

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
Written Summary
December 20, 2011**

Board members present: Robert Gaughan, Sonny Boyd, Robert Churnside, Kevin Wilhelm, (Jeff Hargens arrived at 7 p.m.)

Staff present: James Jans, Shanti Kraai.

Audience members present: David Jacob, Brian Lee, Robert Colclessor, Gordon Fulks, Jim Stewart, Joey Stewart, Frank Windust.

Vice chairman **Robert Gaughan** called the meeting to order at 6:30 p.m.

APPROVAL OF THE AGENDA

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

APPROVAL OF THE MINUTES

November 15, 2011 minutes: **Sonny Boyd** states that under the discussion of Resolution 2011.11.02, it reads “contact the SDAO pre-loss legal counsel prior the discharge of an employee”. This should be corrected to read “contact the SDAO pre-loss legal counsel prior to discharge of an employee”. **Sonny Boyd** made a motion to approve the minutes of November 15, 2011 as modified, **Robert Churnside** seconded, passed unanimously.

December 13, 2011 minutes: **Brian Lee** from Pace Engineers would like the sentence “The combined water with drawl cannot exceed 900 gallons per minute” to be added after the sentence “The District currently has water rights of 900 gallons per minute from both North and South Fork”, for clarification. **Sonny Boyd** made a motion to approve the minutes of December 13, 2011 as modified, **Kevin Wilhelm** seconded, passed unanimously.

ADDITIONS/CHANGES TO POLICIES: LEAK ADJUSTMENTS

Sonny Boyd read the following leak adjustment policy suggestions provided by the Corbett Water District office staff:

- If a leak is present in the customer’s water line for an extended period of time, the District has the authority to either turn off water service or install a device to limit the water provided to the property.
- The adjustment to the customer’s bill will remain only as a credit to the account unless ownership of the property changes.
- If the customer has already received an adjustment previously and another leak occurs, the District may only issue half of what the regular adjustment would be upon showing a hardship.
- If the customer requests a third leak adjustment, one may only be granted upon proof of a complete water line replacement.
- No leak adjustments shall be made for bills that have not increased more than 25% from the prior three billing cycles.

**CORBETT WATER DISTRICT
REGULAR MEETING OF THE BOARD
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December 20, 2011**

ADDITIONS/CHANGES TO POLICIES: LEAK ADJUSTMENTS – (Cont.)

- Leak adjustment requests must be made no longer than 45 days from the billing cycle the leak occurred on.
- Adjustments will not be allowed to cover 2 billing cycles.
- If the home owner has a PVC main, it will be required to install (or replace if damaged) a pressure reducing valve (PRV) prior to receiving a leak adjustment.
- A leak adjustment cannot be issued to a customer's account until a backflow survey has been received.

Sonny Boyd states that he has a concern with the suggestion of “Adjustments will not be allowed to cover 2 billing cycles”. He suggests changing the policy to grant the office staff authority to issue an adjustment for a leak that has occurred over 2 billing cycles. He states this will reduce the amount of customer's requesting additional adjustments from the Board of Commissioners. The office staff was instructed to bring a draft policy and resolution to the next regular board meeting.

LEAK ADJUSTMENTS

8565-00: **Sonny Boyd** made a motion to adjust the July/August and September/October 2011 billing cycles each to the average of the three billing cycles prior to the leak, 22 units, **Robert Churnside** seconded, passed unanimously. It was suggested that the customer install shut off valves along the water line in case another leak occurs, or to replace the entire water line, since this will be the third leak adjustment issued to this account.

PACE ENGINEERS: TASK ORDER #1 – OLCOTT'S SURVEY

James Jans explained that when we initially requested a quote for a survey on Deverell Road, per the easement agreement with David Olcott, Brian Lee came to the site on two separate occasions to walk and review the project with him. The original quote was for \$750 - \$950. However, when we received the task order for the survey, it was \$2,980. After calling Pace Engineers, Brian Lee informed him that they could re-evaluate the task order and reduce the hours worked on the survey project. The re-issued task order was for \$1,800. **Sonny Boyd** states that he is concerned with the price increase. **Brian Lee** explained that the price increase was due to the inability to use GPS due to tall trees surrounding the area. The survey will have to be conducted using the traditional method, which will require a 2 man survey crew. **James Jans** emphasized the need for a simple survey since the District has already paid \$1,300 in legal fees for the easement agreement. **Brian Lee** states that the survey crew estimated six hours to perform the survey, including set up and travel time. **Jeff Hargens** made a motion to approve task order 1, for the Deverell Road survey, **Robert Gaughan** seconded, passed unanimously.

**CORBETT WATER DISTRICT
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ENGINEER OF RECORD

Brian Lee states that the District has not had an Engineer of Record contract with Pace Engineers since 2007. He states that he has been providing the District with services such as emails, correspondence, and attending meetings without charge. The new representative for the Oregon Health Department, as well as Pace Engineer's insurance representative, is now requiring a signed contract to show the District's official Engineer of Record. **Shanti Kraai** inquired as to the contract that was signed last year with Pace Engineers. **Brian Lee** states that was simply a general services agreement. He states that the Engineer of Record contract from 2007 included the DRC for the treatment plant and water line projects. **Jeff Hargens** would like to review the previous Engineer of Record contracts the District had with Pace Engineers. **Brian Lee** states that the current proposal for the Engineer of Record contract includes 8 hours per month, including official correspondence, communications, drawing of records, as built, assist staff with questions and attend meetings. He states that the fees for these services are not to exceed \$1,260 per month. **Jeff Hargens** states it is fair to pay for the services as provided Pace Engineers, however he would still like to review the prior contracts before approval. He requested copies of the contracts be distributed to the Board of Commissioners prior to the next regular board meeting. **Sonny Boyd** would also like to receive examples of other water District's Engineer of Record contracts and fees.

TARIFF PROGRAM WITH PGE TO PRODUCE SOLAR POWER, OR FEDERAL PROGRAM WHICH PAYS FOR FEDERAL INCENTIVES

James Jans informed the Board that by installing solar panels at the Treatment Plant, it would offset our electric bill at two of our reservoirs and the District office. He states that the solar panels are guaranteed for 25 years, and has a 15 year payoff. He states that in the meeting with Scott Sorensen from Common Energy, the tree height was reviewed and they estimated what times during each month the sun will be able to reach the panels. He states the solar panels would be net metered, and any extra electricity produced would go to PGE customers in need of financial assistance. He states the solar panels would use the same inverter as our hydro system. The deadline for the grant application is January 1, 2012, with an application fee of \$500. Scott Sorensen suggests installing three rows of fifteen panels. **Gordon Fulks** is concerned that the company guarantees the solar panels for 25 years, since the average life of solar panels is only 20 years. He states that the solar panels will not work at a 100% outcome, due to deterioration over time. He states the solar companies always promise more than they can deliver. **Jeff Hargens** feels that the treatment plant would not be an ideal area since it would be difficult to keep the panels clean. **James Jans** informed the Board that the solar panels will still function during winter months. **Jeff Hargens** feels that the District should finish the hydro project before discussing installation of solar panels. **James Jans** reminded him that the application deadline is January 1, 2012. **Sonny Boyd** questioned what the cost would be if the District installed another turbine along the water system. **James Jans** states that it would only be net metered. He said that hydro produces \$0.05/kw and solar produces \$0.36/kw because of government initiatives. **David Jacob** said that the District would not receive the same amount of power per dollar if a hydro

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TARIFF PROGRAM WITH PGE TO PRODUCE SOLAR POWER, OR FEDERAL PROGRAM WHICH PAYS FOR FEDERAL INCENTIVES – (Cont.)

generator was installed at a cla-val, as opposed to the treatment plant. The treatment plant hydro generator produces 8-10 kw, and a hydro generator at a cla-val would only produce 5 kw. A hydro generator installed on a cla-val would also have to be a reaction turbine. **James Jans** states that another alternative would be to find an investor to pay for the solar panel unit. The investor would get the tax write offs, however after the unit is paid for the District would own it. **Sonny Boyd** states that he is concerned about the annual snow fall at the treatment plant. He states that if snow gets compacted on the panels, they will not work. **Gordon Fulks** states that he is more concerned about snow crushing the panels. **Brian Lee** states that the application will get us in line with the government federal subsidized program. He said that this may be the last chance for the District to apply, as the grant program may not come back. **Sonny Boyd** feels that installation of solar panels is worth looking into. **Jeff Hargens** said there is a lot of gun use near the treatment plant, which creates a risk of having the solar panels shot. If anything was to happen to the solar panels, the District would have to pay to replace them. **Sonny Boyd** would like James Jans to receive more information and distribute it to the Board, after which a phone vote can be held prior to the application deadline of January 1, 2012.

NOTIFICATION OF NEED FOR BUDGET COMMITTEE MEMBERS

Shanti Kraai states that we are required to issue a notice every year for members of the public to become a budget committee member. This notice has been posted in the District office, Corbett Country store, post office and Springdale store.

MONTHLY REPORTS

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

Managers Report: District Manager, **James Jans**, read as follows:

Distribution: On November 22, 2011, a 10” water main break occurred on Grange Hall Road, near Littlepage Road. The office staff called the effected homeowners, starting at noon, with a boil water notice. The main was shut down at 3:30 p.m. and was back on line by 6 p.m. We flushed the main, took water samples, received an “absent” sample from the lab and notified the customers on our web site the morning of Thursday, November 24, 2011. The Oregon Health Department was involved, and all the required agencies had been on notice. We now have the Phone Tree software, and will able to notify customers using the computer to call homeowners for future boil water notices. The flood light generator was provided by the UASI group, which we are a member of, at no cost to the District.

We have installed the 8” Cla-val at the raw water inlet at the Treatment Plant for the required flow on the hydro project. The old 6” Cla-val from the Treatment Plant has been relocated at the new pressure reducing station (PRV) for the Woodard & Ogden project.

**CORBETT WATER DISTRICT
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MONTHLY REPORTS – Managers Report – (Cont.)

While installing a new water service on Myers Lane, we came upon a water line that had not been abandon. We switched over two services and have cut off about 600 feet of 1.5” steel water line that had been replaced by a 4” PVC main many years ago.

We received \$400 for our scrap water meters, and to date we have installed 953 ECR TouchRead meters, 87% of our system. \$8,201.32 has been adjustment this fiscal year for leak adjustments.

Treatment Plant: We have installed the required tee package with butterfly gate valves for the hydro project. The crew has set up forms, and poured the walls, for the 4’ x 8’ building to protect the Turgo generator from the weather. Once we get the required inlet off set measurement, we will install a short section of 8” pipe, pour the cap, and back fill the area. The 2” electric conduit has been installed and we will pull the #6 wire later this month.

FERC: We had the FERC Public Hearing on December 13, 2011. Two representatives attended this meeting, one from the Oregon Department of Fish & Wildlife (ODFW) and the other from the Oregon Water Resources Department (OWRD). John Unger from OWRD had a concern on the intake screen, which was addressed by John Zauner from ODFW and Les Perkins from the Farmers Conservation Alliance (FCA).

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Robert Colclessor states that his neighbor recently had a new connection installed. His neighbor informed him that the Corbett Water District staff was very professional and competent. **Gordon Fulks** inquired if the Board has considered doing the work of replacing or repairing the treatment plant filter pond using less expensive options. **Jeff Hargens** states that the District has reviewed other options, however our plan is to try to budget for a concrete filter pond and extend the construction over multiple fiscal years, therefore avoiding a rate increase. No decision has been made yet. **Gordon Fulks** states that relining a filter pond is inexpensive, however it does not last as long, and the District will have to look at longevity as well. **Jeff Hargens** states that it is designed to be expanded with the current configuration, however we can only do what the budget allows.

UNFINISHED ITEMS FOR BOARD CONSIDERATION

No comments were made.

Jeff Hargens made a motion to adjourn the meeting, **Robert Gaughan** seconded, passed unanimously. Meeting adjourned at 8:30 p.m.