

# CORBETT WATER DISTRICT

## APPROVED MINUTES

Regular Meeting 6:00 p.m.

Tuesday, August 17, 2004  
Corbett, Oregon

**Commissioners Present:** Bob Colclessor, Malcolm Freund, Ken Blanc and Lee Wyatt.

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

**Audience Members Present:** About 20 people were present.

Vice-Chairman Colclessor called the meeting to order at 6:05 p.m.

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

Commissioner Blanc wanted to switch the order of items seven and eight. Commissioner Colclessor wanted to delete public comment and Resolution 2004.08.02 under item number nine. Commissioner Freund moved to accept the agenda. Motion seconded by Commissioner Blanc. Motion passed unanimously.

Commissioner Colclessor moved to executive (Closed) session (Pursuant to ORS 192.660(1) (d)) to conduct labor deliberations with persons you have designated to carry on labor negotiations. Present at this time were Commissioners Colclessor, Freund, Blanc and Wyatt. Also present were the District's Attorney Richard Weill, Union Negotiator Barbara Bloom and District Manager Frank Sterzinar.

The regular meeting was reconvened at 7:40 p.m. There was no discussion of the executive session.

### **Review / Approve Minutes.**

Commissioner Blanc questioned which set of minutes were under discussion for June 8<sup>th</sup> because he had three different versions. He said that a number of things had changed from the first draft. Commissioner Freund said that the minutes had been changed to reflect new information from SDAO. Commissioner Blanc said they were handed out at the previous meeting and since that time changes had occurred.

Commissioner Blanc said he would like to see a signed copy by Commissioner Freund to show that he had reviewed the minutes. Commissioner Freund agreed. It was decided to use the June 8<sup>th</sup> and June 15<sup>th</sup> minutes that have August 12<sup>th</sup> as a print date.

Commissioner Wyatt moved to table the June 8<sup>th</sup> minutes printed on 8/12 at 8:29 a.m. and to approve the June 15<sup>th</sup> minutes on 8/12 at 8:30 a.m. Motion seconded by Commissioner Blanc. Motion passed unanimously.

Commissioner Blanc would like for the attachment to be added to the minutes under work report for the July 20<sup>th</sup> minutes. He also questioned the minutes under 'annual elections' where it stated 'discussion followed'. He would like to see each Commissioner's comments included. Commissioner Freund said that the discussion was quite lengthy. Commissioner Blanc said that the minutes should tell what had taken place at the meeting.

Commissioner Blanc moved to accept the July 20<sup>th</sup> minutes. Commissioner Wyatt amended the motion to include the additional attachment. Motion seconded by Commissioner Freund. Motion passed unanimously.

### **Financial Report.**

The District Clerk stated the financials included a list of all approved purchase orders, 'Transaction List by Vendor' and 'Vendor Summary' reports. There was also discussion over the list of shut off's and late

notices for August. Commissioner Blanc wanted to know how much money had been drawn from the Loan. The total amount drawn down was just under \$550,000.

### **Utility Crew / District Manager Work Report.**

*Reynolds School / Kent W. Cox:* The District Manager informed the Board that Kent W. Cox (Engineer for the Reynolds School project) claimed that the permit fee needed to be paid by the District. Frank cannot find the paper work to support this claim. The current bill is \$791. Commissioner Blanc said that it was previously discussed to change the valve station at the same time in order to save the District money.

*Rick Ulmer / Non-payment:* Frank Sterzinar said the Board had previously discussed payment issues for William Baker who was a tenant in a home owned by Rick Ulmer. Frank Sterzinar explained that according to the Corbett Water District's Rules and Regulations, the owner is ultimately responsible for the unpaid water bill. The unpaid bill amounts to water usage, damaged locks and the crew having to be onsite. Rick Ulmer had requested an audience with the board.

Frank Sterzinar said that the District's Attorney had been consulted and he would also like for the Board to contact the owner. Richard Weill said that if the Board wanted to take action they should consider small claims court, in order to be cost effective.

Commissioner Freund asked if there was a potential new renter. Frank Sterzinar said yes, but the water would not be reactivated until paid. He said that someone was considering buying the property.

Commissioner Wyatt moved that after the allotted time the owner has to respond, if not paid in full, the District Manager would have the discretion to file on behalf of the District in small claims court for the amount past due, any other costs incurred and to request interest on the judgment. Motion seconded by Commissioner Freund. Commissioner Blanc asked if District procedures and policies had been followed. Frank Sterzinar said yes. Motion passed unanimously.

*Crown Point Towing / Non-payment:* Frank Sterzinar said that there had been a leak at Crown Point Towing for awhile. The crew had made every effort to help locate the leak. Frank said that there were two renters on the property. Darren Martin, of Crown Point Towing had requested an audience with the board. Darren has submitted a promissory note and he paid \$300 to have his water service reinstated. Darren Martin said that the leak had been traced to the house and not to the shop. Richard Weill said that ultimately the property owner was responsible, but the renter could open up the account to receive the bill. If a renter did not pay their bill, it could go to the property owner.

Commissioner Freund said that the District Clerk could be reached and there was also a 24-hour number available. He said that leaks behind the meter are the responsibility of the account and not the District, the crews help is a courtesy.

Commissioner Blanc asked if there had been an increase in non-payments from the conversion to bi-monthly billing. The District Clerk said that the same people are late on their account, but their bills were twice as much. Commissioner Blanc wanted to consider putting a ballot or questionnaire form in the next newsletter to see if the community preferred monthly or bi-monthly billing. Frank Sterzinar said the next newsletter included this topic.

*Stellar J / Over Excavation Claim:* Frank Sterzinar said that Stellar J has charged the District interest for unpaid change orders. Stellar J is looking at possible legal action. The District has paid Stellar J an agreed upon amount of \$42,000 for the over excavation. Paying this amount will force them into arbitration. Commissioner Blanc questioned why \$42,000 was spent without Board approval. Frank Sterzinar said that it was either \$42,000 or \$98,000 and if he had not authorized the payment, the fees could have been more.

Commissioner Freund said that Frank did the prudent thing for the District. Commissioner Wyatt asked if Frank followed the contract. Frank replied yes.

Frank Sterzinar said that Reservoir #4 was being refinished, adding 20-25 years to the tank. The crew is replacing the main on the Highway near Nielson road. Frank thanked the employees for their hard work.

### **Review of Proposed Board Vacancy Policy.**

Richard Weill said that there was a misconception at the previous meeting over the Board vacancy policy. He said that the Board was adopting Board policy and not an ordinance. He said that it was not necessary for a first and second reading of the policy.

Commissioner Blanc said that by reading the previous minutes he did not know that a notice for the vacancy would be posted, applications accepted and choosing a new Commissioner would be done at this meeting. Commissioner Colclessor said that Commissioner Freund and he listened to the meeting tapes and he agreed to the first reading and a second reading. He said that the ORS's listed on the policy were legislative and according to SDAO it dealt with ordinances.

Commissioner Wyatt asked if the vacancy policy could be made into a Resolution for future use. Richard Weill said yes, and since notices have gone out the Board could make a motion to follow the procedures of the notice published.

Commissioner Wyatt moved to accept the Corbett Water District Board vacancy policy that was read last time and to pick the new Board member in accordance with the Board vacancy policy and public notice. Motion seconded by Commissioner Freund. Commissioner Blanc said that the Board vacancy had not been followed because it stated that applications needed to be returned ten days before the next regular meeting. Commissioner Wyatt withdrew her motion. Commissioner Freund withdrew his second.

Commissioner Wyatt moved to appoint a new Commissioner according to the notice that was posted. Motion seconded by Commissioner Freund. Commissioner Blanc questioned who had authorized the notice for the Board position to be posted.

Brian James, Doug Geller, Janet Helus, Barb Adams, Dick Wand and David Davis commented on this topic.

Commissioner Freund said that there had not been a vote but a consensus to proceed with the proposed policy. He said that according to SDAO a Board position should be filled promptly. Commissioner Colclessor said that it had been his understanding to appoint a Board member using prior procedure.

Commissioner Wyatt said that she wanted to discuss the following input from Barb Adams stating to keeping notices on file for a year and to mail a notice to each Water District customer.

Voting for the motion were Commissioners Colclessor, Freund and Wyatt. Voting against the motion was Commissioner Blanc.

The Board discussed wording choice for the Board vacancy policy. It was decided to add that applications could be submitted by fax, mail or in person and a notice should go in the mail to each Water District customer to let them know of the vacancy.

Commissioner Wyatt moved to accept the Board vacancy policy with the changes she had read. Motion seconded by Commissioner Blanc. Motion passed unanimously.

### **Comments of Guests and / or Representatives.**

Dick Wand spoke with the Board. He said that he believed that the contract with Lee Engineering, for the Water Treatment Plant (WTP), should have gone out to bid because it was over \$75,000. Commissioner Wyatt directed staff to take this concern up with legal council.

### **Treatment Plant Upgrades, 50% Engineering Phase.**

Commissioner Colclessler said that Board members had gone in groups of two to Lee Engineering to discuss the upgrades. Frank Sterzinar said that the meeting occurred because Lee Engineering was currently at 50% design and they wanted the Board to review the plans to make sure that all are in agreement. Also the need to proceed since building codes are changing in Multnomah County.

Commissioner Wyatt said that it was her understanding that the Master Plan included all of the work for Reservoir #6, #4 and the WTP Upgrades. Commissioner Freund said that the WTP Upgrades came at a later date because they needed to see how much money was left after the new Reservoir was constructed.

Ed Kalberg asked about the budgeted amount for the WTP. Commissioner Blanc replied \$775,000.

Dick Wand wanted a dollar amount for the 50%. Commissioner Blanc said engineering was about \$150,000 so it would be approximately \$75,000 at this point.

Commissioner Blanc said that the Resolution referred to a statute and he would like to see the statute attached to the Resolution. He would like to postpone this Resolution until the September 1<sup>st</sup> meeting with Lee Engineering. Commissioner Wyatt asked if a vote was needed by a certain date. Frank Sterzinar said no, but Lee Engineering wanted to know they were headed in the right direction.

The Board discussed membrane and concrete filter ponds.

Commissioner Freund moved to approve Resolution 2004.08.01. Motion seconded by Commissioner Colclessler. Voting for the motion were Commissioners Colclessler, Freund and Wyatt. Voting against the motion was Commissioner Blanc; he would like to wait until September 1<sup>st</sup>.

### **Interview of Applicants for Commissioner.**

Al Kimbley and Sue Fry withdrew their names for the vacant Board member position. Robert Gaughan, Brian James and Ed Kalberg all stated why they wished to be a Commissioner.

Commissioner Freund agreed with Ed Kalberg and wanted to move forward and to put the politics aside. Commissioner Colclessler commented on computer networking that will track projects.

Commissioner Blanc asked why the Resolution had been removed from the Agenda. Commissioners Colclessler and Freund both said that a Resolution was not needed.

Commissioner Freund moved to appoint Robert C. Gaughan. Motion seconded by Commissioner Colclessler. Voting for the motion were Commissioners Colclessler, Freund and Wyatt. Voting against the motion was Commissioner Blanc. Commissioner Freund said that Robert Gaughan has the time and the work knowledge. Commissioner Colclessler said that Robert would give the Board a new perspective. Commissioner Blanc said that he did not agree with the process, he felt that it was an illegal vote.

Robert Gaughan read his oath of office.

### **Establishment of Contract Review Board.**

Richard Weill said to review the previous legal files.

Commissioner Wyatt said that according to the statute the review Board could only consist of Board members. She directed staff to work with Richard Weill to determine if the District has adopted the Model Rules or the other part of the public contracting laws that are aside from the Model Rules.

Commissioner Freund said that this information was to educate the community of the Boards thinking.

Brian James and Janet Helus both commented on this topic.

### **Establishment of Policy & Procedures Review Committee**

Commissioner Wyatt said the policy and procedures manuals needed to be updated. Commissioner Wyatt withdrew the draft Resolutions at this time.

Commissioner Wyatt withdrew her Resolution for a complaint policy, to give finality.

### **Coming Events**

Commissioner Colclessor said there would be a special Board meeting on September 1<sup>st</sup> to discuss the WTP.

An SDAO training session with date and time to be announced.

Commissioner Wyatt said at the next meeting she would like for the Agenda to include the Resolution for the contract review Board, Lee Engineering review committee, and policy & procedure committee and for appointments to be made.

### **Public Input NOT on the Agenda.**

Tom Layton commented on back charging Lee Engineering for the over excavation charge. Commissioner Wyatt said that she hoped the contract review Board would address this issue.

Janet Helus submitted a letter to the Board.

Barb Adams commented on her working experience and she thanked the Board.

Dick Wand commented on the over excavation bill.

Ed Kalberg asked the Board to look into the financial material he had submitted.

Janet Helus commented on the June 8<sup>th</sup> minutes.

Tom Layton commented on the rules for audience comments.

Sue Fry said that being on the Board was not a waste of time, but some frivolous activities were.

Janet Helus questioned why there was no comment under interview of applicants. Commissioner Freund said it was inappropriate according to SDAO guidelines.

Dick Wand questioned how Commissioner Gaughan knew about the vacant Board position. Commissioner Gaughan said from the newspaper and the Water Department.

Janet Helus questioned if the SDAO session was open to the public. Commissioner Wyatt said she did not think so. Commissioner Freund said it was a training seminar and not a meeting.

Commissioner Freund moved to adjourn. Motion seconded by Commissioner Blanc. Motion passed unanimously.

Meeting adjourned at 10:55 p.m.