luanne a call and try and set something up for September  
Gaughan – I'm sure Frank will appreciate it  
Frank – yeah, I've talked to LuAnn, I've talked to Lisa and I've got his personal cell phone number and that's where they will send you is to his personal cell phone  
Freund – well I know LuAnn is on vacation and will be on vacation just like the rest of us, for the first part of the month  
Frank – even Susan Leigh is a relative of his  
Freund – of Neal  
Frank – of Neal's and I've worked that angle to  
Freund – okay  
Frank – so I've got it coming from all angles so I don't now why I don't have a response  
Freund – okay  
Gaughan – he just don't like you Frank, I still like you Frank that's all that matters  
Frank – he may not but  
Freund – I don't know what you did to him  
Gaughan – I hope you don't feel bad if he calls Malcolm right back  
Frank – I'd like to know because I've known Neal a long time (laughter)  
Freund – I'll call him tell him  
Gaughan – anyways, anything else  
Colclessner – I got something too, there are some concerns about health insurance received from staff and does not correspond with information received from the carrier. Frank could you remind the Board with the District policy concerning health insurance.  
Frank – as far as 95 or as far as the new  
Colclessner- we'll I think  
Freund – both  
Colclessner – they're both the same  
Freund – yeah, they're both the same, it just reads a little bit better we hope  
Frank – well, right now the way the insurance is set up is there is one class meaning that everybody is insured the same. The rules are setup, part-time pay a portion of the insurance but that has, the previous clerks received full insurance coverage and that rules has not been followed, when the current District clerk was hired there was no written contract as far as insurance it was all verbal and under the current policy the District has you cannot say you pay this percentage and everybody else gets full coverage that can be changed in January and it can be done by creating 2 classes but the current rules state that part-time full employees  
Freund – regular employees  
Frank – regular part-time employees pay a portion, so at this point nothing can be done without creating a problem, not only in the view of BOLI, but also in the view of the insurance carrier that would and we, actually you spoke to the lady Tori  
Freund – yeah she explained how the paper work was set up that way and it changes on the anniversary date, its like open season, anniversary date, but I think our question really is back to policy and like you say the policy states part-time regular is prorated, but in fact the insurance papers were not processed that way

Frank – I wasn't the one that originally processed those papers, that occurred when the policy was originally set up

Freund – yeah, that's something the board didn't follow, that was not our chore to follow that detail of that paper work but that was the District policy ... that hasn't changed so, that's where the question came in, did the policy, the policy wasn't followed, it appeared not to be followed,

Frank – well

Freund – we are just trying to figure out where we are at and where we are going

Frank – the policy has not been followed for quite a while and this process was started 2-3 years ago

Freund – I understand that, and the other the board did not have a signed contract the Board does not contract with employees they only contract with

Frank – the insurance carrier

Freund – no, like you, what's your classification

Frank – manager

Freund – salaried, we are only contracted with salaried, we don't contract with hourly and so I don't quite follow how we get a signed contract, how we are suppose to have a signed contract with employees

Frank – the board has a contract with the insurance company, the board the entity that entered into the insurance contract. The board is the entity that signed the contract I'm effectively not in there the insurance company is dealing with the board, specifically it was started with Gordon Fulks from there it has just flowed on, example when the insurance was re-upped it took a board motion if you remember

Freund – yep

Frank – that's, it's the board, the board is the entity that controls the insurance and you by saying this is a class policy, and since it was re-upped by the entity the board upped the insurance for this class, that in itself negated the policy. I can't go and say, guess what you get to pay this and go against the stipulations with the insurance company and if I did that it would be a violation and then they would be looking to you. The insurance is strictly the board, the board made the decision to do that. The board has to make the decision to the insurance is at the board level if you want two separate classes you have to establish that and Tori will tell you that you're the person that ... with HealthNet and LaPorte I'm kind of this guy outside, I've got a rule book but I can't follow it because the decision has already been made

Freund – the board can't follow the details because we never see the paper work, so maybe you're telling us we should be seeing that paper work and I don't know if we want to get into all that, we shouldn't have to I guess that's where I'm coming from

Frank – then the insurance relationship has to be taken out of the Boards hand and put into the Managers hand

Freund – and I kinda disagree with what you are saying

Frank – because

Freund – and its my, the board, I think the board looks at the insurance policy in general and the coverage and makes the decision that yes this a reasonable plan, we got the same coverage as last year, and so on and so forth and maybe we can even get something a little bit better like we did last year we got another little deal, and I think that's were are decision making goes and then we direct what that should cover and that direction needs to be followed

Colclessor – Malcolm I

Freund – I think that's were the board duties is

Colclessor - I wish you'd make a motion to let me talk with Frank and show him some information I have and hopefully he would understand and you could handle the situation

Frank – at this point I would be more than happy to talk to you, not a problem, at this point the board approved the policy, the board in a public session approved a set policy, the insurance policy said you have one class

Colclessner – but, its in the who gets the information to fill out and put on the insurance. The board had none of the information, its done back in August of the year we don't make our decision on insurance until November and December and people could just add themselves if they want

Gaughan – why do we renew in August

Colclessner – that's a good question

Frank – actually they renew in January

Colclessner – I got information

Freund – I'd just like to move to direct Frank to review and report back to the members of the Board on the by the close of business Friday, because all that data is right there, just report back to the board on the health insurance matter. Exactly how it works and what the dates, the things that happen and what happens on those dates, just so the board understands

Frank – now are you talking about billing

Freund – they whole thing

Colclessner – what we pay

Freund – we've got that we can figure it out

Frank – well we don't pay any different, that the board approved amount and we don't pay any different

Freund – but the board doesn't see the paper work you talked about and I'd really like to see those documents

Frank – from HealthNet?

Freund – yeah

Frank – we don't have that

Jamie - gave the documentation to Colclessner earlier

Freund – I think the, the whole board needs to get educated in that area

Frank – basically you're dealing with an agent, and that agent is dealing with HealthNet, we are not the agent, we have to go through the same routine

Colclessner – we did our fiscal insurance last year on the million gallon, all the stuff in the District, we went over it and we made the decisions of what we wanted to insure and how much and I think the Board should get the information of how many employees should be on there at what rate they are on there, so they can make the changes so part-time don't get full coverage

Frank – but you had that information when you made the last decision to go with the policy all that stuff was there

Colclessner – we didn't have that information

Frank – my question is if you didn't have the information how could you make the decision

Colclessner – we didn't that's it

Frank – well you did because

Colclessner – well we made a decision on the amount, but we made no decision on how, what we thought was being done, we thought the pro-rata is paid in part, but now we find out that you can even do that without changing the policy, but we were never informed that you had to change the policy, that's what I didn't have

Gaughan – we have a motion made, I'm not sure what the motion is going to cover, is why, but we do have a motion

Colclessner – Frank will get the information about what we are talking about right now

Frank – I'll get it

Gaughan – do we need a motion to get it, request from the board we want this information

Colclleser – and we should have it in August

Gaughan – it looks like we do it in January

Colclleser – we should have it and we should make a decision of what kind of policy we want

Gaughan – for next year

Colclleser –right, and do it so it takes affect that January, that’s what we were saying, we don’t get that information

Gaughan – I don’t now if

Colclleser – that’s the information I

Gaughan – I don’t now if we really need a motion and a second we just really need the request to get the information

Colclleser – well people can’t just spend the District’s money on their own

Freund – public money

Colclleser – its public money

Freund – not Districts money, its public money

Colclleser – yeah it is

Gaughan – if everybody feels we need a motion I don’t have a problem with a motion but I don’t see what it’s going to

Colclleser – well it’s dead right now because nobody seconded it. Frank can get the information and explain it to us why it comes out in August, why the board isn’t informed we should change and put this procedure in if we are going to have pro-rata part time employees are pro-rate, it is not illegal insurance does it, we found out we should have had this information so we could have did it when we had done all our insurances and I think that should come up every year, and we had the insurance when we went and did it, everything that was covered that we didn’t even have no more, pickups were over insured to there value, that’s something the board should do each year, look it over

Hargens – who does the carrier come out and. Do they come out and meet with you, or who do they come and meet with

Gaughan – they met with us last year

Frank – we don’t meet with Tori Dittman

Everybody – no, we met with the agent

Frank – no health insurance

Everybody – no

Gaughan – that was

Hargens – the health insurance agent doesn’t come out

Colclleser – no, we get information

Freund – she supplied information

Colclleser – but we don’t see the paper work that is filled out and we don’t that we can’t make changes that should have been made in January, we never had that information

Freund- and to address that, Jeff she has offered to come out this year

Colclleser – yeah

Hargens – she should

Freund – yeah, she wants

Hargens – is she just a independent broker, so she gets other quotes or does she just go to

HealthNet, is she just a HealthNet carrier

Frank – she gets individual quotes from my understanding

Hargens – she should come out and meet and almost have a proposal every year, that’s what I get every year, I get a proposal in March

Freund – she mailed that to us rather than coming in person, but she wants to come this year because she’s got some other plan to

Hargens – but I’ll get other proposals from other companies and sometimes I may have to change

Freund – right

Hargens – because of the price of insurance

Gaughan – Malcolm I swear, well ask Bob, wasn’t there some discussion last year when we renewed this policy, that if we had three people on it would cost more if we had four, I mean am I dreaming or what

Freund – you’re dreaming, it was so much per person

Gaughan - something weird thing there, well anyway I have a question before we adjourn the meeting, do I have to do anything with this, do I have to sign in this box

Frank – sign

Jamie – yes, I also need Kirkham and Colclessor to sign too

Frank – they got it back that quick

Jamie – no, this is the Oregon Economic and Community Development signature card

Freund – does it need to be in the right color of pen

Jamie – blue

The board members signed

Freund – I’m back to our loan, the double I says there should be a restated note to be signed, Bob needs to sign it as authorizer, but the hard copy is

Gaughan – right, it better get here before the 31<sup>st</sup>

Freund – triple I says we need an ordinance or resolution, in our case I think it’s a resolution, and I’m suggesting to Jamie that it is probably similar to the original resolution it just says we have added 600,000 to the loan, or sum such language to that affect. And that needs to be accomplished and signed off as a board resolution, according to this we should have had a resolution

Gaughan – so how do we handle that

Freund – accept, have a special meeting, wait until we get the hard copy to satisfy double I and then when we get that call for a special meeting and call for triple I. I would guess

Gaughan – Jamie will have to make a similar resolution up

Freund- because that’s the thing that needs board signatures

Gaughan – board resolution no problem, we don’t have to post anything

Freund – nope

Gaughan – we posted all the required for the loan

Freund – we posted everything, all we needed posted was this meeting

Gaughan – okay, can we adjourn this thing

Freund – certifying officer, number 4 is opinion of counsel, that was the G back there district counsel has to look at it, that was the issue of what kind of agency we are but that document and then it says other documents that may be required, I’m not aware of other documents, she was really hot on 2 of the three items

Gaughan – I hope we get the paper work really quick

Freund – we do need to have that resolution to satisfy, or all bets are off, that we do accept, the board does accept the additional amount of 600,000, okay

Frank – yeah

Gaughan – we need that, anything else, (pause) meeting adjourned at 10:50