

**CORBETT WATER DISTRICT
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
October 15, 2019**

BOARD MEMBERS PRESENT: Sara Grigsby, Fred Sanchez, Dan Graff, Bob Gaughan and Jeff Hargens

BOARD MEMBERS ABSENT:

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

AUDIENCE MEMBERS: Malcolm Freund, Jack Garrison, Victoria Purvine, Linda Hargens, Chris Augustine of SCS Engineers and Tim Shell of Wallis Engineering

President Jeff Hargens called the meeting to order at 6:30 p.m.

APPROVAL OF THE AGENDA

Jeff Hargens asked to add “use of water district property in 38000 block of E Historic Columbia River Highway” in New Business as item #5. Bob Gaughan asked why the Intake at Southfork was not included in the Agenda. Jeff Hargens said he had asked for that to be placed on the Agenda and he has not met with Jeff Busto yet so that item should be postponed. Bob Gaughan made a motion to approve October 15, 2019 Agenda as modified. Sara Grigsby seconded, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

APPROVAL OF THE MINUTES September 17, 2019 Regular Meeting

Fred Sanchez made a motion to approve the September 17, 2019 regular Board meeting minutes as presented. Sara Grigsby seconded, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

TREASURERS REPORT SEPTEMBER 2019

Sara Grigsby reported revenue for the current fiscal year is at \$248,000 and expenses at \$137,000. Sara Grigsby continued that she would like to see a mid fiscal year report in January as to how our expenditures are working as related to the planned budgeted amounts. Fred Sanchez asked if the report could include projected things that could come up as related to the whole budget process.

Fred Sanchez made a motion the September 2019 Treasurers Report be approved as presented. Jeff Hargens seconded the motion, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

WELL UPDATE

Engineer Tim Shell addressed the Board. The OWRD Feasibility Grant application is due November 13, 2019. We are working on scheduling a pre-application meeting. Once we have the meeting we will have more information on how they want us to divide the costs for the test well and the ASR well. There is criteria for naming the project. They prefer not to see “Corbett Water Well” but rather where the project is actually located. The tentative name is Deverell Road ASR Feasibility Study. Board members had no preference regarding the name of the project. The Board received updated information on the cost of the feasibility study. Initially it was around \$300,000. That number has increased to \$529,000.

Chris Augustine, of SCS, noted costs were developed two years ago which were pre-steel tariffs. That has increased cost by at least 25% just for materials. This is a very deep well. The new test well is for the District to prove feasibility for ASR to OWRD. There will be a higher level of effort for water testing. This is basically exploratory mode. No one has drilled a well this deep in this area. The next closest is in the Bull Run. There are additional geophysical testing required for ASR. We must justify to OWRD that we are not co-mingling aquifers. We are budgeting for drilling 1,300 feet. Cost is about \$100 per foot. Once feasibility is determined you can get a bigger grant amount for project grants.

Minimum casing for the well will be 6 inch. Drilling rigs are 100% self contained with compressors and generators. They will need assistance to manage water and have a supply of make-up water to mix up the mud as they go. There are different methods for drilling which would be budgeted in the drillers proposal. The preferred method would be to use reverse circulation. This method uses water from a fire hydrant or a tank of water for make up water. That water goes down into the hole and makes its own mud as it cuts into the rocks and cools the bit.

Bob Gaughan asked if the price for the test well is twice what we expected what does that do to the \$2.6 million dollar estimate of the production well. Chris Augustine replied that if we prove the feasibility up front we should have a successful grant process and get 50% -75% grant funding for the project. There are added costs for the ASR portion. Jeff Hargens said the test well should help us get our water rights.

Tim Shell explained the Feasibility Grant has a 50% match maximum. The only costs eligible would be the ASR portion. The \$264,500 requested in the Feasibility Grant application is 50% of the costs for the whole study. Some of the costs may not be eligible.

Sara Grigsby stated the Gorge Commission is doing their 2020 Management Plan. They are having a series of meetings to get public opinion and bringing in outside consultants to report. Last week it was about climate change and how it would affect their 2020 plan. During this meeting the topic of water kept coming up. Sara Grigsby said she did let the group know about our situation and they were very interested.

The Board received an engineering proposal in their Board packet from SCS Engineers. Jeff Hargens asked what point would this proposal take us to in the project. Chris Augustine replied it would take you through supporting the water project grant. Including specifications, bid package support, drilling, tests, evaluating feasibility for ASR in test well, grant management coordination and reporting to OWRD. Jeff Hargens clarified this proposal would take the District through the test well portion and all the way up until we decide on a production well, with some money to assist us getting a grant. If we do not get the feasibility grant or we determine it is not enough money to do the test well then what would we be charged? Chris Augustine replied it would be time and materials to that point, not the full proposal amount. Tim Shell stated that it was decided earlier that the District was simultaneously getting bid documents ready and waiting to hear about the feasibility grant. (Discussion on well resumed later in meeting)

LETTER - NEMCCA REQUEST FOR INFORMATION REGARDING WELL

President Hargens stated at this point in the meeting, if there are no objections, we will address New Business Item #1 Letter from NEMCCA. The letter pertains to the property for the well. There were no objections.

Jeff Hargens stated he and his wife Linda own the property proposed for the well site. He contined that he will take part in discussions regarding the well, but, will not vote on the location of the well, unless a tie breaker is needed. The Board has discussed an easement of the property rather than ownership of the property.

The easement would remain in effect as long as the property is used by the Water District for a well. If the Water District no longer uses the well or abandons the well the property would return to the property owners or their heirs. All improvements would be left or removed as determined by the property owner. This information was discussed with Multnomah County Planning in a pre-application hearing. Permitting and setbacks will cost less for the District with an easement. Costs to the district would be to draw up the easement, permits and all improvements required for the well and insurance.

Mr. Hargens stated there is no gain for himself or his family for allowing the use of the property by the District.

Fred Sanchez asked why an easement will be used and what type. Jeff Hargens said he planned to gift the property to the District but during the meeting with Multnomah County it came out that an easement might be more cost effective for the District. Sara Grigsby stated that no one went into the meeting with the idea that we would use an easement. The requirements and permitting will be less with the easement. Victoria Purvine stated, one of the questions is how can the District build a building and put other improvements on land they do not own. The County does not believe there is a problem building on the easement. David Jacob, of Hydra Engineering, stated he operates a dozen small water districts and a few of them have buildings on easements. It is not uncommon. The utility owns and maintains the building. The easement would have wording on what would happen if the District no longer uses the land for the well.

Regarding Mr. Davis's property the District Clerk reported there is no record, in writing or in any files, at the office of an offer from Mr. Davis. No one has said that they have spoken to Mr. Davis regarding the current discussion of the well. It is possible he spoke to someone when the well was previously considered.

District Manager Jeff Busto stated the property was previously owned by Weyerhaeuser. The current site has everything needed in the ground and overhead for the well and is the best location for the Water District. The 10" water main, pressure reducing station and three phase power are all on the same side of the road as the property. It could cost between \$250,000 to \$500,000 or more to move the well to another location. The district would have to move three phase power, two 10" water lines and install a new pressure reducing station. Extra lift would be required for the water in a different location which would increase operation and maintenance costs. The Water District Engineering firm has confirmed that the Hargens property is an excellent site.

Victoria Purvine, of NEMCCA, said she would take the information back to their Board.

WELL UPDATE

Discussion of the well continued.

Jeff Busto stated, based on his 37 years as an operator and his knowledge of what it takes to run a district, the well site was his first choice for the District. It is the most cost effective spot, the easiest in the long run, will require less maintenance and help improve the District. Fred Sanchez said he thinks the President has answered the questions about the ownership of the land, we will be using an attorney to draw up the easement and it is appropriate to move forward. President Hargens said he thinks, before we spend any more money, we need a decision if this is the best property for the well.

Dan Graff made a motion that Jeff and Linda Hargens property at the corner of Deverell and Larch Mountain Road be the location for a well. Fred Sanchez seconded, three yes votes, zero no votes and to abstentions.

Motion carried. *(3 yes votes: S Grigsby, F.Sanchez & D.Graff 0 no votes 2 abstained: B.Gaughan & J.Hargens)*

Bob Gaughan said he was abstaining because he wished we had the results of the feedback from the community.

President Hargens said moving back to the discussion of the SCS Engineers proposal for the engineering of the test well in the amount of \$69,247.00. Sara Grigsby asked for clarification that this \$69,247 is part of the \$529,000 cost for the test well and we are not adding that amount to the cost. Bob Gaughan also wanted to confirm that if we do not receive a grant or have to stop the project then we would only be charged for time and materials to that point. Chris Augustine agreed both of those are correct. Chris Augustine will be working on getting a formal bid packet ready for the well drillers so we can get on their calendars. There are four major drilling contractors in the region.

Sara Grigsby made a motion to accept SCS Engineers proposal for the Corbett Water District test well project, in particular attachment A Table1 in the amount of \$69,247.00. Fred Sanchez seconded, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

SET DATE FOR PUBLIC INFORMATIONAL MEETING REGARDING THE PROPOSED WELL

The Board came to a consensus that the Special Meeting to discuss the proposed well will be held at the end of the regular Board meeting on November 19, 2019 at 7:15 p.m. at the Fire Hall. The Regular Board meeting will start at 6:00 p.m. with the Special Meeting at 7:15 p.m. Office Staff will send out a postcard regarding the special meeting to all customers, post the information on the District website, on Corbett Facebook page and at the post office and both stores.

PUBLIC RECORDS POLICY Second Reading and Adoption

Included in the Board packets was a copy of the recently updated public records policy. (copy attached to the minutes) Copies of the policy were available to all audience members. This was the second reading of the updated policy. There were no objections to the policy.

Jeff Hargens made a motion section 6 Public Records Policy be adopted as read on September 17, 2019 and October 15, 2019 regular Board meetings and replace the existing Public Records Policy dated January 2015. Dan Graff seconded the motion, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

AGED RECEIVABLE QUARTERLY REPORT

Jeff Hargens said the aged receivables have been greatly reduced. Sara Grigsby said great job. No questions regarding the report.

PROPERTY, CASUALTY, VEHICLE INSURANCE RENEWAL

The Board received the renewal information by email. The Board reviewed the information. The District Clerk stated the only changes were noted in red. We are adding the computer for reading meters in the mobile equipment section. The computer value is \$12,500.

Sara Grigsby made a motion to renew property, casualty, vehicle insurance with Special Districts Insurance Service, enter into the longevity agreement and authorize District Manager Jeff Busto to complete the Crime Coverage Questionnaire. Dan Graff seconded the motion, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

PERS - update on Employer Incentive Fund and Employees working after retirement

The Board received a handout from PERS explaining changes since SB1049 was passed into Law.

The Board will review the information. The new law removes the hourly limit PERS retirees can work at PERS covered positions starting in 2020 through 2024. However, if a PERS retiree returns to work for a PERS employer the PERS employer is required to pay the regular contribution to PERS on that employee's payroll. This is a change because previously the employer did not pay any PERS on retirees who returned to work. Two Water District employees are eligible to retire. Dan Graff said this encourages people who are Tier 1 and Tier 2 to retire because now rather than being limited on their hours if they return they can return to work full time. The Board will discuss this information more at a future Board meeting.

USES OF WATER DISTRICT PROPERTY 38000 BLOCK OF E. HISTORIC COLUMBIA RIVER HWY.

The triangle piece of property 125'x 125'x 125' on the Historic Columbia River Highway, across from Kirby's Berry Farm, has been mowed and cleared. It appears the property is being used as access to the property next to it. They are apparently working up the property next to our property. The District Manager will send a cease and desist letter to the owner of the neighboring property. Fred Sanchez will review the letter for language. It is a liability issue for the District having people using the property.

Fred Sanchez made a motion District staff draft a letter to the neighboring property owner to cease and desist use of the District property without permission. Dan Graff seconded the motion, all were in favor, motion carried. *(5 yes votes: S Grigsby, F.Sanchez, J.Hargens, B.Gaughan & D.Graff 0 no votes)*

FIELD AND OFFICE REPORT IN PLACE OF MANAGERS REPORT

The Board received a copy of the report in their Board packet.

District Manager Jeff Busto read the report to the Board and audience.

Jack Garrison asked when the fire hydrant at Mershon and Lucas will be fixed. It is leaning over. Jeff Busto said it would be repaired tomorrow when the repair is done on the leak on Mershon. Jack Garrison also asked when the District will be putting in fire hydrants. Jeff Busto said he needs to meet with the Fire Chief to determine the location of the hydrants. Jeff Hargens asked the District Manager to meet in the next month with the Fire Chief and have a plan for hydrant replacement to present at the November Board meeting. He also said the hydrant at Deverell is broken off. Jeff Busto said it will need to be dug up to replace it.

PUBLIC COMMENTS

Malcolm Freund asked what were the costs of the leak repairs at Evans Road and others that were done at the same time. The information was not available at the meeting.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

BOARD MEMBER ADDITIONAL ITEMS FOR THE GOOD OF THE ORDER

Sara Grigsby reported that Metro was out to give a talk on what they do. They own 50' of right of way on each side of Larch Mountain Road. They also own areas in Gordon Creek. They are in the business of buying land. Sara Grigsby said she thought of the area around our headworks, owned by a private company, and the possibility that Metro could buy a buffer to keep the logging further from the headworks.

October 22, 2019 there is a 100 year water vision workshop at Mt. Hood Community College. Sara Grigsby and Jeff Busto will be attending.

ADJOURNMENT OF THE MEETING

Jeff Hargens made a motion to adjourn the meeting at 8:40 p.m. Bob Gaughan seconded the motion, all were in favor, motion carried. (5yes votes: S Grigsby, F.Sanchez, D.Graff, B.Gaughan & J.Hargens 0 no votes)