

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
October 19, 2010**

Board members present: Jeff Hargens, Robert Gaughan, Sonny Boyd, Victor Schmidt, Robert Churnside.

Staff present: James Jans, Shanti Kraai.

Audience members present: Brian Lee, Robert Colclessor, Malcolm Freund.

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

APPROVAL OF THE AGENDA

Robert Churnside made a motion to approve the agenda, **Sonny Boyd** seconded, passed unanimously.

APPROVAL OF THE MINUTES

Robert Gaughan made a motion to approve the minutes of September 21, 2010 as written, **Robert Churnside** seconded, passed unanimously.

LEAK ADJUSTMENTS

1250-00: Due to the length of this customer's water line, the amount of work it took to locate the leak, and the amount of water used, this case was viewed as a hardship. **Jeff Hargens** made a motion to adjust the May/June and July/August billing cycles to the six month average prior to the leak, 20 units, **Sonny Boyd** seconded, passed unanimously.

FERC PERMIT PROPOSAL

Since the most feasible location to install a hydro generator is at the treatment plant, which is on federal land, we must receive a license from the Federal Energy Regulatory Commission (FERC). We have received a proposal from an environmental permitting and compliance officer, Kris Kranzush, to obtain a FERC license for the amount of \$11,400. It was originally planned that obtaining this license would take up to a year and a half, however with the help of Kris Kranzush, it may be obtained in a year or less. **James Jans** states he feels it will still be cost effective to pursue the hydro generation project. It will cost around \$52,000 for the installation and material. **Brian Lee** states that the District may receive up to a 50% energy pass through credit once the hydro generator is installed. **Jeff Hargens** would like to continue with the process of getting all the necessary permits to complete this project. He would like James Jans to keep the Board informed of the cost structure as the project progresses.

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ORDINANCE 2010.10.01

Shanti Kraai states that numerous customers have informed the office that they would like to use credit cards to pay their bills. At the meeting held on June 15, 2010, it was decided upon passing the percentage charged by the credit card merchant onto the customer. According to legal counsel, in order to do this the District must charge a flat rate fee, also referred to as a convenience fee, which must be the same amount for every transaction, as well as pass an ordinance. The ordinance must be read at two separate meetings, as well as be published in the newspaper four to ten days prior to each meeting. The ordinance will be effective thirty days after the second reading. Ordinance 2010.10.01, stating a \$2 convenience fee shall be charged on all credit card transactions, was signed by all members of the board. The second reading will be on November 16, 2010.

FILTER POND 3 DESIGN

Brian Lee suggests that the design for filter pond 3 be a duplicate of filter pond 2. He states that it would be beneficial to have a concrete wall separating half of filter pond 2, which would make it easier to clean and take less water from the creek. **Victor Schmidt** states that we should rely on James Jans' opinion of what design would best suit the District. **James Jans** says that the design of filter pond 2 works well, and he would suggest using the design with the concrete wall in the middle separating half of the pond. **Robert Gaughan** questioned if we need two working filter ponds operating at the same time. He states that no new homes are anticipated to be built, therefore the increase in water consumption should be minimal. **Brian Lee** says that there is only a need for one filter pond to be operational during the winter months, however there is a need for two filter ponds during the summer months when water usage is high. The District will need to have a backup filter pond as well in case of an emergency. **Jeff Hargens** states that it would be most cost effective to do all of the work that is feasible in house. **Victor Schmidt** questioned what the most adequate time of year would be to perform the construction of the filter pond. He states that we need the pond during the summer months, however it would not be feasible to perform the work during winter. **Jeff Hargens** feels that the most suitable time to perform this project would be between May and September. **Victor Schmidt** would like Pace Engineers to provide two cost proposals, one for a design duplicate to filter pond 2, and the other to include a wall separating the filter pond. **Jeff Hargens** would like this item to be included on the agendas until further notice.

BUDGET COMMITTEE / RATE STRUCTURE

James Jans states that all local utility companies have increased their rates. He suggests slowly increasing our water rates, as the District has not had a rate increase in numerous years. Graphs showing the increase in other water district's rates, as well as the increase for the local utility companies, were distributed to the members of the Board. **Jeff Hargens** states that other businesses are not increasing their rates, however they are issuing payroll cuts for budgetary reasons. He states that during the current economical times it would not be appropriate to raise

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BUDGET COMMITTEE / RATE STRUCTURE - (Cont.)

our rates. **Shanti Kraai** states that the District will eventually have to raise their rates, and if we do it gradually it will not be an issue. If we add \$0.04 to every 1,000 gallons used, it would increase the average customers bill by \$1 every billing cycle. This would not be a burden on the customer, and it would generate around \$6,000 in revenue each year. **Jeff Hargens** states that he is happy that the District is at a place where a rate increase is not necessary.

LEAK ADJUSTMENT UPDATES / RECOMMENDATIONS

James Jans recommends changing our current leak adjustment policy. The office staff is hearing statements from customers that they cannot show us proof of the repairs made to their water line because all they had to do was purchase an elbow from Home Depot to complete the needed repairs. There have also been numerous customers requesting a leak adjustment at the same time each year, during the summer months. It is starting to feel that many customers are taking advantage of our leak adjustment policy and are requesting leak adjustments when a faucet is left on or due to over watering a garden during the summer months. He recommends changing the leak adjustment policy to include the following rules:

- The customer must show proof that a repair was made to fix the leak. This must be done by showing Corbett Water District staff the repair prior to filling the ditch. If no proof can be shown, no adjustment shall be made, however they will still have the option to present their case to the Board.
- A leak adjustment may only be issued if the water use from the leak exceeds the accounts prior seasonal water use.
- If the customer would like their case to be reviewed by the Board of Directors, they must submit a letter explaining their situation and the repairs made for the Board to review prior to the meeting.

Jeff Hargens states that he has no issues implementing the suggestions into our policy. He would like it to be clear however that the policy currently states that “the District may, *in its discretion*, waive any portion up to 50% of water charges resulting from leakage conditions”. He states that the Manager has every right to deny an adjustment to a customer’s account, and if the customer chooses to they can present their case to the Board. **Shanti Kraai** will implement the new leak adjustment policy, to be reviewed and adopted at the next regular board meeting.

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MONTHLY REPORTS

Secretary/Treasurer Financial Reports: **Sonny Boyd** inquired as to what the purchase was for from Hach, on check 7847. **James Jans** states it was a CLF10 chlorine analyzer. **Victor Schmidt** made a motion to approve the financial reports as presented, **Robert Churnside** seconded, passed unanimously.

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

Distribution System: Reservoir 2 has been completed and tested on Sept 16th. We received an “absent” result in the BT sample taken so the reservoir was put back on line. We have had to adjust the new Cla-val a couple of times in order to allow enough flow into the reservoir without taking too much flow from the inlet pipe. Our pressure transducer has required a couple of adjustments in order to transmit the correct value. The fence has been installed and the minor repairs and adjustments have been taking place on this project in a timely manner.

As mentioned last month, 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.

On Deverell Road we have installed 1,300 feet of new 4” C-900 PVC water main on the Deverell side. Next year we will install a 4” main on Mannthey Road and loop the two mains together, thus helping the water quality in that area. The cost to date is approximate \$7,500 for rock, paving and material. The excavation was done by the homeowner and we used our dump truck to haul off the dirt and material. For an estimated cost of under \$10.00 per foot, this is well below the estimated construction and engineering cost per foot from the 2003 Water Master Plan.

Seidl Road water main replacement has about one more week of excavation until the main can be ready for tying in to the Woodard and Lampert mains. We will have a small delay due to meter reading next week, but we will continue the Seidl project until it is completed. That project is over 4,000 feet of Ductile Iron and C-900 PVC 6” pipe. The numbers will be available at the next month’s board meeting.

Treatment Plant: The computer at the Treatment Plant’s work station has been acting up, so we had the existing computer from the old field services desk in the shop overhauled. We have also been advised that the “Windows XP” software will not be covered under Microsoft’s service agreement after 2012. We will need to plan for that expense in next year’s budget. The new chlorine CLF-10 analyzer has been installed and is interfacing with the RSView 32 software at the Treatment Plant, which is allowing us to monitor the adjustments on chlorine at the clear well and see the results within a couple of minutes, as opposed to hours or days.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

No public comments made.

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UNFINISHED ITEMS FOR BOARD CONSIDERATION

No comments made.

Victor Schmidt made a motion to adjourn the meeting, **Sonny Boyd** seconded, passed unanimously. Meeting adjourned at 8:00 p.m.