

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
November 17, 2009**

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

Absent board members: Sonny Boyd.

Staff present: James Jans, Shanti Kraai.

Audience members present: Robert Colclessor, Malcolm Freund, Dave Mysinger, Robert Telford, Sue Fry, Regna Merritt, Lynette Alfano, Gordon Fulks, Barbara Adams.

Chairman **Jeff Hargens** called the meeting to order at 6:48 p.m.

APPROVAL OF THE AGENDA

Jeff Hargens made a motion to approve the agenda as written, **Robert Churnside** seconded, passed unanimously.

APPROVAL OF THE MINUTES

Jeff Hargens made a motion to approve the minutes of October 20, 2009 as written, **Robert Gaughan** seconded, passed unanimously.

LEAK ADJUSTMENTS

1485-00: This customer had a continuous leak for two years, however the leak occurred before the customer moved into the residence so they did not know that the bill was unusually high. They discovered that the residence was consuming a large amount of water after discussing water usage with a neighbor. They found the leak immediately afterwards and repaired the line. **Jeff Hargens** made a motion to adjust the customers usage for 6 billing cycles beginning at the March/April cycle of 2008 to their average usage of 19 units for each cycle, **Robert Churnside** seconded, passed unanimously.

2525-01: This customer replace their water line due to a leak, however there has not been another reading since the line has been replaced. **Jeff Hargens** made a motion to have the district manager verify there is no longer a leak present in the water line and to have this case be put on the agenda after the next meter reading so the board can see what the usage is after the repair, **Victor Schmidt** seconded, passed unanimously.

UPDATE ON BLM LOGGING: EFFECT ON WATERSHED

Regna Merritt from the organization Oregon Wild states that customers from our community had requested she attend our meeting to discuss some of their concerns on the tree thinning project around our watershed. She distributed papers on what can contaminate water; logging around the water source included in the description. She also distributed a letter from the water resource program manager of Portland Water Bureau stating they feel that the Bureau of Land

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UPDATE ON BLM LOGGING: EFFECT ON WATERSHED – (Cont.)

Management's (BLM) thinning proposals for section 13 was inconsistent with the cautious approach recommended by the authors. She states some of our options to protect our watershed are to contact the congressional delegation, or have the federal government buy back the area. We can also make a memorandum of understanding with the BLM. **Regna Merritt** states that if we do not at least try to get the thinning farther away from our watershed there could very well be bad consequences to our water source, such as runoff effecting our turbidity or fire from dryness of the debris caused by the tree canopy being removed. **Victor Schmidt** states that it would be a good idea to contact the BLM to discuss what they plan to do regarding fire protection, as well as what they will do if our water quality is affected. **Jeff Hargens** states that BLM has the right to log there since it is their property, however we have an agreement with them that they can only change our turbidity level up to 10%. **Gordon Fulks** states we need to be part of the process from the beginning, before trying to change things after it is too late. **Regna Merritt** states that we may be able to go to the delegation to see if we can find other areas they can purchase outside of the watershed or areas that will not put the watershed at as much risk. **Jeff Hargens** said we have expressed our concerns to the BLM already however, we cannot do much more. **Victor Schmidt** states we do need some sort of action to pursue in case any damages occur. He would like BLM to attend the next board meeting to discuss their position. **Brian Lee** states we need to be aware of the fact that the side of land our treatment plant is on is owned by the BLM and we have a long term lease with them. He feels we should monitor our turbidity and document any damages made to our equipment or buildings. **Brian Lee** states that there is a program through the Oregon Health Division called the Oregon Watershed Protection Plan. This is a formal process we could possibly get to have our watershed designated as a protection area, which would offer us a little more leverage when these sales come up and what they can and cannot do. **Jeff Hargens** asked Brian Lee to research that information. **Jeff Hargens** thanked Regna Merritt for her time.

PACE ENGINEERS: HYDRO POWER PROJECT

Brian Lee states that James Jans and himself attended a small hydro workshop the prior week. The Energy Trust of Oregon uses six guidebooks that walk districts through the process from beginning all the way through design of a small hydro project. There are two ways to receive payment for the hydro power, the first being a rate per kilowatt, and the second being a replacement cost in which they are mandated to buy a certain amount of power from renewable sources. **James Jans** states they are discussing reducing the payments to \$0.04 per kilowatt. **Brian Lee** says the other discussion in the workshop was about green tags, the tax credit given which we could sell on the open market in order to offset the front cost. The green tags are also being reduced in their potential cost because of the large amount on the market. **Jeff Hargens** would like to know what the complete cost will be to install the hydro as well as what the return income we will receive on it. **Brian Lee** states that there are too many variables to come up with an accurate figure at the moment and will need to do a pre-feasibility study. **Jeff Hargens** states that before we approve the pre-feasibility study he would like to visit another small district who has installed a hydro power plant in order to make sure we will receive an adequate return amount.

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COPIER / FAX PURCHASE

Recommendations for the purchase of a fax machine, copier and printers were distributed to the members of the board. **Victor Schmidt** states he would like to get together with Sonny Boyd and the office staff to discuss which machines will best suit the districts needs. **Jeff Hargens** states that there is already money set aside for the purchase of these machines in the budget. **Victor Schmidt** made a motion to authorize the purchase of a copy machine, fax machine and printers, not to exceed \$2,000 as allowed within the budget, **Robert Gaughan** seconded, passed unanimously.

RULES AND REGULATIONS REVIEW

Shanti Kraai states she has included the new polices passed by the board of directors in the rules and regulations and would like the board to review the changes to be approved at the next regular board meeting.

ORDINANCE 2009.10.20: LANDLORD LIABILITY FOR UNPAID WATER BILLS OF TENANTS

Jeff Hargens read ordinance 2009.10.20 by title, which was then signed by all the present members of the board. This was the final reading of the ordinance and it shall take effect as of November 17, 2009. Members of the community may view the ordinance either at the district office or at the Multnomah County recorder's office.

INSURANCE REVIEW

James Jans states that our insurance will be up for renewal at the end of December. The staff has reviewed other insurance options as they are not satisfied with the current provider. The staff would like to switch insurance providers from HealthNet to Pacific Source provided through the Special Districts Association of Oregon. The insurance plan is cheaper through Pacific Source and includes dental, which is not a current option through HealthNet. **Victor Schmidt** states that he does not see an issue with the employees switching providers to Pacific Source. **James Jans** also suggested lowering the minimum hours required to work to receive insurance to provide the district clerk coverage since the insurance premium has been reduced considerably. **Victor Schmidt** suggested increasing her hours in order to offer her insurance while staying with the district policy. **Jeff Hargens** asked James Jans to come to the next meeting with his recommendations on this subject.

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RESPONSE FROM KEY BANK

At the previous regular board meeting, representatives from Key Bank gave a presentation on why they think their bank would be beneficial to our district. **Sonny Boyd** stated he did not feel comfortable with the fact that Key Bank was not FDIC insured and that they collateralized their assets. The representative from Key Bank said he would email a better description of their collateralization process and how our money would be protected. This response was distributed to the members of the board for review.

MONTHLY REPORTS

Secretary/Treasurer Financial Report: **Jeff Hargens** made a motion to approve the financial reports as written, **Robert Gaughan** seconded, passed unanimously.

Managers Report: See attached.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Gordon Fulks wanted to know where we are storing the 3,000 feet of pipe the district purchased. **James Jans** informed him that we are keeping it at the office and will cover the ends to keep animals out of the pipe. **Malcolm Freund** would like to know why he did not receive a letter or phone call to inform him that the water would be shut off during the tie over on Evans and Historic Columbia River Highway. **James Jans** responded that the new utility workers were given letters to distribute, however when they ran out of letters they just went home without informing the office staff of this. There were about fifteen houses out of seventy five that did not receive letter and the office staff did not know which houses did not receive one, therefore no phone calls could be made. He states that the utility workers were disciplined for the mistake.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

Victor Schmidt would like a review of project financing on the next board agenda. He feels we need to pursue financing soon and cannot wait another couple of years.

Jeff Hargens made a motion to adjourn the meeting, **Robert Churnside** seconded, passed unanimously. Meeting adjourned at 9:20 p.m.