

**CORBETT WATER DISTRICT  
REGULAR MEETING OF THE BOARD  
Written Summary  
November 22, 2016**

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**Board members present:** Jeff Hargens, Robert Gaughan, Jack Garrison, Robert Churnside.

**Absent Board members:** Kevin Wilhelm.

**Staff present:** Jeffrey Busto, Shanti Burns.

**Audience members present:** Gordon Fulks, Robert Colclessor, David Jacob, Marion Bogden, Kenneth Kerslake, Marianne Pietras, James Humphries.

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

**APPROVAL OF THE AGENDA**

**Jeff Hargens** would like to add appointment of the District Manager as item 5a.

**Shanti Burns** would like to add cell phone plan review as item 5b.

**Shanti Burns** would like to add the 2015-2016 audit report as item 5c.

**Robert Churnside** made a motion to approve the agenda as modified, **Robert Gaughan** seconded, passed unanimously.

**APPROVAL OF THE MINUTES**

*Minutes of September 20, 2016:* **Jeff Hargens** said due to lack of a quorum, these minutes could not be approved at the last meeting. **Jeff Hargens** made a motion to approve the minutes of September 20, 2016 as written, **Robert Churnside** seconded, passed unanimously.

*Minutes of October 18, 2016:* **Jeff Hargens** said since there was not a quorum at the October 18, 2016 meeting, the minutes can be permanently left in draft status, but kept as public record.

**Shanti Burns** informed the Board that they are allowed to vote in order to approve minutes even if they were not present at the specified meeting.

**LEAK ADJUSTMENTS**

*2180-00:* This customer states that their memory has been compromised due to an injury, which is the reason they left the outside faucet on. They asked the Board to consider making an adjustment to their account due to the financial burden it has created. **Jeff Hargens** made a motion to adjust the September/October 2016 billing cycle to 16 units, **Jack Garrison** seconded, passed unanimously.

*2605-04:* This customer had a tenant move out of their rental home without paying the final water bill and requested any sort of adjustment the Board could issue. **Jack Garrison** said according to ordinance 2015.08.01 the bill stays with the meter, and since a leak was not present he does not feel the Board can issue an adjustment to the account in reference. **Jack Garrison** made a motion to abide by ordinance 2015.08.01 and not approve an adjustment to this account, **Robert Gaughan** seconded, **Jeff Hargens** opposed, motion passed.

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**LEAK ADJUSTMENTS (Cont.)**

4300-01: This customer has had three leaks along their waterline. They informed the Board that the entire line has now been replaced. **Jeff Hargens** made a motion to adjust the July/August 2016 billing cycle to 75 units, **Robert Churnside** seconded, passed unanimously.

6460-00: This customer's leak occurred over an extended period of time since he had to replace the entire waterline himself. **Jeff Hargens** made a motion to adjust the May/June and July/August 2016 billing cycles to 53 units, **Robert Churnside** seconded, passed unanimously.

**APPOINTMENT OF DISTRICT MANAGER**

**Jeff Hargens** states Jeff Busto has been acting as interim District Manager. He would like to now appoint him as District Manager with a six month probationary period. He feels a subcommittee should be formed in order to determine wage and benefit options. **Jack Garrison** distributed a list of suggestions for the District Manager's employment. The Board decided upon having the District Manager's probationary period last four months. **Jack Garrison** made a motion to approve the below listed recommendations, **Robert Churnside** seconded, passed unanimously.

District Manager Recommendations

- Effective immediately, designate Jeff Busto as District Manager.
- Appointment subject to a four month probationary period.
- Appoint the Vice Chairman and Secretary-Treasurer as a subcommittee to work with the new District Manager to:
  - Review and, if needed, revise the District Manager's job description.
  - Develop a set of performance metrics which will serve as an objective evaluation of the District Manager's performance for the period from November 22, 2016 through June 30, 2017.
  - Position will remain hourly at the current wage rate, pending conversion to a salaried position. A proposed salary and benefits package to be presented to the Board for approval no later than April 1, 2017.
- Day to day working relationship between the District Manager and the Board of Commissioners will revert back to a normal status.
- Direct that all appropriate documents internal to the CWD and those filed with the County and State be updated to reflect this appointment; that Jeff Busto be designated as a check signing authority for the District, that he be given full access to the District's financial accounting system, that he becomes responsible for both the physical and data security, and finally, that he be given oversight and management authority for all CWD business accounts.

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**CELL PHONE PLAN REVIEW**

**Jeff Busto** states the employees are currently using their personal cell phones for District business and are being compensated \$15 per month. He said the pager service the District currently uses is outdated and miscommunication is occurring during emergencies. If cell phones are purchased for field employees it would eliminate the cost of the after hours emergency line, pager costs, and employee monthly compensation for use of their personal phones. **Jeff Busto** states a cell phone would be taken home with rotating employees to answer after hour emergency calls. He said the District will need to review compensation for the on call employee. **Jeff Hargens** suggests cancelling the push to talk feature if the service does not work well in Corbett. **Jeff Busto** states he can access the treatment plant online if he receives a phone with data capability. **Jeff Hargens** made a motion to authorize receiving cell phones for the District, and to cancel the current pager service, **Robert Churnside** seconded, passed unanimously. **Gordon Fulks** said the District needs to be careful when considering on call pay as it had gotten out of hand before. **Jack Garrison** asked Jeff Busto to bring a proposal for after hours on call pay to the next Board meeting.

**2015-2016 AUDIT**

**Shanti Burns** distributed the 2015-2016 audit to the Board of Commissioners, along with the PERS liability explanation from the auditor. **Jack Garrison** said he would like to further review the PERS liability and asked the other Commissioners to direct questions to the District Clerk by December 2<sup>nd</sup> so she can prepare a letter to the auditor if necessary.

**POLICY MANUAL**

**Shanti Burns** states the policies should be reviewed to verify their accuracy, and make changes as needed. She said if a committee is formed she would like them to review one policy manual at a time, not to exceed one per month. **Jack Garrison** said this will be a lengthy process and would like the policy review committee to read the selected policy, then meet to discuss; after which it will be placed on a Board agenda for approval. **Jeff Hargens** feels the policy review committee should be comprised of two Board members, two staff members, and two members of the community. **Jack Garrison** made a motion to authorize the formation of a policy review committee to tentatively consist of two Board members, two staff members, and two customer volunteers, and to have staff solicit volunteers to fill those positions as soon as possible, **Jeff Hargens** seconded, passed unanimously.

**CHECK SIGNERS**

Check signers were reviewed during the District Manager discussion.

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**CROSS CONNECTION**

**Jeff Hargens** said legal counsel from the Special Districts Association of Oregon (SDAO) informed him that there were no issues instructing staff to receive backflow testing company proposals during the October Board meeting, even though there was not a quorum present. Proposals from backflow testing companies to test all backflows within the District, with the option for customers to opt out of the bulk testing, were distributed to the Board of Commissioners for review. **Jeff Hargens** feels we should table this discussion until the District Manager has had time to review the proposals. **Jack Garrison** said there may be performance and liability issues that the District should look into. He said the contract length would also need to be determined. **Marianne Pietras** said it may cost more money for contract management if we hired a backflow testing company to test the backflows within the District. **Shanti Burns** informed her that the office has to spend time preparing up to three notices for backflow testing to customers within the District, which costs staff time and postage. If the customers do not get their backflow assemblies tested within this time, the field crew has to perform the test themselves. **Bob Gaughan** questioned if the District would be liable if the backflow testing company had to go into a customer's home to perform the test.

**OREGON ETHICS CHECKLIST**

**Shanti Burns** said the District will save an additional 2% on their insurance if the Board reviews the SDAO Oregon ethics checklist. She has received an extension for the time to submit the paperwork. **Jack Garrison** noted the only no answer was for the annual ethics training for the Board of Commissioners. **Jeff Hargens** made a motion to approve the Oregon ethics checklist as presented, **Robert Gaughan** seconded, passed unanimously.

**MONTHLY REPORTS**

**Secretary/Treasurer Financial Report:** **Jack Garrison** said there are a couple of financial management issues, however the dollar amounts of the transactions on the financial reports were acceptable. **Shanti Burns** questioned what the financial management issues were so she can be aware of any issues that need to be corrected. **Jack Garrison** said it consists of the audit. **Jeff Hargens** noted that a vac trailer was purchased in September 2016. **Jack Garrison** made a motion to approve both the September and October 2016 financial reports as presented, **Robert Churnside** seconded, passed unanimously.

**Manager's Report:** District Manager **Jeff Busto** read as follows:

In the last four months the field crew has completed ten projects that had been left unfinished, some dating back as far as 2009, most of which required less than two days to complete. Upon completion, they now meet construction standards and are no longer a risk to the safety of other utilities or our crew. The remaining ten uncompleted projects will be worked into the District's schedule as time and weather conditions allow. I expect to have them all completed by the first of May 2017. In addition, we continue to keep up with daily work assignments and projects.

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**MONTHLY REPORTS - Manager's Report (Cont.)**

Logging continues on the South Fork of Gordon Creek adjacent to the headworks. As a precautionary measure we continue to draw water from North Fork. There is an ample supply of water, with a few turbidity events that have proved to be challenging. The crew responded quickly and using good judgment prevented compliance issues.

Pressure reducing stations are a top priority this winter. Deferred maintenance over the years has created a certainty for failure. Last month a pressure relief Cla-valve was installed on the lower Corbett Hill pressure zone to protect that area from catastrophic over pressurization. There was a failure of a 2 inch Cla-valve that had been assembled incorrectly causing it to fail. If the relief valve was not in place, main breaks and damage to home owners plumbing would have been a certainty.

A DSL connection has been established to the treatment plant through a secure firewall. This enables only qualified District employees to gain access to the plants SCADA system, to remotely control critical components during emergencies and routine maintenance. The existing access point was left in place as a backup, however its stability is less than acceptable for daily use.

We have received verbal applications for three new water services; one irrigation meter and two domestic service connections. This brings up the issue of storage capacity for the District's reservoirs. As the District grows and the median age of its patrons increases, water consumption per household increases as well. It is my recommendation that the District does a feasibility study for future reservoir storage capacity to comply with the District's needs.

I am currently starting the process of auditing the District's water meters for accuracy. The used touch read meters purchased from Skagit PUD are now reaching their end of life stage. This means they no longer register 100% of the water that is being delivered to the customer. Some are failing completely and are not re-buildable at a reasonable cost, compared to purchasing a new meter that will potentially last 20 years. It is my estimation that the District is losing approximately \$100,000 annually in unclaimed revenue. If this is found to be true, a meter replacement program is imminent to recover lost revenue. Done correctly, the program will result in a zero cost to the District. Reclaimed revenue will cover the costs and labor of installing new meters within the District's infrastructure. I will have concrete data to present at the December 2016 Board meeting. In addition, having meters that are accurate will allow us to conduct quarterly water audits, thus providing a comprehensive picture of actual losses from leaking water mains and service lines. This information is paramount in conducting a leak prevention program through C.I.P. and leak detection.

The District recently hired a contractor to clean and disinfect the heating ventilation system in the office. It was in horrible condition, causing respiratory issues with the office staff and field crew. Hopefully this will improve the working environment and reduce health issues with our staff.

I purchased an inexpensive weather station for the treatment plant that monitors inside and outside temperatures, wind speed, and rain fall. It is accessible online and will provide our field operators with valuable data to operate the plant more effectively, especially during freezing

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**MONTHLY REPORTS - Manager's Report (Cont.)**

temperatures when the plant is at risk of damage to sensitive equipment that would be very costly to replace.

The District's office and field personnel continue to work together to accomplish customer satisfaction, bringing clean, high quality drinking water to our community.

**Jeff Busto** noted that Steven Smith passed his cross connection control specialist test, and is waiting to receive his certification in the mail.

**Gordon Fulks** questioned how the District checks meters for accuracy. **Jeff Busto** said we plan on pulling a select number of meters from properties, replacing them with temporary meters, and taking them to be tested at a nearby water district. He said if the meters are not able to be rebuilt, they will need to be replaced.

**PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA**

**Gordon Fulks** wished everyone a happy Thanksgiving.

**UNFINISHED ITEMS FOR BOARD CONSIDERATION**

A letter was distributed to the Board of Commissioners regarding the account at 35701 NE Chamberlain Road. The realtor taking over service asked to avoid the deposit requirement, and said in the letter that the prior outstanding bill would not be able to be paid since the property has now been taken over by the courts. **Shanti Burns** said if a realtor puts water service in their name, they usually pay the deposit since it is refundable at the time of the sale. **Jeff Busto** informed the Board that he granted an extension to keep water service active until December 7, 2016, but informed the customer that he will be unable to leave water service on past that date if the deposit and prior balance has not been paid. **Jack Garrison** said that according to ordinance 2015.08.01, the bill stays with the meter. **Jack Garrison** instructed the staff to send a letter to the realtor stating if a deposit and the outstanding balance has not been paid by December 7, 2016 the meter will be pulled.

**Jeff Hargens** made a motion to adjourn the meeting, **Robert Gaughan** seconded, passed unanimously. Meeting adjourned at 8:40 p.m.