

CORBETT WATER DISTRICT

APPROVED MINUTES

Regular Meeting: 7:00 P.M.

Tuesday, November 15, 2005

Corbett, Oregon

Attachments: Financial Report from Clerk (__pages)

Lee –Pace Engineering Report

Health Insurance Summary Sheet

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

Also present was District Clerk Jamie Simms.

The District Manager Frank Sterzinar was not able to attend the meeting because a vehicle struck a hydrant on Larch Mountain road and the crew was busy making the necessary repairs.

Audience Members Present: Janet Helus, Dan Marsh, Brian James, Sue Fry and Jim Lee with Springhill Construction.

Chairman Freund called the meeting to order at 7:05 p.m. at the Corbett Fire Hall.

Review / Approve Agenda.

Commissioner Gaughan asked about the October 18th minutes. Chairman Freund said that due to technical problems they would be held over until the next regular meeting.

Commissioner Colclessor moved to approve the agenda. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Approval of the Minutes.

Chairman Freund struck the following sentence from the August 16th regular minutes: page four “Commissioner Wyatt offered to meet with Ms. Helus ...” This actually occurred immediately after adjournment.

Commissioner Colclessor moved to approve the August 16th minutes with the deletion noted. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Chairman Freund moved to approve the September 20th workshop minutes. Motion seconded by Commissioner Colclessor. Motion passed unanimously.

Financial Report.

Jamie Simms reported that she was still waiting to hear back from the auditors to establish the dollar amount for the “beginning Working Capital.” The Auditor is waiting for the property tax information before he will release account balances.

The Fire Hydrant Account has been moved as requested by the Board. Jamie referred to the Financial Report.

Jamie said that account number 9365 paid \$500 and was scheduled to pay \$100 every week. The \$500 check was returned for non-sufficient funds. The customer then received a 24 hour shutoff notice, and paid \$400 in cash, has not paid since and still owes \$2400. The customer must now pay the full balance plus fees; the prior agreement made by the customer was not fulfilled. The following fees were outlined as being assessed to this account: \$100 (as the amount that was returned as insufficient); the fee for the returned check; 2 \$15 posting of shut-off notice fees (the first was for the original shut off notice and the second was for the shut off notice because of the returned check). The customer is still asking for a leak adjustment but he has not come to the Board to ask for such adjustment. Commissioner Gaughan asked if this customer could have his water shutoff because it's a business. Jamie said yes, but the process to terminate water service takes time.

Chairman Freund said the Corbett Water District Ordinance states customers must provide the District with a cash deposit equal to two month average billing for future security, once water service has been terminated for non-payment. Customer 9365 has not been shut off yet; it has just been one difficulty after another.

Chairman Freund asked why a past insurance check was higher than normal. Jamie said that when Kevin Moran was added to the coverage for insurance it required that two months be paid for him on one bill, because he had been added after the prepaid check had been sent to HealthNet.

Commissioner Gaughan asked if the price of rock had increased. Jamie said there were two different types of rock purchased: 3/4" minus and crushed concrete.

Correspondence.

Chairman Freund said that for the Board's information there was a letter from BOLI about proposed rule changes.

Commissioner Colclessor read from the Lee-Pace Engineering report. It spoke about moving the location of the pool above the dam at the South Fork during the August 2005 work. This topic will be visited again next Spring once it has a flood season to settle in, (see attached report). Chairman Freund gave some background on the South Fork dam. Commissioner Kirkham said he went to the South Fork last Saturday. The sediment is dropping where it is supposed to, there is a lot of water flow and filling in on the back and front side that had been eaten away prior to the work. Commissioner Colclessor added that the District had received information from Fish and Wildlife Department on grant money if additional work is to be done.

Chairman Freund said that according to the Lee – Pace progress report, 4 out of 6 engineering categories were over budget. Commissioner Colclessor noted that the information provided still does not indicate the amount attributed to the administrative and engineering expenses associated with the leaking tank. Chairman Freund noted that there are comments that the specific breakdown is to be provided by Lee-Pace. (Note: see 10-18-05 Minutes) Account 3220, Treatment Plant Upgrades, was \$52,000 over budget and it is estimated to be 85% complete. Commissioner Colclessor said the biggest increases in cost came from the tank leaking. Chairman Freund said Mr. Lee asked the Board to address the points where there is not money to fund, but Chairman Freund wanted to delay that until there was a full Board and the audit has been returned. Commissioner Gaughan expressed the view that the District should get some of the over budget in engineering covered because the cause of the increases was not the District's fault.

Chairman Freund reminded the Board members about the SDAO conference at the Seaside Convention Center on February 11th.

Other items included documentation on the SDAO awards program, Clackamas Construction partial payment seven with a spread sheet showing the latest change orders, the final budget document passed by the Board (because the Commissioners did not have the final budget from their work on the Budget Committee).

Theft of District Fuel.

At the end of October someone cut through the back fencing of the CWD offices and had stolen gasoline. Frank filed a police report and he estimated that about eighty gallons of fuel was missing. Since the theft occurred, security cameras and recorders have been installed and the place to park the vehicles has changed. Brian James inquired about the details of the theft. From the facts (a one gallon container, a coat, and half the tank being emptied), Jamie surmised that the theft had happened over the course of several events or days.

Health Insurance and District Facilities Insurance.

District Facilities Insurance:

Chairman Freund said the dollar value changes were based upon the workshop findings for what should or should not be covered: increasing the coverage for the intakes, adding Reservoir No.6, removal of the old filter pond, addition of the new filter tank and removing the non-existing buildings at the Treatment Plant. These changes resulted in a net increase in cost for the annual insurance of \$2,365.

Commissioner Freund said that some of these changes in coverage were required because of the stipulations in the loan agreement. He said the District had gone to great lengths with the carrier, including surveying the District's facilities. Commissioner Colclessler said the insurance agent, Todd Yost, had taken pictures of the District's assets.

Dan Marsh asked if there was earthquake insurance. The Board believed it was covered but they will double check.

Commissioner Colclessler moved to accept the insurance package with the caveat that there was earthquake coverage. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Health Insurance:

Chairman Freund spoke about cross referencing the summary sheet for health insurance coverage. The medical plan and drug prescription plan are the same but there were some differences in vision coverage. After researching this topic, Chairman Freund discovered that there was a slightly less expensive vision plan (Elite 8Y) available that offered better coverage for the employee than the current plan offered.

Chairman Freund questioned if dental and vision coverage was used by the employees. Jamie responded yes. Chairman Freund said dental and vision coverage cost \$35.28 per month per employee, so he questioned if it was worthwhile. The Board will keep this in mind for future consideration.

For informational purposes Chairman Freund spoke about an optional health savings plan, which allows an employee would estimate their health spending for the year and pay an average amount pre-taxed every month that would be used on health care. If the employee did not use all their money, then the District would receive the funds.

Commissioner Gaughan moved to approve the Health Net renewal with the change of the vision writer to Elite 8Y plan for all full-time employees. Motion seconded by Commissioner Kirkham. Motion passed unanimously.

Corbett Water District Ordinance 1996.2

Chairman Freund read the following Ordinance to the Board: “WHEREAS THE CORBETT WATER DISTRICT DOES ORDAIN AN AMENDMENT TO THE “DISTRICT RULES AND REGULATIONS” SECTION 6 (SIX) “PAYMENT OF SERVICES” OF ORDINANCE 1996.2. **Section 6. Payment for services** New Item: (6a) Returned Checks: “A fee shall be charged for checks returned for insufficient funds as established by 30.701 of the Oregon Revised Statute.”

Commissioner Colclessor moved to adopt Ordinance 1996.2. Motion seconded by Commissioner Gaughan. Motion passed unanimously.

Brian James asked what the returned check fee amount would be. Chairman Freund said it would be what was established by 30.701, which is a moving target. Commissioner Colclessor said it was currently \$27.

Chairman Freund said that this Ordinance would take effect on December 15, 2005.

Draft Audit.

Chairman Freund said the audit had not yet been received. He would like a special meeting to be held as soon as the audit becomes available.

Update From the Contract Inventory Board Committee.

The next meeting is tentatively scheduled for December 8th 2005. There was some question if Barbara Strasbaugh would make it back in time for the meeting.

Chairman Freund said that he and Barbara Strasbaugh went through Lee Engineering’s files and made the necessary duplications for the District’s files. Barbara wants to meet with office staff in the future to go over the files.

Chairman Freund said the next Policy and Procedures meeting would take place Thursday, November 17, 2005, at the Corbett Community Church at 6:00 pm,

Public Comment on Items Not Listed on the Agenda.

There were no comments from the audience at this time.

Items for Board Consideration.

Commissioner Colclessor questioned where Glacier Concrete was from. Commissioner Gaughan believed they came from 190th and Division.

Chairman Freund said the District Manager’s evaluation would occur in December.

Commissioner Colclessor questioned if every employee had signed the employee manual. Jamie said that she believed everybody had signed the documents upon being hired by the District.

Chairman Freund said the employee handbook needed to be updated. He wanted to consider two options, either form a committee to review the document or have Frank go over the document and present it to the Board. The Board felt it would be best to have a Committee. Chairman Freund appointed Commissioner’s Freund and Colclessor to the Committee along with community member Barb Adams and District Manager Frank Sterzinar.

Commissioner Colclessor moved to adjourn. Motion seconded by Commissioner Kirkham. Meeting adjourned at 8:55 p.m.