

CORBETT WATER DISTRICT

APPROVED MINUTES

Regular Meeting: 7:00 P.M.

Tuesday, October 17, 2006
Corbett, Oregon

Commissioners Present: Bob Gaughan, Marion Kirkham, Robert Colclessor, Jeff Hargens, and Malcolm Freund.

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

Audience Members Present: Dave Mysinger, Dave & Barb Adams, Barbara Strasbaugh, Mr. & Mrs. Austin Liebler, Tim Muck, Anthony Rask, Robert Turner, and Brian Lee from PACE Engineers.

Chairman Gaughan called the meeting to order at 7:00 p.m. at the Corbett Fire Hall.

Review / Approve Agenda.

Commissioner Kirkham moved to approve the agenda. Motion seconded by Commissioner Freund. Motion passed unanimously.

Andy Jordan – Legal Council.

Frank said the Board had the power to hire the District's legal council. Frank provided two letters that would release Richard Weill as the District's attorney and ask Andy Jordan to represent the District. Commissioner Freund said the Board had previously requested that Frank look into this matter and now he has come back to the Board with the required material for the Board to move forward. Frank has spoken with Andy Jordan and he is more than happy to take over as the District's legal council. The greatest advantage to obtaining Andy Jordan as the District's legal representation is his connection with SDAO, allowing the District to streamline and save money.

Commissioner Colclessor moved to appoint Andy Jordan as the District's new legal council and to notify Richard Weill by letter that his services were no longer needed. Motion seconded by Commissioner Freund. Motion passed unanimously.

Leak Adjustments.

(The Board discussed each case together and then went back and voted on each case separately at the end of their discussion. For organization and clearness the vote for each customer has been placed at the end of each individual discussion).

Bill Muck Customer No. 2615

The folks from Multnomah County had driven over the Muck's water line and caused the water leak. Because the Muck's line is ¼ of a mile long and travels through multiple properties the Muck's elected not to repair the leak, but to install a new water meter at the end of their driveway that would be much closer to their home. Originally, when their meter was installed, the line on Knieriem road stopped at their meter and did not continue to where their driveway was located. Over time that line was extended and it is now possible to install a meter much closer to their home.

In order to move the meter Frank had to receive a NSA permit. Frank filed for an expedited permit but it took a very long time to get the permit approved. Frank argued with the NSA on several issues, including the color of the meter box lid. In order to move the meter the Muck's were required to pay for the District's time and materials. Frank had originally estimated this would cost \$500.00; the actual cost was \$667.35. The Muck's have paid the \$667.35. Because of the lengthy permitting time and the Muck's choosing not to repair the water leak several large water bills have been incurred by the Muck's. Frank said the issue before the Board was how to adjust for the current circumstances. The Muck's current amount due is \$1,924.95.

Commissioner Colclessor asked if the leak had been fixed? Frank said the line had been switched over but he did have a concern that it was hooked up to the old line. The Muck's are planning on installing a new water line within the next year. Frank verified the Muck's had successfully bypassed their leak.

Tim Muck (son of Bill Muck) commented that he had gone to the County and found that there had been an emergency permit process available for this situation because there had been such a big leak. Frank said the expedited review that he had filed was considered an emergency permit.

Anthony Rask (son-in-law of Bill Muck) said as soon as the Muck's had received the first high water bill they wanted to rectify the problem as soon as possible. They were told by the Water District that the meter needed to be moved and to continue paying the amount of a typical water bill. Once the District moved the meter the Muck's took action to change the line over within two days. Frank said the leak was on the customer's side of the meter and therefore it was the sole responsibility of the customer and that the District was indemnified in accordance with Ordinance 1996.2.

Commissioner Colclessor commented that the Rules and Regulation were outdated. The Rules and Regulations did not fit with Bi-monthly billing. Commissioner Colclessor was also hoping that Commissioner Hargens could help Frank get things settled with the County to make the permitting process to go quicker.

Tim Muck said the NSA emergency permit was for anybody that met the emergency criteria and he felt the Muck's had met the requirements for an emergency because there was a water leak. Commissioner Hargens commented that the District was not allowed to work on the customer's side of the meter. Tim said in order to repair the leak they would have to have gone onto someone else's property and dig, which he doubted they would have let him. Commissioner Hargens asked if they had asked the property owners if they could go on their property and make the repairs? Tim Muck said his father had dementia and his mother did not get around very well, and he had not been involved in this issue until recently, so he did not know if anybody had asked the property owners for access to their property. It was Anthony Rask understands that the Muck's did not pursue that option because they had been told the meter was going to be moved. Chairman Gaughan asked who from the District had told them that the water bill would be waived. Anthony said he had spoken with Frank. Commissioner Colclessor said it had previously been discussed about shutting the water off at night. Anthony Rask said they would have done that if they would have known there would be an issue with the water bill.

Tim Muck said he took the permit papers to the County and the County had signed off on the documents. He had been told that if by the 6th of October nobody responded to the notices they would receive their permit. District staff had attempted to file the normal permit with Alan Young from Multnomah County at the same time they called in for a locate. Alan Young notified staff that this permit would require NSA approval. Frank submitted the permit and then was notified later that the NSA would not look at the documents until a \$100 fee was paid. The NSA then notified the District that the customer also had to file a permit. The Muck's meter was moved last Thursday. Frank said that one of the problems was that the

leak was not in one of the District's water mains, therefore the customer had to file for the emergency and the District could file for the expedited permit.

Tim Muck asked when the water line had been extended all the way down Knieriem? He also asked why the meter had not been moved at that time? Commissioner Colclessler said it was a good question because when the rules were redone in 1996, everything had to be updated including establishing the right-of-ways, and all of the meters were scheduled to be moved out to the road and the Muck's should have been done at that time.

Anthony Rask said the District had called the Muck's after meter reading to inform them they had a higher than average water bill and they needed to investigate the possibility of a leak.

The Board in general spoke about their personal issues of dealing with Multnomah County and all the rules and regulations that they have set forth during the permitting process.

Commissioner Hargens said because the Muck's could not legally get to their water leak to make the repairs it fell into a different leak adjustment category. Chairman Gaughan agreed that this issue was in a completely different category compared to the normal leak adjustment request. Chairman Gaughan then asked each commissioner one at a time if they were in agreement that the Muck's water bills should be adjusted to their average usage. All Commissioners responded yes. Chairman Gaughan then called for a vote. All commissioners responded "aye". He then said the Muck's water bill would be adjusted to their average usage due to special circumstances. Jamie said the Muck's would receive a leak adjustment credit of \$1,919.90 but they have not received a final water bill for the leak. Chairman Gaughan said the Muck's bill should be adjusted through the repair. Commissioner Hargens asked what the Muck's paid on average for water. Jamie said the Muck's water bill was approximately \$49.50 every two months. Chairman Gaughan said under the circumstances he felt the Board was being pretty fair.

Corbett School District No. 6283

Commissioner Colclessler wished to table this leak adjustment until a later time.

Robert Turner Customer No. 5634

Frank said the location of the leak was in the same spot as the prior leak. Frank believed this to be the same as the Geller issue last year. He felt that the Geller issue set a precedent. He questioned what would happen if another leak occurred? Robert Turner said his leak last year was on the other side of the yard hydrant. He does not know how the current leak happened but the valve box came down onto the gate valve and broke the valve. The leak was repaired within one day of receiving the water bill.

Robert Turner was not previously aware that he had a choice to pay \$3 a month to have his meter read on a monthly basis instead of the current bi-monthly readings. He is checking his meter every week to make sure there are no further leaks. Robert said his hydrants have been a problem and he plans on removing them and replacing them with galvanized riser's next year. Chairman Gaughan asked if the hydrants were hooked to a post for support. Robert said the hydrants were in concrete pads with a sleeve, which he believed might be part of the problem. Robert does not dispute that he is responsible for his line. He questioned how one could anticipate a water leak, he has over 2,000' of water lines from the meter to his house and he does what he can to maintain the line.

Frank said there had been several workshops concerning the change to bi-monthly billing and a hearing because it was a rate change. There was also a notice in the newsletter sent out with the water bills.

Commissioner Freund said the change to bi-monthly had been done by Resolution. Barb Adams commented that it had previously been discussed that the change to bi-monthly billing would cause a problem in a leak situation so it was to be looked at and adjusted for at the Board level. She said it was unreasonable for folks to know they had a leak. Commissioner Freund said this had been one of the negative factors during the discussion about changing to bi-monthly billing. Commissioner Colclessler commented that folks could read their own water meter at anytime to check for a water leak.

Commissioner Freund asked about the work order pertaining to the verification of the Turner's leak. He wanted to know if this meter had been verified as Mr. Turner's meter. Frank said because the usage was high the field staff employee noted that based on previous usage it was higher than normal use. Frank said staff came back to the office to verify and it was the correct meter.

Commissioner Hargens asked what the leak adjustment would be since he fixed the leak right away. Jamie used a six month average of \$65.00 to calculate a leak adjustment for the Turner's to be \$1,872.45. Chairman Gaughan felt the leak adjustment would be fair, but he also wanted to be cautious if a leak were to happen in the near future.

Commissioner Colclessler moved to adjust Robert Turner customer # 5634 water bill to their average usage. Motion seconded by Chairman Gaughan. Motion passed unanimously.

There was some discussion of air / low pressure in the water line at Turner's property. Frank said it was because the Turner's house was at the same elevation as the Reservoir.

Michael Shultz Customer No. 8670

Frank said Michael Shultz's house was vacant and the Shultz's have not proven to him they fixed the water leak. Commissioner Colclessler said the Shultz's had moved to Vancouver and he questioned why the water wasn't turned off. Jamie said the water was left on because the Shultz's were remodeling the house and still needed water. Frank said he needed more information before he could address this issue. Commissioner Colclessler said if the Shultz's haven't proven they had a leak the Board could not at this time consider their request.

Commissioner Hargens moved that Michael Shultz customer # 8670 receive no leak adjustment. Motion seconded by Commissioner Freund. Motion passed unanimously.

Mike Bell Customer No. 7920

Frank said Mike Bell's meter was still moving very slowly so he could not approve a leak adjustment. The Board was in agreement with Frank that no adjustment may be given until the leak was completely fixed.

Oxford / Michaels Customer No. 7760

Frank believed that the Oxford / Michaels leak had not been repaired in a timely matter. The leak took over 3 billings (6 months) to repair and staff had done everything they could to assist the customer. The water line was replaced on Clara Smith and the District, in accordance with Ordinance 1996.2 moved this customer's water meter to the right-of-way.

Commissioner Hargens asked if the leak had been fixed. Frank replied yes, the customer repaired a broken water line close to their residence. Commissioner Hargens asked if the customer had made a lot of effort to find the leak. Frank said there had been no effort on the customer's part until they receive a large water bill and then it took some time to find the leak. Frank understood the customer's situation of being a single parent.

Commissioner Freund commented that the usage for June and August were both 375,000 gallons used by the customer. Frank replied that it showed the leak was a high flowing consistent leak. Commissioner Hargens asked with a leak this size if the customer would have water pressure at the house. Frank was unsure because the pressure on Clara Smith was not very high. Chairman Gaughan said in the past he had a broken elbow and the bill was over \$2,000 and he still had the same amount of water pressure at his house.

Commissioner Freund asked about the adjustment previously given to account No. 7760. Jamie said the first high water bill had been adjusted once the leak was verified fixed and the customer was asking for an additional leak adjustment. The customer is asking if she can pay \$100 a month plus her regular bill until it was paid in full.

Commissioner Hargens asked what the Board had done in the past with issues like this. Commissioner Freund said the precedent had been that the customer was stuck with the high water bill. He said the Rules and Regulations had to be followed uniformly. Commissioner Colclessler said that if the Board didn't follow the procedures consistently folks from the past could come back and ask for adjustments. Commissioner Freund asked what the basis was for the first leak adjustment. Frank said the customer had provided information that the leak was fixed and this was followed up and verified by District staff. Jamie said the first high water bill in April had been adjusted but the following two high water bills had not been adjusted and that was why the Oxford / Michaels were asking the Board for an additional leak adjustment.

Commissioner Hargens asked what the leak adjustment would be if the bill was to be adjusted to the six month average. Jamie said the adjustment would be for a total of \$2,700.08. Commissioner Hargens said using this formula folks who are not fixing their leaks in a timely matter would not be penalized for the delay. Frank said the other option was to authorize a 50% water reduction. David Mysinger said the past policy of the Board had been to authorize the 50% credit for water leaks. Chairman Gaughan summarized that if you were slow repairing your leak you would receive 50% but if you made the repairs in a timely matter the Board would use the six month average to calculate the adjustment. Commissioner Freund said this would go back and give the customer a break but it would still leave the customer with a consequence for not repairing the leak in a timely matter.

Commissioner Hargens felt that half would still be a lot for the customer to be responsible for. He wants folks to be responsible for their problems but he also wanted to work with the customer because of their financial concerns. Barbara Strasbaugh said it was a tricky area to allow a leak adjustment for some and not for others. She proposed the Board to accept the 50% reduction and to give the customer the option to setup a timeline for payment. Commissioner Colclessler said the customer had already said she could afford \$100 a month in addition to her regular bill. Barb Adams commented that nobody knew if this was a hardship case or not.

Commissioner Colclessler moved that Oxford / Michaels customer No. 7760 receive a 50% reduction on their water bill and for a payment plan to be worked out for the balance due. Motion seconded by Commissioner Freund. Motion passed unanimously.

Austin Liebler Customer No. 3860

Frank said the meters for Mr. Liebler and his neighbor are in the same meter box and when staff read the meters they had made an error and read them backwards. This error has been corrected and both parties have been billed correctly for their water use. Frank said staff had noted when reading meters that Mr. Liebler's meter had been moving, indicating there may be a leak. Mr. Liebler has had problems with water leaks in the past and staff has helped locate those leaks. Staff double checked that Mr. Liebler's meter was moving and then notified him that his meter was moving and he had a water leak. Mr. Liebler called a leak detection service company and although they could not find a leak he received a bill for over \$600.00 for their services.

Mr. Liebler said the folks from the leak detection services had not found a leak because there was no leak. Frank said staff had returned to Mr. Liebler's meter several times to verify his meter was moving and knowing the history of leaks Mr. Liebler has had staff called him as a friendly gesture to let him know his meter was moving and that he possibly had a leak. Staff did not recommend to Mr. Liebler to hire a leak detection service. Frank referred back to Ordinance 1996.2 that states the District is indemnified.

Mr. Liebler had received a high water bill and that was when he asked the District for help. District staff checked his meter and then notified him that it was moving rapidly and that he had a water leak and it turned out that the District's staff was looking at the wrong meter. Mr. Liebler said he had no way to locate his leak and after the first of the year the Corbett Water District could no longer help him find his leak, so he had called the leak detection service company. Mr. Liebler said the Water District had not found out about the meter reading error until the gentlemen from the leak detection service had pointed it out; District staff then verified the meters were being read backwards.

Frank had sent Utility Worker Zac Bertz to verify that Mr. Liebler had a water leak. He checked the meter and it was moving so he called Mr. Liebler and let him know, that yes his meter was moving. Frank then sent Utility Worker Kevin Moran to Mr. Liebler and he also saw Mr. Liebler's water meter moving. Frank then sent Utility Worker Bertz again to verify and he found that Mr. Liebler's meter was moving at a slow steady pace. The leak detection services had told staff the line was off and Frank does not feel that staff could make the same mistake four times. The meters were marked and they were transposed incorrectly. Frank has an issue with this because staff had not instructed Mr. Liebler to secure a leak detection service company. Frank said that most folks would check their water heater, toilet, faucet, yard hydrant before they hired a leak detection services company.

Chairman Gaughan asked Frank if the District had made the first mistake. Frank said staff had transposed the meter reading numbers.

Commissioner Kirkham asked if Mr. Liebler would be happy with splitting the leak detection service bill with the District. Mr. Liebler replied no based on the principle of the issue.

Commissioner Hargens moved to credit Austin Liebler customer # 3860 the full amount for the leak detection service bill. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Approval of the Minutes.

Commissioners Colclessor and Freund made several changes to the July 18th minutes for clarification and grammar.

Commissioner Freund moved to approve the July 18th, 2006 minutes as corrected. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Commissioners Colclessler and Freund made several changes to the August 15th minutes for clarification and grammar.

Commissioner Freund moved to approve the August 15th, 2006 minutes as corrected. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Commissioner Freund corrected page 6 to remove a 'had' and to correct the spelling for stayed for the September 19th minutes.

Commissioner Colclessler moved to approve the September 19th, 2006 minutes with the corrections above. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

The Board discussed the option of purchasing a software program that would record the minutes verbatim. Frank said the new recorder would cost \$250 and the software would also cost \$250. The headphones would cost approximately \$800. Frank will look further into this matter and report back to the Board.

Secretary / Treasurer Report.

There was none.

Financial Report.

Jamie reviewed with the Board the Budget vs. Actual, Transaction List by Vendor, and Purchase Orders.

Manager's Report.

See Manager's report.

Frank spoke about the audit for the 2004-05 budget year and receiving a letter from TSCC notifying the District that we overspent the Material and Services category by \$268. Staff made sure that the budget was followed but the Auditors had moved some items from System Improvement into Material & Services because at the time they felt the items were too small to depreciate, although they had been budgeted under System Improvements and not Material & Services. After some investigation Pauly Rogers and Co. said they should have presented this change to the Board. Staff has done nothing wrong and this change by the auditors should not have been done and will not occur in the future. If the Board has any further questions they may contact the District's auditors Eric Cubberly or Matt Graves.

Correspondence.

The Board reviewed a letter from Phil Beverly with PACE Engineers.

Frank reported that the filter pond had started to grow a significant Schmutzdecke which will help get the new filter pond on-line. Filter pond No.2 is maintaining a flow of 350 gpm. Frank said it would not be long before the filter pond could be put on-line.

Chairman Gaughan asked about the difference in turbidity meter readings between the District's equipment and PACE Engineers portable equipment. Frank said the District's equipment had recently been calibrated and verified by Hach and was reading 100% accurate. The difference in the readings is because of the inherent errors of the hand held unit. Brian said Phil had been trying to eliminate the sample pump.

I-Deposit.

There was also a letter to the Board from Leslie Radke with West Coast Bank concerning I-Deposit.

Chairman Gaughan asked for a recommendation from the office as to what to do with two banking accounts. Jamie said it was legal to have two separate checking accounts. Frank said the fees for West Coast Bank were unknown at this point.

Frank referred back to last month when Ms. Radke came to visit the District office. Frank said by sitting out of the discussion he had learned quite a bit of information. When West Coast Bank's banking services were down and Ms. Radke was unable to get her own staff on the telephone. Then when she talked to Carl the technician, who had previously visited the District, he could not help because he only serviced the machines and he did not know about the software.

Frank felt that Ms. Radke's letter to the Board had been unprofessional, especially in reference to Elzina Marsh, the District's Assistant District Clerk. Mrs. Marsh has worked in the banking industry and with these types of machines. She had some questions for Ms. Radke that have yet to be answered. Frank relies on Mrs. Marsh's experience and knowledge on this equipment. Frank also has an issue of only being able to deposit less than \$25,000 in a given day. Jamie was able to find a way to deposit all the checks in the same day.

Commissioner Freund recommended a dust cover be put on the scanner. Jamie had already asked if it was provided by West Coast Bank and they said no.

Commissioner Freund moved to go with MBank for cash depositing and I-Deposit for check depositing. Motion seconded by Commissioner Colclessler. Motion passed unanimously.

Insurance.

Commissioner Colclessler put copies of the health net information Jamie had given him in the October packets. On the 13th of September Commissioner Colclessler was at the office for the I-Deposit response to the District concerns. At that time Frank called Commissioner Colclessler in his office and had insurance papers that needed to be returned by the 21st of September. Staff submits the insurance paper work in August each year. The Board has never received any paperwork listing the insured.

Commissioner Freund moved for staff to contact Tori Dittman with LaPorte to setup a meeting with her and the District employees and any Board members that can attend a time to discuss insurance options. Motion seconded by Commissioner Colclessler. Motion passed unanimously.

Manager Evaluation Form.

Chairman Gaughan said the evaluation form had come from Special Districts Association of Oregon (SDAO). He felt this would be a good guideline for the Board to follow when they evaluate the District Manager.

Commissioner Colclessler moved to adopt the SDAO manger evaluation form. Motion seconded by Commissioner Freund. Motion passed unanimously.

Commissioners Gaughan and Freund would like to see Frank's next evaluation as a Special Meeting because of the time involved to review the District Manager.

Frank did not believe this evaluation form could be used in Executive Session because of rules and procedures that have already been established, Ordinance 192.660 (d)(8), review of executive officer. The Board has a signed contract with Frank that set the rules and regulations that he must follow. Chairman Gaughan said Luanne Ritchie with SDAO had not told him that this form could not be used in Executive Session. Chairman Freund will call Ms. Ritchie and find out if this form can be used in

Executive Session. Frank said either way if the Board holds an Executive Session, he will request that it be held in public session. Chairman Gaughan said that Frank had the right to make such a request. Commissioner Hargens asked if each Board member was to fill out the form before the entire Board got together for a discussion. Chairman Gaughan said yes, and if it was done in public, rather than Executive Session was Frank's choice.

Resolution 2006.10.01 – Loan Expenditure.

Commissioner Freund said the Board, the budget committee, and the community all wanted this Resolution to restrict the use of the loan funds.

Commissioner Freund asked Frank if he was satisfied with the wording in the Resolution. Especially where it stated that the items are not listed in a specific order. Frank replied yes, he was satisfied with the wording.

Commissioner Hargens asked if this Resolution would restrict these monies only to the items listed in the Resolution. Commissioner Colclessor responded yes. Commissioner Hargens asked what would happen in the case of an emergency and Frank needed to use these funds on another project? Commissioner Colclessor said Contingency funds could be used. Commissioner Hargens asked what would happen if the work cost more than what was available in Contingency. Jamie said the Resolution could be rescinded, revised or updated at a later Board meeting that could add additional items to the Resolution. Commissioner Colclessor said the Resolution would provide the paperwork trail.

Commissioner Colclessor moved to adopt Resolution 2006.10.01 of the Corbett Water District for the expenditure of the loan proceeds. Motion seconded by Commissioner Freund. Motion passed unanimously.

Personnel Manual Review Committee Update.

The last meeting had to be cancelled and the committee is scheduled to meet on November 7th at the Corbett Fire Hall at 6:30 pm.

Public Comment on Items Not Listed on the Agenda.

Brian Lee commented that as an outside observer it was refreshing to see the Board following the rules and sighting Ordinances.

Brian would also like to set up a time to meet with the Board for a Workshop to discuss the work on the Loudon Reservoir, Nielson road water line replacement, South Fork bank repair and the fish passage. Frank will set up a time and let everybody know when the workshop will be held.

Brian Lee informed the Board that he had finished the Christensen road water line designs on his own time. Commissioner Colclessor told Brian he appreciated his efforts.

Unfinished Items for Board Consideration.

There was none at this time.

With there being no other business Chairman Gaughan moved to adjourn. Meeting adjourned at 10:55 p.m.