

**CORBETT WATER DISTRICT  
BOARD OF COMMISSIONERS  
REGULAR BOARD MEETING**

**September 18, 2018**

**BOARD MEMBERS PRESENT:** Jack Garrison, Jeff Hargens, Bob Gaughan, Sara Grigsby and Kevin Wilhelm.

**BOARD MEMBERS ABSENT:**

**STAFF PRESENT:** District Manager Jeff Busto, Assistant District Clerk Lynda Ronell and District Clerk Gail Griffith

**AUDIENCE MEMBERS** Gordon Fulks and Malcolm Freund

Bob Gaughan called the meeting to order at 6:01 p.m.

**DISCUSSION and REVIEW of GROUND WATER SUPPLY PROPOSALS**

This discussion held prior to regular business. It was requested by the District Manager that the proposals from Wallis Engineering and Aspect Consulting related to ground water supply be considered. It was advertised on the Agenda with the Regular Board meeting topics.

President Gaughan asked if the Board Members had read the proposals and if there were questions or comments. Everyone had read the information.

President Gaughan stated he didn't want to spend our money right now because we will not be able to do the project for at least a couple years.

Sara Grigsby asked for clarification on the contract duration for Wallis's proposal. It says "contract terms shall be from date contract is fully executed until December 31..". She said that seems like we are going to make this decision pretty quick. Jeff Busto said we would have to re-negotiate after that date. Sara Grigsby continued that the last page of the Wallis proposal under assumptions, what is the definition of hydrolic modeling. Jeff Busto said it doesn't apply to our district. It would be required if the system were more complicated and if we were adding pumping stations or any major changes to the district to add a well. All we would need to do is install a well and get the water to the surface at 30 psi.

Kevin Wilhelm said we need to do something if we are ever going to get a well. If we don't do anything it is going to just drag on. We need an idea of where we can put it and what it will cost, even if we can't do it for a couple years.

Jack Garrison stated that the real issue for him is we need to look at the overall affordability of the project in the context of everything else. The District has 1.2 million open on a loan until 2025. It needs to be considered. Moving forward and getting a loan in the next three to four years for around \$2,000,000 would put a burden on the customers of about tripling the current base rate. He continued that if we were getting a loan in 2024 when the prior loan was just about paid off customers would look more favorably. He said he thinks the timing for this project is to early. We need a finite schedule for affordability and do-ability to put a well down.

Jeff Hargens said that until we do this study we won't have that information. He continued that the District has become stagnant on doing anything. We need to move forward with an alternative water source. He said it would take one small fire and our water would be destroyed for several months. It will take a couple years to get a well in and this is just the first stages and then we line up a loan or a grant. Our current water rates are the lowest around. If we do nothing the Board members run out their terms and nothing happens unless we do something.

Sara Grigsby said she is for "doing this piece as a first step even if it feels that it is more than two years out." Jeff Hargens agreed it is going to take a long time to get the pieces together to do the project. Our water source is good now but things are changing slowly. Having a back up is a good thing to do. Bob Gaughan agreed but said he is worried about the timing and the costs. More discussion.

Jeff Busto said there is grant money for the project, but, you need to be at a position to move forward if you get a grant. Jeff said he is working with USDA Rural Development. There are matching grants available. Jack Garrison noted that grants are competitive. Jeff Hargens said there are grant writers available.

Bob Gaughan asked if we go forward with these proposals how relevant will the information be in three years. Jeff Busto responded that it should still be good. The structure in the ground won't change and the feasibility of the well shouldn't change. The things that could change would be cost and any legislation that would prevent us from moving forward. The EPA and DEQ are leaning away from surface water from an environmental standpoint. We could be first in right now and secure our position which would be to the benefit of the District.

Jeff Hargens asked what money was approved by the Budget Committee for the well. The District Clerk responded there is \$50,000 budgeted for ground water. The Budget message states, "The feasibility study and ten year plan include research into an additional water source to supplement our current supply. Further study of a well and permit process will be conducted. Proposed Budget for this line item is \$50,000."

Audience Member Gordon Fulks said the current water supply has been used for the last 70 to 80 years and the risk of building a well and having to triple rates are very high. Bad water and a dry well are high risks. Jeff Hargens asked the audience if they are concerned about the changing climate as related to our water source. Gordon Fulks said he is not concerned. Jeff Hargens said if the stream goes dry we have no water. Jeff Hargens said if the community did a field trip to Southfork to see what it looks like this time of year it would scare them and 99% would vote for a well. Malcolm Freund said he didn't think it is any different than in the past. More Discussion.

Jeff Busto stated that allowable forest practices have dramatically affected the health of the watershed. We haven't been able to use Southfork since February.

Discussion of storage of water underground.

Bob Gaughan said he is worried about the cost. If the District had the money he would drill a well right away. Sara Grigsby said \$41,000 for this study is reasonable to get the research done. Jack Garrison said his concern is if the timing is right for us to move ahead at this time.

President Gaughan called for a closure to the discussion at 6:31 and continued with the rest of the meeting.

#### **APPROVAL OF THE AGENDA**

Sara Grigsby said she would like to add #4 under Old Business as Decision on the Ground water Supply proposals. Kevin Wilhelm made a motion we approve the Agenda as modified. . Jeff Hargens seconded, all were in favor, motion carried. (5 yes votes: Bob Gaughan, J.Garrison, S.Grigsby, K.Wilhelm & J.Hargens 0 no votes)

#### **APPROVAL OF THE MINUTES**

Jeff Hargens made a motion the minutes of the August 21 , 2018 regular Board meeting be approved as presented. Kevin Wilhelm seconded, all were in favor, motion carried. (5 yes votes: Bob Gaughan, J.Garrison, K.Wilhelm, S.Grigsby & J.Hargens 0 no votes)

#### **TREASURERS REPORT AUGUST 2018**

Sara Grigsby reported she met with the District Clerk and went over the financial information for the month. Sara Grigsby asked Jeff Busto if we had received the invoices from LOVETT for the services they had been providing for the District. Jeff Busto said we are meeting again with LOVETT project manager and accounts receivable person to clear up the problem with their invoicing. Their invoices are unclear and do not match our Project Summaries. Once we get the corrected invoices we will prepare a bill for the Reliance Connect contractor who cut through our water lines. Jack Garrison asked what kind of contract the District has with Lovett. Jeff Busto replied that we have received their bond and insurance. Jack Garrison asked if we have a time and material contract with Lovett including terms and conditions? Jeff Busto said we have a contract but he is not sure if it includes terms and conditions for billing. Jack Garrison asked that a copy of the contract be sent to the Board Members by email.

Bob Gaughan asked if we had hired a temporary worker. Jeff Busto said we had hired a temporary to work for a couple weeks.

Jack Garrison asked why Utility Worker AP is at 34% of the budget when we should be at 16 to 17%. The District Clerk will review the information and send explanation to the Board members by email. It could be related to the fact that the current AP was going to take a test and move up to a different position.

Gordon Fulks questioned if Board Members look at the invoices especially at credit card expenditures. Treasurer Sara Grigsby said she reviews all of the invoices and reports. The District Clerk stated that she has the invoices for the month at each meeting if there are any questions.

Sara Grigsby made a motion to approve the August 2018 treasurers report contingent that next month the Board will receive the answer to the question as to why the Utility Worker AP line item is spent to 34%. Kevin Wilhelm seconded, all were in favor, motion carried. *(5 yes votes: Bob Gaughan, J.Garrison, K.Wilhelm, S.Grigsby & J.Hargens 0 no votes)*

### **LEAK ADJUSTMENT POLICY PROPOSAL**

Jack Garrison made a motion we approve the Leak Adjustment Policy Draft number three dated September 13, 2018 as amended adding two words to the opening paragraph and changing the foot note on the second page to what is highlighted, effective immediately. Kevin Wilhelm seconded, all were in favor, motion carried. *(5 yes votes: Bob Gaughan, J.Garrison, K.Wilhelm, S.Grigsby & J.Hargens 0 no votes)*

Leak adjustments that were received prior to today will be processed under the old policy.

### **METERS - COST COMPARISON, LIFE EXPECTANCY, ANNUAL RECURRING COSTS**

The District Manager addressed the Board. He stated that the Board received cost proposals last month for installing meters in the District. He continued we are looking at the Master Meter brand. Jeff Busto said he has spoken with other Districts and contractors and Master meter is the only wireless register and the only one with a brass body. The others are made out of plastic. Master Meter has a projected lifetime of twenty years and a ten year guarantee with additional ten years prorated. The annual recurring cost from the company who builds the meter is \$1,200. This allows us to store the data on their cloud and retrieval of the information is available 24 hours a day. If we lost our data base we would have access to the information. If we damaged equipment then we could have additional cost. There is a laptop computer with Bluetooth that picks up the reads as you travel down the road. We will be able to have one person read all the meters in three hours every two months as opposed to two individuals reading meters three to five days. The new system will make the billing process easier. The new system will interface with our current billing system. The new software with the system will save the front office a lot of work. The \$1,200 cost per year covers software upgrades, firmware upgrades and training. Jeff Hargens said it is possible we could read meters monthly.

Jack Garrison asked if the installation costs, the Board received last month, included time and material. Jeff Busto responded it will be a flat rate cost per meter. Jack Garrison further asked if the installation company incurred any other issues during installation will they handle the repairs. Jeff Busto said they would, they are licensed, plumbers. If something isn't right or something gets broken they will absorb those costs. They will do what is needed to get the customer back in service. Jack Garrison asked if the District could get copies of the contract to look at. Jeff Hargens stated that we would need three bids. The total cost for the project including purchasing the meters and installation is approximately \$350,000. All meters up to two inch would be included. We have only a few meters over two inches.

Jeff Hargens stated there is \$350,000 in the budget to replace the meters. The Budget Committee considered it. He further stated that he is in favor of replacing the meters. We need to order the meters and we need three bids for installation.

Malcolm Freund asked what money is saved in the front office if you go to the new system. The District Clerk responded that the current system does not reliably communicate with our computers. It can take a great deal of time to get the information from the reading gun to the computer. The company for the reading gun charges \$750 per hour tech support. The new system should definitely save time in the office.

Gordon Fulks said he thought this is a Cadillac system for meter reading. Jeff Busto disagreed that this is not a Cadillac system. Manual read meters cost maybe \$10 difference. Manual Read meters are being phased out. Jeff Busto said he believes the proposed system is the best for this district, we will get the most life out of the meters and it will be the most cost effective.

Jack Garrison made a motion the District Manager get three quotes with an RFP for the quotes from the installers and come back to the Board with the entire package that tells us total costs from hardware, software training, etc. , so forth, the recurring costs and installation so that we can make a firm decision at that point in time. Jeff Hargens asked to amend the motion that the three quotes from installers be good for thirty days or until the next Board meeting and get a firm price from Master Meters for the whole price if the meters are purchased in thirty day. Sara Grigsby seconded the motion as amended, all were in favor, motion carried. *(5 yes votes: Bob Gaughan, J.Garrison, K.Wilhelm, S.Grigsby & J.Hargens 0 no votes)*

### **EMERGENCY PREPAREDNESS-UPDATE ON PUBLIC EDUCATION PLAN**

Packet of information was distributed to the Board. Jack Garrison asked if we would be presenting to the public what our emergency disaster plan is including stage 1, stage 2 and stage 3. Jeff Busto said that would be included in the public forums. The Board reviewed the information handed out.

Jeff Busto stated that he and Sara Grigsby met and came up with the information in the handout. It gives us a place to begin, it will be flexible and grow and change with input from the public, the Board and the water district staff. Sara Grigsby said we are not trying to plan the entire program. We hope to have a good “kick-off” meeting to answer basic questions and open to what things the public wants to know. Jeff Hargens said it will be good to let the community know about the history of the district and the challenges it faces and we should have tours of the watershed and the facilities for community members. This will let them know where their water comes from. Bob Gaughan and Kevin Wilhelm expressed concern about starting the presentations in January due to weather.

Serving food will bring in more people.

Gordon Fulks said this has been done in the past and it was minimally successful. The District Clerk noted that there is a question of how many people does it impact and what effect does this type of program have. She continued, the Fire Service has done fire prevention for years, but, how many fires did they prevent? No one knows how many were prevented by the program, it cannot be measured. If you decide ahead that we will not impact enough people in the Water District than they shouldn't do fire prevention either because they don't know how many fires it prevented. Our customers don't know where their water comes from and many think that electricity is more important.

Jeff Hargens said we should provide as much education as we can. Jeff Busto said we should have a broader focus so we can get more people interested. We need to cover earthquakes and fire in addition to the water shed. Jack Garrison said he thinks it is a very good and positive idea to have an outreach program. Jack Garrison said preparation should be done and then possibly a mini presentation done at a Board Meeting.

More information will be presented at future Board meetings.

### **GROUND WATER SUPPLY**

Sara Grigsby made a motion to move forward with entering into an agreement with Wallis Engineering and Aspect Consulting as presented in their written proposals dated August 16, 2018 and August 15, 2018 respectively. Jeff Hargens seconded. Four yes votes and one no vote. The motion carried. *(4 yes votes: Bob Gaughan, K.Wilhelm, S.Grigsby & J.Hargens 1 no votes)* Jack Garrison explained he is voting no because the timing is inappropriate at this time based upon not understanding our long term strategy of building a well and the cost.

### **DISCUSSION OF POSSIBLE WORK SESSION FOR LONG AND SHORT TERM GOALS**

Bob Gaughan said he would like to know our plans and costs of projects so we can rank the importance of each item.

Sara Grigsby asked what the other big projects are besides the meters and the well. Jack Garrison stated in the last two years there was discussion of a new reservoir, starting to put more pipe in the ground each year, a formal preventive maintenance program, inventory control program and an outreach program. Jeff Busto noted we will need a computer upgrade at the Treatment Plant and Bob Gaughan noted work on the cla-valves. Jack Garrison said we need to prioritize our projects. If we pay \$350,000 on meters and have our \$140,000 loan payment and the PERS issue, we will have expended over half our reserves. Jeff Busto stated we could prepare a list of projects with estimated cost for the January meeting. Jack Garrison said we need to have a meeting between the Board and the Manager and come up with a prioritized list and discuss if the projects are doable within a certain time frame and are they affordable. Sara Grigsby said she would like to see the list so then a decision could be made as to whether a half day or whole day work session is needed. Jeff Hargens said we have discussed short and long term goals tonight. Everything we have discussed has been approved by the Budget Committee. We have just said OK to the engineering proposals for the well which was approved

in the Budget and OK to meters which were also budgeted by the Budget Committee. We decided a few years ago not to put more pipe in the ground.

Sara Grigsby said it would be good to get a list of projects at the next meeting.

Audience Member Gordon Fulks said there is a Master Plan that was updated in around 2003.

## **MANAGER'S REPORT**

District Manager Busto reported we had a surprise OSHA inspection. The OSHA representative was very nice. She will return on October 4<sup>th</sup> to interview employees. There are a few updates we need to prepare for when she returns.

North Fork Gordon Creek headworks will be cleaned, reconfigured, and returned to winter mode by the end of this month.

Filter ponds #1, #2, and #3, are scheduled to be cleaned for the winter as soon as a break in the rain occurs. It should be done by the end of October.

Winterization of meters and devices is scheduled to begin, before freezing temperatures arrive to the area. We will do a drive through and anything that is subject to low temperatures will be insulated. We use sawdust for the insulation.

Next month a detailed plan with projected costs to replace the vehicles will be presented to the board for approval.

Cla-Valve maintenance has been completed on the four primary 10 inch transmission line stations, and at the treatment plant. We will continue to work through the system, rebuilding PCV's as time allows. We will rebuild the small pressure control valves in house.

Jack Garrison asked if the hydro is back online. Jeff Busto said it is not running. We are waiting for a proposal on repair costs. There was a motor failure. Jeff Busto continued that he and Commissioner Grigsby had discussed the idea of using solar power if the hydro-generator repair is cost prohibitive. The infrastructure to install solar is basically already in place.

Jack Garrison asked for an update on the number of backflows that need to be tested. Assistant Clerk Lynda Ronell replied we do not have the number tonight. We can get the number not tested out to the Board.

Jack Garrison asked about the two outstanding sample testing violations on the State website. He continued that he thought the lead copper testing had been done. The District Clerk replied the Lead Copper testing has been completed and the report was sent to the State two weeks ago. James Nusrala of the State said it would take two to three weeks for the website to be updated because they are backlogged. Jack Garrison asked about the April through June violation for disinfection byproducts. Jeff Busto responded those are lab errors. Jeff Busto said he will speak to James Nusrala to see when that violation will be removed.

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

Gordon Fulks said he would be careful about hiring engineering firms and then dropping the project. He said the conserve water sign could cause the District to sell less water when people conserve water when they don't need to.

## **SUGGESTIONS FUTURE AGENDA ITEMS**

### **REVIEW ACTION ITEMS FOR NEXT MONTH**

Noted.

### **BOARD MEMBER ADDITIONAL ITEMS FOR THE GOOD OF THE ORDER**

### **ADJOURNMENT OF THE MEETING**

Bob Gaughan made a motion to adjourn the meeting at 8:08 p.m. Jeff Hargens seconded, all were in favor, motion carried. . (5 yes votes: Bob Gaughan, J.Garrison, K.Wilhelm, S.Grigsby & J.Hargens 0 no votes)