

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
December 15, 2009**

Board members present: Jeff Hargens, Sonny Boyd, Robert Gaughan, Victor Schmidt (arrived at 6:42 p.m.)

Absent board members: Robert Churnside.

Staff present: James Jans, Shanti Kraai.

Audience members present: Malcolm Freund, Dave Mysinger.

Chairman **Jeff Hargens** called the meeting to order at 6:40 p.m.

APPROVAL OF THE AGENDA

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

APPROVAL OF THE MINUTES

During the discussion on the BLM logging, **Jeff Hargens** would like a semi colon to be placed between the words contaminate water and logging around, as well as add the word government after federal. **Sonny Boyd** would like the word has to be changed to had and the word incase be changed to separate words. **Victor Schmidt** would like to add his comments on increasing the district clerks hours in order to provide her insurance during the insurance review discussion. **Sonny Boyd** made a motion to approve the minutes as modified, **Robert Gaughan** seconded, passed unanimously.

BLM: MEMORANDUM OF AGREEMENT

The field manager for the Bureau of Land Management, Cindy Enstrom, was unable to attend the board meeting held on December 15, 2009. She informed us that they will not begin the North Fork logging project for another couple of years. She requested the board to review the memorandum of agreement and states that if we need it modified we can set up a time and date for a meeting that would fit both of the parties schedules. **Jeff Hargens** would like a meeting to be set up either at the next board meeting or at the Bureau of Land Management's office for descriptions of what will be conducted during the logging. **Victor Schmidt** states the representative from Oregon Wild made good points during her presentation. He states we should contact the BLM for what actions would be taken if they affect our watershed. He says he is not interested in making our watershed part of the Federal Reserve as the representative from Oregon Wild suggested. He would like the BLM to make sure the access roads are closed off after they are finished to make the area a little more restrictive. **Jeff Hargens** states we have no right to be concerned about any other aspect than the protection of our water source and water lines. **Brian Lee** states that in our memorandum of understanding there is very little discussion about our infrastructure, it mostly talks about turbidity and run off. He suggests we have a meeting with the BLM to see about editing the memorandum and talk about our concerns with the raw water pipe

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
December 15, 2009**

BLM: MEMORANDUM OF AGREEMENT – (Cont.)

line, the infrastructure of the treatment plant and the effects of the heavy machinery that goes by, as well as clarify what the dispute resolution is. **Victor Schmidt** states we need to monitor our water source as well as the infrastructure so we can dispute the damages with the BLM in a timely manner. **Jeff Hargens** states we need to review the access road maintenance lease we have with the BLM.

ECONOMIC PRESENTATION BY BERNIE VANCIL

Victor Schmidt introduced Bernie Vancil. He states he has had an economic newsletter for at least a quarter century. His business is located in Beaverton and has kept databases on economic statistics for well over 25 years. He states that since his view on our economic situation is changing, it would be appropriate to have Bernie Vancil give a presentation to try to hit some of the things that you're not going to see in the major publications or academic economics or the television or the Oregonian. **Bernie Vancil** distributed packets to the members of the board. He states that in order to invest successfully you must have a good founding of real economics. Please see attached for a summary of the presentation.

PACE ENGINEERS: HYDRO GRANT STUDY

Brian Lee states that Corbett Water District has been accepted in a 50% matching grant program through the Energy Trust of Oregon. We have yet to go through the final step in getting the exact dollar amount. He is proposing the board spends the \$5,000 which has already been approved by the board for the hydro power project and double it with the matching grant funds for a feasibility study on these PRV vaults in the District and whether or not they can be turned into generating facilities. The program allows up to \$40,000 matching grants and speaking with Jed from the Energy Trust of Oregon he says that if we then pursue individual projects we could apply again for a second set of matching grants. If we can show that they are separate projects we can get up to \$40,000 matching grants for each project. **Brian Lee** states that his goal is to provide a complete documentation of every PRV in the system. He states that the program is fairly new, therefore it is not very competitive. **Victor Schmidt** made a motion to authorize the feasibility review not to exceed \$5,000 contingent on the final approval on a matching grant from the Energy Trust of Oregon, **Jeff Hargens** seconded, passed unanimously. **Sonny Boyd** would like to clarify that the District will have to pay \$10,000 for the feasibility study, after which we will receive a reimbursement check from the Energy Trust of Oregon for 50%.

REVIEW OF PROJECT FINANCING

Jeff Hargens states we need to watch the price of ductile iron and purchase more before the price rises. **James Jans** states he has been monitoring the prices. **Victor Schmidt** states we should get our major projects detailed and find the exact cost and apply for a low interest loan. He would like our projects detailed to the point where we will know what the impact will be on the rate and tax structure. **Brian Lee** states that customers were charged \$7 a month for the PERS surcharge. If we still received that income it could be used to fund a \$1.5 million loan. **Jeff Hargens** states our project needs can be financed without a rate increase. He does not feel we should take on a lot of debt when the economy is unstable. **Brian Lee** states that the biggest problem the District has is the filter ponds at the treatment plant as well as the control system.

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
December 15, 2009**

REVIEW OF RULES & REGULATIONS

Copies of the revised rules and regulations were distributed to the members of the board. **Jeff Hargens** made a motion to approve the rules and regulation upon review and approval from the Special Districts Association of Oregon, **Sonny Boyd** seconded, passed unanimously.

INSURANCE REVIEW

Discussion was tabled.

COMMUNITY NOTIFICATION FOR NEED OF BUDGET MEMBERS

A notice was published to inform the members of the community of the upcoming budget member election. The only term that will end in 2010 is budget committee member Barbara Adams. **Shanti Kraai** states Barbara Adams informed her she would like to continue serving on the budget committee for another term.

MONTHLY REPORTS

Secretary/Treasurer Financial Report: **Sonny Boyd** made a motion to approve the financial reports as presented, **Robert Gaughan** seconded, passed unanimously.

Managers Report: See attached.

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Dave Mysinger would like to know if the Northway project is finished and how many feet of pipe was installed. **James Jans** states that the project will be finished after they tie in the lines, pressure test and chlorinate it. **Jeff Hargens** would like to know if the engineer will have to record the project with the State. **James Jans** states that this will still have to be done.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

Jeff Hargens would like to have the chairman authorize speakers prior to them being put on the agenda.

Jeff Hargens made a motion to adjourn the meeting, **Robert Gaughan** seconded it, passed unanimously. Meeting adjourned at 8:55 p.m.