

**REGULAR BOARD MEETING  
CORBETT WATER DISTRICT  
BOARD OF COMMISSIONERS  
August 15, 2017**

**PRESENT**     **BOARD MEMBERS PRESENT:** Jeff Hargens, Sara Grigsby, Jack Garrison and Kevin Wilhelm  
**BOARD MEMBERS ABSENT:** Bob Gaughan  
**STAFF PRESENT:** District Manager Jeff Busto, Office Assistant Lynda Ronell and Interim District Clerk Gail Griffith  
**AUDIENCE MEMBERS:** David Jacobs, Malcolm Freund, Bob Colclessor, Tim Kurkinen, Mike Griffith and Linda Hargens

President Jeff Hargens called the meeting to order at 6:33 p.m.

**APPROVAL OF THE AGENDA**

Jeff Hargens suggested the Agenda be modified to add *8a. SDIS Best Practices* and *8b. Cross Connection Ordinance #2017.04.01 Update* and move the evaluation of District Manager to the end of agenda. Jack Garrison noted that item #4 should reflect *Budget Hearing 6-20-17 and Board Meeting 6-20-17* rather than Budget Hearing 6-20-17 twice. Jack Garrison made a motion the Agenda be approved as modified. Kevin Wilhelm seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

**MINUTES**

President Hargens asked if there were any corrections to the June 20, 2017 Budget Hearing minutes. There were no corrections. Jack Garrison made a motion the minutes of the June 20, 2017 Budget Hearing be approved as printed. Kevin Wilhelm seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

Jack Garrison made a motion the June 20, 2017 Board Meeting Minutes be held in abeyance. Kevin Wilhelm seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

**RE-SIGNING OF BUDGET RESOLUTION 2017.06.01**

Interim District Clerk Gail Griffith explained when the Budget Resolution was submitted to the Multnomah County Assessor's office a typographical error was discovered. A zero (0) was added to one of the numbers. This has been corrected and no other changes have been made to the resolution. The Board needs to re-sign the resolution to be re-submitted to the Assessor's office. Current Treasurer Sara Grigsby will not be signing since she was not a Board Member when the resolution was adopted. Jeff Hargens, Kevin Wilhelm and Jack Garrison signed the corrected resolution. Gail Griffith will submit the signed document to the Multnomah County Assessor's office.

**LGIP CONTACTS AND SIGNERS**

Interim District Clerk Gail Griffith reported the Local Government Investment Pool was changing from a phone in system for managing funds to an online service. This change requires the District to provide authorized contacts with permissions for access to the account. Short Discussion. Jeff Hargens made a motion for the President and Treasurer of the Board be listed as contacts on the District LGIP account with permission to view pool information and that the District Manager and District Clerk be listed as contacts with full permissions to initiate transactions, add and remove ACH transfer instructions, open/close pool accounts, manage permissions and receive statements. Sara Grigsby seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes) Forms will be completed at the end of the meeting.

## **LEAK ADJUSTMENTS**

**Account #2525-01:** Customer was not present at meeting. There were two leaks one in December and another more recently after a vehicle accident which damaged the hydrant. Request form does not reflect both leaks. Short discussion. Jeff Hargens made a motion that the usage from December 2016 of 483 be added to usage of February 2017 of 177 and total be divided in half with the usage reduced to 330 units, further, that if the customer accepts this adjustment they could not appeal the decision and if they do not accept than they would need to appear before the Board for further consideration. Sara Grigsby seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes) Forms will be completed at the end of the meeting.

**Account #2500-00:** Customer representative Tim Kurkinen was present he addressed the Board stating that the four (4) inch water main broke along the driveway and leaked for about six (6) hours. It had a linear crack and was repaired fairly quickly. He further noted there was another leak of longer duration that was not noticed because of the rain. President Jeff Hargens stated that in reviewing the bills it appears if an adjustment were made the customer would end up owing the District money. Short Discussion. Jack Garrison made a motion no action be taken on the leak adjustment request for account 2500-00. Kevin Wilhelm seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

## **VARIABLE BASE RATE**

Jeff Hargens proposed the District look in to annexing the five properties into the District. We do not have all the information yet on what an annexation would entail. Jack Garrison stated that an individual can petition and go through the County Commissioners Court. If the District wants to change their boundary it would need a public vote, be time consuming and costly. Jack proposed that the five individual customers go through the process to come into the District. Jack said other Districts such as Portland and Rockwood use variable rates. Typically they charge two times the in District customer rate for water. Sara Grigsby suggested that if she were one of the five customers I would like a letter with options such as I could annex in or if not the District will be charging rate of two times the in District customer rate. Jeff Hargens stated that the way we do it now is based on the tax they would pay if they lived in the District. The problem is it may not be legal per the State. Jack Garrison said the Board could rescind the old resolution and change it to charging twice the water rate of in District customers. This would not preclude any one or all of the five outside the District from petitioning to annex into the District. Kevin Wilhelm said that we have no obligation to provide water to those outside the District. Jeff Busto noted the five customers had all paid the \$5,000 system development fee and should be considered part of the District. Further discussion.

David Jacobs suggested the Board pass a motion to have a resolution to adjust the rates according to the Board's decision tonight. Sara Grigsby made a motion the District Manager prepare a resolution for the September meeting to charge those customers outside the District boundaries two times the current rate for water usage and that this resolution would supersede the previous resolution charging those customers the District's permanent property tax rate. Kevin Wilhelm seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

The District Manager will also draft a letter to the customers affected informing them of the change and that they have the option of annexing into the District.

## **SPECIAL DISTRICTS INSURANCE BEST PRACTICES**

Interim District Clerk Gail Griffith presented information to the Board regarding receiving a credit up to 10% on the District's insurance from SDIS. The District is eligible for 2% immediately because of belonging to an affiliated organization. There is a checklist, worth 2% credit, online related to "Employment Practices". The Board agreed District Manager Busto should complete this checklist for the District. If the District has a "Sexual Harassment and Discrimination Policy" it is worth 2%. The District

does have such a policy. If the Board completed an SDAO Board Practices Assessment or a Board member completed one of the Fall regional training classes that is an additional 2% credit. There is a class on August 31<sup>st</sup> in Tigard. The Interim District Clerk will email the information about the class to the Board members.

#### **CROSS CONNECTION ORDINANCE 2017.04.01**

The Cross Connections Ordinance was returned by the County Recorder. It appears the ordinance was submitted to late to be recorded. Gail Griffith said she would be checking to see if the ordinance had to be re-advertised and read again. Information should be available next month.

#### **TREASURER'S REPORT**

Treasurer Sara Grigsby presented her report to the Board. Sara said she had reviewed the July Actuals and any items she had questions about were answered. Sara proposed the Water District chart of accounts in the accounting program be aligned with the Budget line items. The current chart of accounts and budget line items do not match which makes reading the reports confusing. Sara Grigsby made a motion the District create a new chart of accounts to match the line items in the budget and run the current set of books as well as the new set for two months. Jeff Hargens seconded. Discussion. Jack Garrison noted we need to make sure charges are booked correctly. To get transparency we need definitive good data going in.

Jack made a motion to accept the financial report as presented. Kevin Wilhelm seconded, all in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

#### **MANAGER'S REPORT**

District Manager Jeff Busto gave each Board Member a copy of the Manager's report for August. He went over the report. Jeff noted he wants to get a feasibility study for a new reservoir. Jeff said he would be working with David Jacobs to prepare a proposal to bring to the Board in two months.

Jeff continued and said he would be visiting Roseburg this week to look at their radio read system for meters. Estimated total cost to replace all of our meters is \$130,000 to \$140,000.

Discussion regarding heavy water use and education of customers

#### **PUBLIC COMMENTS ON ITEMS NOT LISTED IN AGENDA**

Mike Griffith asked how long the filter pond assessment would be on the water bills. Jeff Busto responded it would be on the bill until March 2018. Short discussion on the option of a well for additional water.

*President Hargens announced there would be an Executive Session per ORS192.660(2)(i) to review the performance of the District Manager. District Manager Jeff Busto said he would prefer to remain in open session.*

#### **REVIEW OF DISTRICT MANAGER'S JOB PERFORMANCE**

President Hargens said that Jeff Busto was supposed to have an evaluation at six months into the position but is has been eight months. Jeff Hargens continued that Jeff Busto has been learning a lot and doing an excellent job considering what he has gone through with the District. Kevin Wilhelm said we would be hard pressed to find someone who knows the District as well as he does.

Jack Garrison noted that he and Bob Gaughan were charged with looking at the duties of the District Manager. We need to look at that and have it back to discuss. We need to move to objective rather than subjective evaluation criteria. Jack asked that the Manager's report be included in the Board packet.

Jeff Hargens made a motion the official appoint Jeff Busto District Manager of the Corbett Water District with his evaluation to take place in July of 2018. Kevin Wilhelm seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)

**MORE PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

Bob Colclessor said he thinks the District needs to come up with an idea to make people more aware of their water usage and encourage community participation at meetings.

**ADJOURNMENT**

Jeff Hargens made a motion the meeting be adjourned at 8:35 p.m. Bob Gaughan seconded, all were in favor, motion carried. (4 yes votes: J.Hargens, J.Garrison, K. Wilhelm & S.Grigsby 0 no votes)