

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
September 21, 2010**

Board members present: Jeff Hargens, Robert Gaughan, Robert Churnside.

Absent board members: Victor Schmidt, Sonny Boyd.

Staff present: James Jans, Shanti Kraai.

Audience members present: Malcolm Freund, Dave Mysinger.

Chairman **Jeff Hargens** called the meeting to order at 6:35 p.m.

APPROVAL OF THE AGENDA

Shanti Kraai requested that item 8, credit card fee ordinance, be postponed until the next board meeting. **Robert Gaughan** made a motion to approve the agenda as modified, **Robert Churnside** seconded, passed unanimously.

APPROVAL OF THE MINUTES

Robert Gaughan made a motion to approve the minutes of August 17, 2010, **Robert Churnside** seconded, passed unanimously.

LEAK ADJUSTMENTS

7960-01: This customer had a leak over two billing cycles. Due to the high quantity of water use caused by the leak, this case was viewed as a hardship. **Jeff Hargens** made a motion to adjust the units of the second billing cycle the leak occurred on, July/August 2010, to the average units used during the previous three billing cycles, 12 units. **Robert Churnside** seconded the motion, passed unanimously. No adjustment shall be given to the first billing cycle the leak occurred on, May/June 2010.

PACE ENGINEERS: RESERVOIR 2

The representative from Pace Engineers, Brian Lee, could not attend the meeting. **James Jans** states that the repairs made to Reservoir 2 shall be finished by September 24th, 2010. The only work left to be completed is to touch up the welding on the top of the reservoir. The sub-contractor, Elk Mountain, has requested a change order of \$2,100 due to the difference of where the piping was located at and the engineer's drawings. **James Jans** states that the sub-contractor used a large tractor to dig for the pipe, which made a larger trench than was necessary. He does not feel that we should have to pay for the extra gravel to fill the trench, as a smaller machine should have been used. **Jeff Hargens** states that if there was a difference in location from the engineer's drawings, we need to discuss this with Pace Engineers to find out what the difference in price should be. **Robert Churnside** would like to know if the mill thickness of the paint needs to be reviewed by the engineer. **James Jans** states that Brian Lee should do an inspection on it, however he has not been present for many of the previous inspections.

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FERC LICENSING

James Jans states that we have received a bid of \$52,000 for the hydro generator. According to James Jans' calculations, we should receive a payback amount of around \$5,000 per year, which means the total payback time would only take around 15 years. He has been speaking with Sonya Reiser, P.E., who has referred him to Kris Kranzush, a permitting specialist and engineer from Colorado, whom has experience working with hydro projects and the Federal Energy Regulator Committee (FERC) licensing. According to the Business Energy Tax Credit (BETC) 330-090-0105 pg. 34, section D, if we submit all the applications together, the projects will have to be completed together with a deadline of July 2012. **James Jans** states that it would be in the District's best interest to submit the application for one project at a time.

2009-2010 AUDIT FINANCIAL STATEMENTS; CORRESPONDENCE

The Board of Directors was given copies of the 2009-2010 financial statements from the auditors, as well as correspondence letters. The Board reviewed these documents and did not have any comments.

MONTHLY REPORTS

Secretary/Treasurer Financial Reports: **Robert Gaughan** made a motion to approve the financial statements as presented, **Robert Churnside** seconded, passed unanimously.

Managers Report: District Manager **James Jans** read as follows:

Distribution System: We have had our third major water break on the 4" old PVC main on Seidl Rd., late Monday night. We shut down Seidl and left jugs of drinking water for the eight remaining homeowners until the following morning since our backhoe was out of service because the hammer attachment would have taken quite some time to remove and install our bucket. We have had to hammer a section of large boulders on the lower part of Seidl, which has slowed down the crew. We are hoping to have the remaining upper section replaced in about two to three weeks. With Reservoir 2 having been completed and tested on Sept 16th, we are just waiting for the "absent" result in a BT sample before we put it back on line. We are expecting substantial completion of this reservoir by September 24th. Hopefully we will not have pressure problems in the Hurt and Wand areas that we have had during the repair of the Cabbage Hill reservoir. One of the sub contractors, Elk Mountain Construction, has asked for a change order of \$2,100 for extra work, all without a preauthorization from Pace Engineering. I have responded to Brian Lee at Pace with the enclosed letter.

After we complete Cabbage Hill Reservoir, the only other item from the Water Master Plan from the proposed reservoir improvements, under Table 6.1, is to install a fence around Larch Mountain Reservoir #4 and abandon Larch Mountain Reservoir #1. We removed the extra dirt that was left over from the electric line installation at Reservoir #4 along Victor's driveway the otherday. The home owner will have to take care of the build up of grass and mulch at the fence line.

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MONTHLY REPORTS - Distribution System (Cont.)

As mentioned last month, the main water line from the Corbett High School to Cabbage Hill Reservoir on Hurt Road is only a small 6" steel line, and according to our water master plan it should be a 10" water main. This might be the main topic of discussion for next year's budget.

On Rickert Road we have replaced 3,065 feet of old 1.5" steel line with new 6" C-900 PVC water mains. The total cost to date is \$59,691.96, for a cost of \$19.48 per foot. This is below the estimated construction and engineering cost per foot from the 2003 Water Master Plan.

We picked up our new meter reading truck, which is a 1999 Ford Ranger. It has an automatic transmission and made last month's meter reading a lot quicker and safer than using the old 1994 Ranger.

Treatment Plant: The required reagents for the CL17 run over \$50 per month per analyzer. So we have installed the newer chlorine reagent less chlorine analyzer CLF10 from Hach in order to monitor and record Free Available Chlorine (FAC) before the chlorine contact chamber, which allows us to make changes to the chlorine dose and know the results within minutes, not hours. As noted from the Water Master Plan in 2003, chapter 5, page 6 under section 5.2.7.2. This will also put us one step closer to running the treatment plant in the automatic mode. The two older Hach CL17 units are starting to show their age and may not last till next year's budget.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Dave Mysinger stated he was concerned about Brian Lee's interest for this District. He states that each invoice that is presented to the Board needs to be negotiated for a reduced price. **Jeff Hargens** says a smaller engineering firm may better suit the District's needs. **James Jans** states he has been speaking with David Jacob, an engineer that works for Rockwood P.U.D. This engineer is much smaller than Pace Engineers, and has reasonable rates. **Dave Mysinger** states we may want to consider another engineer on future projects. **Malcolm Freund** says that according to the minutes of the previously held board meeting, Brian Lee said James Jans made some valve changes, causing the yard piping to be changed numerous times. **Malcolm Freund** said it looks like Brian Lee was placing the blame on the Manager, since the manager was not in attendance at the meeting. **James Jans** said that Brian Lee originally made the design with an angle valve, then wanted to switch it to a straight valve. James Jans informed him that he wanted to keep it the way it was originally designed, as an angle valve. Brian Lee had blamed this change on the Manager and charged an extra engineering fee.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

James Jans states that tours are available for Reservoir 2 if anyone would like to view the completed repairs.

Jeff Hargens made a motion to adjourn the meeting, **Robert Churnside** seconded, passed unanimously. Meeting adjourned at 7:30 p.m.