

**REGULAR BOARD MEETING
CORBETT WATER DISTRICT
BOARD OF COMMISSIONERS
December 19, 2017**

PRESENT BOARD MEMBERS PRESENT: Jeff Hargens, Jack Garrison, Kevin Wilhelm, Bob Gaughan and Sara Grigsby **BOARD MEMBERS ABSENT:**
STAFF PRESENT: Assistant Clerk Lynda Ronell and District Clerk Gail Griffith
AUDIENCE MEMBERS David Jacobs of HydraEngineering and Malcolm Freund

President Jeff Hargens called the meeting to order at 6:30 p.m.

APPROVAL OF THE AGENDA

Jeff Hargens asked if anyone had any changes or additions to the Agenda. Jack Garrison made a motion to accept the Agenda as presented. Kevin Wilhelm seconded, all were in favor, motion carried. *(5 yes votes: J.Hargens, K.Wilhelm, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

MINUTES

President Hargens asked if there were any corrections to the November 21, 2017 regular Board meeting minutes. Kevin Wilhelm made a motion the minutes of the November 21, 2017 regular Board meeting be approved as presented. Bob Gaughan seconded, all were in favor, motion carried. *(5 yes votes: J.Hargens, K.Wilhelm, B.Gaughan, S.Grigsby & J.Garrison 0 no votes)*

TREASURERS REPORT

Sara Grigsby had no written Treasurers Report. Sara Grigsby reported she met with the District Clerk and went over the updated reports and reviewed the reconciliation reports for the Bank Accounts. Sara asked about the summary of accounts for November. She had concern regarding the line items in the summary that are over 50% when we are only half way through the year. Jack Garrison noted that normally when line items are over the Board asks the staff for details on why we are over at this point in the year. We are not currently at the point of going over any appropriations. The District Clerk explained that some of the line items such as the "Equipment, Machinery and Safety" and the "Tools shop Expense" have gone over because there are many items purchased that do not fit into another line. The District Manager and the District Clerk have reviewed the items together and come Budget time as he prepares the proposed budget, as the Budget Officer, he will add new lines to the Budget so that we can get a better idea of what we are spending money on. Short discussion of the definition and difference between Capital Outlay and capitalization or depreciation. Jack Garrison said if the Budget Officer is going to split some lines it would be helpful if the Board received some of the information prior to the Budget process. Jeff Hargens noted there are only about five line items that need answers as to why they are so high, but, overall we are within budget appropriations in all categories.

Sara Grigsby made a motion to accept the financial reports for November 30, 2017 as presented. Kevin Wilhelm seconded, all were in favor, motion carried. *(5 yes votes: J.Hargens, K.Wilhelm, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

INSURANCE RENEWAL

The Board reviewed the updated insurance information that was provided in the Board packets. The Board discussed changes in the deductibles. Jack Garrison made a motion to raise deductibles for property to \$5,000, raise the equipment deductible to \$2,500 and raise automobile deductibles to \$1,000 for comprehensive and \$1,000 for collision. Kevin Wilhelm seconded, all were in favor, motion carried. *(5 yes votes: J.Hargens, K.Wilhelm, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)*

Jack Garrison asked for clarification on whether the earthquake insurance was included in last years policy.

Jeff Hargens stated we need a copy of the insurance policy from the current year including if there was earthquake coverage and a copy of the proposed policy for the renewal effective January 1, 2018 with the prices reflecting the changes to deductibles and cost for earthquake coverage. The Board agreed this would give a good comparison. The District Clerk will request the information from WHA Insurance and email it out to all Board Members. Jeff Hargens asked that it be kept "real simple". When the insurance information is received a Special Board meeting will be scheduled for next week.

Further discussion on earthquake coverage. David Jacobs advised the Board that the pipes in the ground, which are a great deal of the Water District infrastructure, are not covered by earthquake insurance.

The District Clerk asked if the Board wants to renew the current bond for three Board members and three staff members of \$5,000 at a cost of \$100 per year, or, drop this bond and use the Special Districts Crime coverage that covers all employees, Board members and volunteers for \$25,000 at a cost of \$247 per year. The Insurance Agent recommended we increase the crime coverage to \$100,000. Discussion of raising the crime coverage to \$100,000. Jack Garrison made a motion the Board not renew the \$5,000 bond with Old Republic that is due January 1 and that we get a quote from Special Districts on the cost of increasing the crime coverage from \$25,000 to \$100,000. Kevin Wilhelm seconded, all were in favor, motion carried. (5 yes votes: J.Hargens, K.Wilhelm, J.Garrison, S.Grigsby & B.Gaughan 0 no votes)

VARIABLE BASE RATE

Nothing to report tonight. This item will be postponed.

AUDIT REPORT FISCAL YEAR 2016-2017

The Board reviewed the Audit information that was sent out. Jack Garrison expressed concern regarding the PERS deferred liability. We don't have any idea when the State might call for some of that to be paid. It is something the Board needs to be aware of. There were no other questions regarding the audit.

WATER USAGE DEMOGRAPHICS REPORT

Jack Garrison stated in the past we have used the number of connections between 1,060 and 1,080. Where did the 1,200 number come from? The District Clerk explained the report includes all accounts for the year. This includes rentals which people can move in and out of and we can have three accounts at one location during a year. Jack Garrison asked if there is a list of the current number of meters in the ground and the total number of active meters. The District Clerk stated it would be hard to provide the "active meter" number as this can change from month to month. Jack Garrison further asked for a bell curve on each of the user categories from January to December to get an idea of when our highest usage is and when that usage occurs by category. He also asked if the Board could get information on the total number of gallons that ran through the clear well for the same period of time to compare to our water sales. This might provide information on our potential leak rate. The office staff will work on the information for the Board.

FEASIBILITY STUDY

Nothing to report at this time. Table until next month.

MANAGER'S REPORT

The December Manager's report was included in the Board packets and a copy is filed with the minutes. District Manager Jeff Busto was not present for the meeting.

PUBLIC COMMENTS ON ITEMS NOT LISTED IN AGENDA

No comments

FUTURE AGENDA ITEMS

The Filter Pond Base Rate end date decision.

ACTION ITEMS FOR NEXT MONTH

Insurance Review

BOARD MEMBER ADDITIONAL ITEMS FOR THE GOOD OF THE ORDER

Jack Garrison commented that we had a violation in July on surface water treatment under chorine and turbidity that was cleared in September. He asked if someone could find out about that violation. David Jacobs addressed the Board. He stated he puts together the reports for the District and he completed the report but forgot to email the report in. This resulted in the violation for failing to file the report on time. David Jacobs took responsibility for the violation. No fines resulted from the violation. The number of violations does affect the frequency of the sanitary survey.

ADJOURNMENT

Jeff Hargens made a motion the meeting be adjourned at 7:25 p.m. Sara Grigsby seconded, all were in favor, motion carried. (5 yes votes: J.Hargens, K.Wilhelm, B.Gaughan, J.Garrison & S.Grigsby 0 no votes)