

OAK LODGE

WATER SERVICES

OAK LODGE WATER SERVICES
Minutes
Board of Directors – Regular Meeting 6:00 p.m.
October 15, 2019

Board of Directors - Members Present:

Susan Keil,	President/Chair
Kevin Williams,	Secretary/Vice President
Lynn Fisher,	Treasurer
Paul Gornick,	Director
Mark Knudson,	Director,

Board of Directors - Members Absent:

None,

Oak Lodge Water Services Staff Present:

Sarah Jo Chaplen,	General Manager
Aleah Binkowski-Burk,	Human Resources and Payroll Manager
Jason Rice,	District Engineer
David Mendenhall,	Plant Superintendent
Kelly Stacey,	Finance Director
Todd Knapp,	Field Operations Superintendent,

Visitors and Consultants Present:

Tommy Brooks,	District Attorney, Cable Huston LLP
Ginny Van Loo,	Local Resident
Thelma Haggemiller	Local Resident
Michael Gradt,	Local Resident
Ernie Platt,	Sunrise Water Authority
Tom Usher	Cushman & Wakefield
Katie Dahlin	Cushman & Wakefield
Gary Griff	Cushman & Wakefield
Paul Boundy	LRS Architects, Inc., Local Resident.

Regular Board of Directors Meeting

1. Call to Order and Flag Salute

President Susan Keil called the meeting to order at 6:00 p.m. and led the pledge of allegiance.

2. Call for Public Comment

President Susan Keil requested public comment. There were no initial public comments.

3. Consent Agenda

- September 2019 Financial Reports
- September 17, 2019 Board Meeting Minutes

President Susan Keil requested a motion to adopt the consent agenda. The Board approved the minutes with two corrections to the minutes on page 2 and 6 – Director Knudson attended the

Regional Water Providers Consortium executive committee meeting and presented information about remaining on the Board of the Water Research Foundation (not Director Gornick).

Vice President Williams moved to adopt and approve the consent agenda. Director Gornick seconded the motion.

Ayes: 5

Nays: None

Motion carried: 5-0

4. M36 American Water Works Association Non-Revenue Water Audit Contract

General Manager Sarah Jo Chaplen requested Board approval of a contract with Cavanaugh & Associates, P.A. to perform an M36 American Water Works Association (AWWA) non-revenue water audit on OLWS water utility distribution system. She asked Tory Wagoner, representing Cavanaugh and Associates, P.A., to present what the water audit entails. He thanked the Board for the opportunity to present and introduced his firm as being out of North Carolina and focused on water audits with utilities and with the State of California across the nation. His presentation included a description of the core of the methodology which is a water balance. The water mass balance is under the assumption that water can neither be created nor destroyed, so any amount of water put into a distribution system will be able to be tracked along the system and accounted for. Utilities either make their water themselves or purchase it, which they call "water imported" from the North Clackamas County Water Commission. The most important number in the water audit is the amount of water in, because that is the volume that is analyzed as it breaks down further along the system. As water is split off from the initial volume it is either labeled "authorized consumption" which is billed and generates revenue or "water loss" which is unbilled and has no revenue. There is also "unbilled, authorized consumption" which includes uses like fire flow and flushing. Water loss includes apparent losses like unauthorized consumption (theft), customer metering inaccuracies, and systematic data handling errors. Water loss also includes leakage.

Treasurer Fisher asked if the audit assumes that the amount billed from the provider is accurate and Tory responded part of their work is to calibrate and volumetrically test the master meters into the system. All water must be accounted for in the overall volume and that is what they are here to investigate. He explained the M36 AWWA manual's practice of analysis in more detail and stated one of the big goals is to assess the validity of the data that is used in the methodology for analyzing water balance. They will start with an annual water balance using software, looking at detailed analytics on the accounting/billing side, and then learn where some of the water loss is by using water loss profiling. The goal for this audit is not to get water loss to zero but to account for the water "in" and the water "out" and making sure the correct amount of water is being billed as opposed to being lost. They also look at how much water might be recoverable and provide recommendations for a business case analysis. There is no one number or percentage of water loss that is ideal – every water system is different.

They will provide OLWS with an "economic optimum". This includes generating cost curves to help us decide how responsive we want to be to recovering water lost. The intersection of two analysis curves is the economic optimum, which is where the value of the water and the cost of the intervention meet. The timeline for addressing changes to achieve the economic optimum is

sometimes extended. OLWS is already in the process of changing our water meters, which is often part of their recommendations.

G.M. Chaplen is requesting approval for the first two phases of the contract, which will occur simultaneously. She will return to the Board later to ask for the remainder of the work. Cavanaugh will be able to train staff on some of the work which will then be able to be conducted annually. In the current contract Cavanaugh is training and overseeing portions of Phase I and II. Phase III will happen in the next fiscal year and will culminate in a data tracker so that staff can monitor and use adaptive management. The Board discussed the idea of equity and ensuring that we figure out the amount of revenue to recover and costs to reduce.

Director Knudson asked how G.M. Chaplen selected the water audit firm and staff responded once she learned of the gap issue through the water master plan engineers and the finance auditors, she called the Executive Director of the AWWA and asked what next steps he might recommend to her based upon his experiences with other water entities. AWWA recommended a water audit and provided a list of best practice companies. She selected Cavanaugh & Associates, P.A. because they have conducted over 1,000 audits of other municipalities, they helped AWWA write the M36 water audit manual, and others recommended starting off with an expert to assist in the non-revenue water audit.

Treasurer Fisher asked what participation we will have from our water partners and staff responded our partners are open to and interested in participating in the process. Supply side water meters may be a part of the issue, along with connections with partners where water moves back and forth. Some basic tests have been done but there are a multitude of potential issues that need investigation. Treasurer Fisher commented he hopes the District focuses on the issue of real water loss and not on the paper loss side, although both should be addressed. Water conservation in our area is a significant issue.

Director Knudson moved to authorize the General Manager to sign a contract with Cavanaugh & Associates, P.A. for the American Water Works Association (AWWA) M36 Water Audit in an amount not to exceed \$75,000. Treasurer Fisher seconded the motion.

Ayes: 5

Nays: None

Motion carried: 5-0

5. Oak Grove – Lake Oswego (OGLO) Pedestrian / Bicycle Feasibility Study – Stephen Williams, Clackamas County

President Keil introduced Steve Williams, Transportation planner from Clackamas County and the project manager from the OGLO Bridge Study. He provided an overview of the bridge study project with the landing point for the bridge along the south end of the Water Reclamation Facility to the corner of Courtney Avenue and Fair Oaks Avenue. He emphasized the importance of height of the bridge over the river so that riverboat navigation will be open. He stated the bridge pilings will land on the edge of our property but will not impact the ability of our District to conduct business. He provided an overview of the cost of the bridge options and pointed out information in his board report and then opened the discussion for questions and remarks. Treasurer Fisher asked when the Policy Action Committee (PAC) would make its decision and Steve responded October 25th is the last meeting of the PAC. They will determine the feasibility of the bridge and recommend whether to continue forward to the engineering and environmental

studies. Metro has promised funds to pay for Phase II of the work which would get the project to a 30% design level.

Director Knudson expressed his concern that the Water Reclamation Facility have all the space (maintenance and clearance needs) it needs to be able to meet the demands of the Clean Water Act now and into the future. Steve commented the Tryon Creek side also includes a wastewater treatment facility owned by the Bureau of Environmental Services. Director Knudson requested they consider building the issue into the bridge study in order to establish the design requirements into the original design instead of after the fact. President Keil added they have to think about the importance of being able to meet the clean water permits in the face of a recreational bridge proposal. Steve responded he works for a transportation agency funded with transportation funds and suggested they could cooperate to help pay for a portion of that sort of study. Steve pointed out if the bridge is built it will be possible to walk from Lake Oswego City Hall to downtown Oak Grove in less time than it takes to drive. The estimated use-per-day amount is 1500-2000 bikes and pedestrians. Treasurer Fisher asked whether there would be more input from the communities, because feasible or not it should make a difference whether the communities want the bridge. Steve stated there have been two public input sessions, with about 30 people at one and about 165 people at the other. There was an online input session with questions and options to vote for which about 640 people responded to. There was a 400-person scientific survey which showed about 63% support for the bike/ped only bridge option from the communities of Lake Oswego, Oak Grove, and City of Milwaukie. There would be further public input if the project moves forward into engineering and design phases.

Director Knudson asked where the money would come from and Steve responded there would be several sources. It could be part of Metro transportation funding measure in 2020, there are also state and federal sources for bike/ped transportation projects. A question was asked about whether Metro would do the study and Steve responded funds were given to Clackamas County to conduct the study. Ginny Van Loo asked how much the study cost and Steve responded about \$300,000.

A question was asked whether this bridge study was one of four different transportation projects, one of which would be forwarded to Metro for the 2020 election. Steve responded Clackamas County, Multnomah County, and Washington County were all going through similar vetting to recommend projects to Metro.

President Keil mentioned there were 25 projects on the list handed out at the Clackamas County Chamber of Commerce and this one was not on the list. G.M. Chaplen stated the District will submit an official letter to Clackamas County requesting an additional study be done to identify what is needed to preserve the full future needs/capabilities of the Water Reclamation Facility.

Vice President Williams asked what legal rights and responsibilities the District has in relation to the bridge and OLWS District Counsel Tommy Brooks responded the District has the responsibility to negotiate what the outcomes might be for any project proposing to come onto our land. G.M. Chaplen proposed an executive session with the District Counsel to discuss the matter further. A suggestion was made by Thelma Haggemiller to get the usage data for the Trolley Trail and connecting that data to the potential use of the bridge, which will connect to the trail.

6. Human Resources Policy Adoption

Payroll and Human Resources Manager Aleah Binkowski-Burk presented the updated OLWS Harassment Policy noting there were no large changes and no suggestions from the Union concerning working conditions. She requested Board approval for the policy as well as for the list of protected classes. The updated language would read:

“Including but not limited to: race, color, religion, gender, sex, sexual orientation (including gender identity or expression), pregnancy, parental status, national origin, marital status, disability, injured worker status, age, family medical history or genetic information, political affiliation, veteran status or military service, expunged juvenile record or any other legally protected status in accordance with applicable federal, state, and local laws.”

Vice President Williams moved to approve the updated Harassment Policy to the Oak Lodge Water Services’ Employee Handbook and approve changing the language outlining protected classes in all of the relevant policies. Director Gornick seconded the motion.

Ayes: 5

Nays: None

Motion carried: 5-0

7. Financial Services Contract Renewal

Finance Director Kelly Stacey requested the Board approve a financial services contract to support projects like the Public Employees Retirement System (PERS) Analysis looking at the buy down of the PERS unfunded liability, the cost of the District’s building consolidation, comparing several different five-year financial plans, and other financial planning scenarios. G.M. Chaplen added Merina & Company, LLP helped the District work through how to work into the budget deferred maintenance and capital savings accounts. The firm would act as an on-call support to assist with certain time-sensitive projects or issues requiring specific expertise. There is no rate increase from last year’s contract. The question was asked about if the General Manager or the Finance Director should sign the agreement and the Board suggested changing to have the General Manager sign. Staff responded they would make the change. The Board encouraged staff to use the on-call contract only when needed.

Treasurer Fisher moved to approve the General Manager to sign a contract with Merina & Company, LLP for financial services as described in the attached contract and to negotiate individual purchase orders for selected financial services as needed not to exceed \$75,000 per year, \$225,000 over the life of the contract. Director Williams seconded the motion.

Ayes: 5

Nays: None

Motion carried: 5-0

8. MS4 Annual Summary Report

District Engineer Jason Rice presented the MS4 Permit Annual Report to the Board and provided an overview of the permit as illustrated in the Board packet. The Annual Report is shared with the District’s interested parties list and posted on the website for public input. There

were no public comments. Information on annual activities conducted by the District are listed in the table of Best Management Practices (BMPs) and includes statistics like pounds of sediment and debris removed from the storm system's catch basins and outreach and education programming offered to the community. The report also shows data from storm water sampling throughout the system. The annual report contains a behind the scenes summary of information and activities that are all funded through the OLWS Watershed Protection Fee. He requested questions from the Board. The Board commented on commercial customers which were operating under a higher potential to pollute the stormwater system, specifically the automotive trades. There are a number of these businesses in the District and the Board asked about information, education, and inspections related to commercial businesses. Staff responded the position responsible for commercial education and inspection is currently vacant and will be filled shortly. Typically, the responsible staff position conducts regular inspections, investigation, and information sharing on an ongoing basis. For example, the District recently provided education on mercury and amalgams. Currently it is sampling for lead, copper and other metals that run into the catch basins from roadways where they are deposited by tires and brake pads.

OLWS cleans catch basins in one of five zones each year, with the focus on Zone 2 for this annual report. If a catch basin needs additional cleaning off schedule it can be requested to be cleaned more frequently. Like with erosion control inspections, staff will follow up with businesses on an ongoing basis in order to make sure no illicit discharges (like soil, etc.) are getting into the storm system. There are rarely emergency spills in our District. The Board commented in their experience most people want to do the right thing if given information about pollution prevention. Staff added business owners sometimes need to learn about the way their storm system works and the benefits of keeping pollutants out of it through installing preventative measures like silt sacks, bio bags and burms to their property. We test more often when there is pollution possible.

The Board suggested looking into programs that incentivize positive behavior when it comes to pollution prevention. They also suggested getting the trades involved in pollution prevention programs, as we did with the dental association on the mercury and amalgam issue. Staff supported these suggestions and added we work in partnership with co-permittees as well as non-profit partners to fulfill our permit requirements.

The Board offered two detailed comments – the BMP Table was not printed in full and could be represented graphically if possible. In addition, in the Staff report the annual report was posted to the website on September 23, 2019, not October.

The Board asked for more information about the hydromodification assessment on page 9 and staff responded it was a study the District did in Spring 2015 to create a tool used to assess and analyze development to prevent changes to the amount of runoff and rechanneling of streams without following the proper protocols. One example would be moving Boardman Creek around by working under the permission/permitting under the Department of State Lands. We are supposed to refer back to the study from 2015 to analyze development as it occurs.

The Board asked about the BMP Table and what total maximum daily loads (TMDLs) the District operates under. Staff responded currently our TMDLs are bacteria, temperature, and lead and provided an example of buying water rights in order to keep water in rivers, thereby lowering water temperatures. The Board suggested listing 10 things people can do and then offer a pledge to District ratepayers to help keep waterways clean.

9. Consolidated District Building Discussion

District Engineer Jason Rice provided a brief history and update on the District's efforts to consolidate its buildings and what options are being considered. Jason's main point was that the agreed upon considerations have changed over time. These changes created need for a both a commercial Real Estate Broker (Cushman and Wakefield) and a new Architect (LRS).

The presentation continued with Katie Dahlin with Cushman and Wakefield explaining the culmination of a qualitative and quantitative analysis that reviewed three main variants: (1) retain both buildings with modifications; (2) consolidate onto one site with modifications; and (3) find a new site and sell both current buildings. The relocation options were ranked the highest while the lowest rank was to consolidate onto the Water Reclamation Facility site. For the color key, green means it is a good option, red means much less good, and yellow means somewhere in the middle.

The Board asked about why red was applied to the rezoning risk and staff responded rezoning would be costly, create delays and uncertainty to the timeline of the process. The Board asked what a rezoning effort would cost, and District Attorney Tommy Brooks will get the number asap. General Manager Chaplen mentioned a traffic study would be involved, public outreach, development of a proposal for Clackamas County, additional requests and requirements from the county. The Board asked if we would have to acquire the additional parcels before completing a development assessment process. The zoning planning process would cost just less than \$50,000.

The Board asked for clarification about whether acquiring another residential other lot would be helpful and the consultants responded if the location/function/flow of the garage was modified, then site acquisition could be more helpful. They discussed how growing the site in a residential zoned area could be challenging. The Board brought up the point that the column on the page referring to "Relocation Options" was nearly all green except for cost and asked about how much money we would be willing to spend to go for that option. General Manager Chaplen commented there is no one best option and each is challenging in different ways. Our job is to select the best path forward for now and into the foreseeable future.

The Board asked about whether there were at least three potential relocation properties presented in the quantitative cost analysis column, "Relocation Options" and staff reminded the Board the column was based on estimated costs of purchasing one of several different properties. The estimation of land amount needed was 2+ acres and all options attempted to fulfill this need for now and into the future. The Board asked if the options pushed fleet vehicles down to the Water Reclamation Facility and the consultants mentioned the garage would need to be larger to fit the larger fleet trucks and the options mostly kept vehicles up at the administration building with modifications to the garage. The consultants mentioned there were two options for the minimal expansion possibilities, both at nearly the same cost: one would be to flip a few of the work groups between buildings and add showers, the other would be to bring all work groups (aside from the Plant Operations Team) into the water administration building while adding everything needed .

General Manager Chaplen commented she thinks Clackamas County will have added requirements to modifying the current site, which will take away useable land from the site.

These requirements could include modifications to parking, sidewalks, above ground stormwater infrastructure. The Board asked about column three of the estimated cost analysis for acquiring property and the consultants responded the sites were estimated to cost 3.6 million, 5.3 million (oversized) and 3 million. The site preparation and improved area assumption costs would be the same.

The Board pointed out the decision had previously been made to go ahead and pursue zoning change whether or not we remained on this same site. Staff responded by stating part of the Re-Zoning (Comprehensive Plan Amendment) Application would be to describe the future use of the property and added that Staff might not be able to create the application if at the same time the District was planning to leave the site.

Treasurer Fisher and President Keil both stated they thought the rezoning proposal had been agreed upon and was in process. G.M. Chaplen responded we had been pursuing the rezoning request but dependent upon the relocation options the proposal would be significantly different, which had stalled the proposal. Another challenge has been that we have not been able to contact the owner of one of the properties we wanted to acquire. The Board asked about a two-story building on this site and staff responded any significant modifications to our existing buildings would trigger conditional use permitting and zone changes.

G.M. Chaplen requested that Paul from LRS Architects provide the vision about a new building to the group. He boiled down the information to three main approaches as listed on the Preliminary Project Cost Estimates and Comparison (see Board Packet and refer to audio) and described them in detail. The bottom line is the options with fewer modifications made to sites come compromises within how the work gets done.

The Board asked whether staff needs to be in the same building and G.M. Chaplen responded that with a slim staff front desk coverage can be challenging but anything is possible. She mentioned having managed staff in multiple buildings and can work. She would prefer having at least finance and administration as well as Todd's and Jason's teams in the same locations for the sake of sharing information. She commented her initial direction from the Board was to relocate all staff into one building, but she could work with multiple buildings. The goal of the comprehensive research is to give the Board a variety of options to consider.

The Board appreciated the analysis that even with upgrades in the minimal consolidation option there will be compromises as compared with a new facility. With a new facility there will be different compromises. The challenge is to quantify the overall costs of issues like compromises and the Board asked if there was a way to value the cost variables. LRS Architect Paul Boundy responded there is no standardized way to quantify those issues although there are some general themes to consider like staff retention, safety, efficiency. The quantitative piece comes in when you ask what your investment is going to be now and how would the same investment compare 25-30 years out into the future.

A comment was made we will have to balance all these issues and themes with what the rate payers will have to deal with. The Board asked Finance Director Kelly Stacey what the cost comparison would be to rate payers for an 8-million-dollar facility as compared with an 11-million-dollar facility. Kelly responded over a 30-year term the cost impact comes out to be about \$1.00 per month for a 3-million-dollar project compared with \$4.00 per month on an aggregate single EDU with an average use bill for a 12-million-dollar project. The Board asked

when our current array of bonds mature and Kelly responded they mature in 2030, or in 10 years. The Board commented when the current bonds mature the same costs could apply to the new facility bonds. Staff suggested we could balance the added costs by paying in an "interest only" capacity and the costs of the sanitary district bill will decrease by more than the added facility bonds (sanitary bond rates are currently about \$20 per month per bill). This is all dependent on interest rates.

The Board expressed concern the Water Master Plan will highlight more urgent capital costs the District needs to address compared with a facility upgrade. The Board commented we will certainly have infrastructure costs in all three services (water, wastewater, water quality) going forward and there will likely be significant concerns from the public about investing in a building when our mission is water, wastewater and water quality.

The Board asked about whether the new option sites are more visible than now, and the consultants responded one is on McLoughlin, and two are an industrial zoned area, one of which is a flag lot. G.M. Chaplen encouraged the Board to look at the detailed cost comparisons between the new options and any other options they are curious about. The Board mentioned the idea of stretching out the work through exploring the zone change while allowing the sanitary bonds to continue to mature and be paid down. G.M. Chaplen commented timing effects the availability of some options, in particular the parcels available, and some of those options will not be available in the future.

She asked the Board what they would like to consider next in their discussion. The Board reiterated their interest in knowing how much the Water Master Plan will affect customer rates before moving forward, as well as figuring out the direction we need to take with regards to surface water planning. The Board commented there has been a small amount already factored into the rates for capital investments in water, although it will not cover the costs of an intertie. The Board suggested purchasing one of the sites and staff suggested leveling the current building and starting from scratch in place. LRS Architect Paul Boundy responded costs for tear down and new construction on site will be similar to new construction at the other locations.

Director Knudson commented he did not want to invest heavily in a remodel of the existing site and perhaps waiting with minimal current investment in facilities will open up new opportunities in the coming years, particularly if there is a recession. Treasurer Fisher commented on the total amount that would be added to the bill, which would be \$0.35 per million per month borrowed. For 10 million dollars, the cost translates to \$3.50 per month including principle or \$42.00 per year per average customer. Director Williams commented after hearing many different options over time on the subcommittee, it makes the most sense to him to get organized around a new site. Director Gornick commented that for the cost it makes the most sense to him to go with a new site as well. President Keil expressed concern for what the public was told during the consolidation, which was made up of information that was not fully accurate. She added there does not have to be a perfect solution in the purchased package with a full wish list envisioned and realized for the amount proposed – along with the increased rates we may face because of necessary infrastructure investments. She remembers the public outcry at the 20% rate increase that the water district had to do to remodel the current water administration building. She mentioned the only way she would support a new building/site would be if they could find a way to pay only a portion of the overall cost until the sanitary sewer bonds were completed. She heard from our public outreach consultant Clark Worth and emphasized that there is no justifiable reason for a new administration building – there will be no significant increase in

customer services and not enough efficiencies to be passed along to the customers in rate savings because of it. Director Williams spoke up stating friction loss does occur in operations efficiencies add up over time to save money. Consultant Tom Usher commented seismic considerations also can be a significant factor and provided two examples of large local utilities – Portland General Electric and NW Natural – who made decisions in large part to fulfill goals around seismic issues. President Keil suggested seismic needs might be the deciding factor.

Director Gornick restated he did not believe we should make any major upgrades to the current site, but we may remain in place for an extended time (several years) while organizing around future options, compromises we may choose and financial considerations. He supported the idea of an executive session to discuss details of the future options. He thought we might want to make it public that it no longer makes to sell the former sewer building, and that for now we keep both buildings in use until the future efforts can be worked out. G.M. Chaplen stated we could come back with more information for a November executive session.

President Keil summarized: the Board is looking at a leave locations/buildings as they are currently and compare this with future options for after we have more information about the capital investment costs (Water Master Plan, etc.); staff will explore financing options as part of the equation for moving forward while mitigating the immediate rate impact; in time, move forward to a future option new site based in large part on seismic issues while keeping rate considerations as a priority.

President Keil asked for input from Ginny Van Loo and Thelma Haggemiller. Ginny Van Loo stated as a rate payer (and no longer on the Board) she gets regular negative comments about the rate increases since the consolidation and does not think adding a rate increase based on the cost of a new building would be the right step at this time. She added the original projected take away for rate payers was to sell the former sewer building and put proceeds of the sale towards the debt service. She supported seismic stability for a future facility but encouraged the Board to bring rate payers along in their support of potential changes and take several years to get there. She ended by stating rate payers are not supportive of the current rates.

Thelma Haggemiller stated she was against the consolidation and speaks from the position that rate payers previously understood they would be saving money; in the meantime, the rates have consistently gone up and they do not understand why. If we remodel or build a new building the rate payers will need to have a better explanation of why it needs to happen. She does not know why the facilities need to be changed and does not think the timing is right. We have not proven to the rate payers that consolidating the Districts has saved them money and now we would be asking for more money from rate payers to build a new building. She added community meeting space does not need to be fulfilled by OLWS facilities.

President Keil clarified they would like to see financing options for future options and explore leaving the buildings “as is” with minimal changes for the time being. Director Knudson agreed and added keep the former sewer district building as opposed to renting out other office space. The new facility goal would still be considered in time, after financial considerations are addressed for the Water Master Plan needs and public support is built. G.M. Chaplen will follow up with staff and consultants and return to the Board. The consultants were excused.

10. Department Reports

- **Finance Report:**

Finance Director Kelly Stacey stated her group has been moving along with the audit, which has brought up a lot of questions not previously addressed. Changing auditors has continued to be a positive step and had allowed OLWS to improve their financial practices. She updated the Board on the good start of the new Administrative Specialist, Bailie Foxworthy, who replaced Elaine Murray. She reminded the Board of the check run being included in the Finance Report for review but not needing approval.

- **Field Operations Report:**

Field Operations Superintendent Todd Knapp presented information from his report, highlighting the main break. The work on McLoughlin has been approved for night work by ODOT and was rescheduled for this evening. He commented on finishing the cleaning of the Zone 3 storm catch basins as part of the annual MS4 Permit zone cleaning commitment. He stated damage from a sewer lateral had been identified to have resulted from an incorrect locate and staff repaired it. He mentioned water use is down from the 10-year average. The backflow program has 548 people signed up for it. The Board appreciated Todd's updated Water Purchase diagram.

- **Plant Operations Report:**

Plant Operator Matthew Westergaard updated the Board on David Mendenhall's report in detail as provided in the Board Packet. He added the Infiltration and Inflow brought flows up quickly and they will likely add the 3rd clarifier back online soon. They corrected for a high pH by dialing back the airflow in the digesters. Biosolids hauling has increased slightly because of increasing flows, to three times every two weeks. He provided information on the installation and performance of the new pumps and thanked the Board for their support of the project. The Board asked whether the sanitary district capital auditing process for the Finance Department was new and staff responded yes so far the top 25 most costly items have been inventoried.

The Board suggested staff consider doing a SCADA master plan before upgrading the SCADA system because we should think about the bigger picture of potentially consolidating SCADA systems and long-term best interests/needs of the District before just replacing what OLWS currently has at this time. District Engineer Jason Rice stated the conversation has begun.

- **Technical Services Report:**

District Engineer Jason Rice presented his staff Board report. He highlighted the Technical Services team as filling in work left by the currently vacant Pollution Prevention Technician staff position. The MS4 Annual Report has been completed and the TMDL Annual Report started, both due at the end of the month. OLWS is also working with DEQ on a 1200Z report due to DEQ which includes a plan for modifications to the Water Reclamation Facility for higher than acceptable levels of iron and zinc reported in the 1200Z samples.

11. Call for Public Comment

President Keil asked if there was any further public comment. Thelma Haggemiller announced the Clackamas County Commissioners have the contract for construction between McLoughlin and Oatfield Avenues on their consent agenda. She reiterated keeping costs lower on rate

payer bills, in part by not offering community meeting rooms if necessary. She reminded the folks in the room that Board meetings used to be in a much smaller room, and it worked fine.

There were no additional comments from the public.

12. Business from the Board

Director Gornick updated the group on the Sunrise Water Authority meeting, which was held on September 25th. He provided the information as listed in his Board report (see Board packet).

Vice President Williams reported Jennings Lodge Community Planning Organization did not hold a business meeting for the month. Instead, they dedicated the sign at the Jennings Lodge former Evangelical Retreat Center and then held a gathering at the church for a community get together and provided a fascinating history of Jennings Lodge.

Treasurer Fisher attended the Oak Grove Community Council meeting. The local business presentation was from Anna Hosely from "Storyline", which helps groups get together to try and figure out things. Randy Harmon from Clackamas County maintenance division gave an annual update and report in detail. There was a valuable discussion on how to improve community participation and inclusivity in the community council. There are about 40-50 people in average attendance in the OGCC with average age 55-60; about 25 people for Jennings Lodge CPO. There were the standard Land Use (LIUART) proposal reviews.

Director Knudson attended the Regional Water Providers Consortium Board meeting on October 2, 2019. He highlighted the Governor's office is moving forward with a new "100-year Water Vision". He pointed out the goals for the vision and hoped it would make an impact in a tangible way. There will be a \$70,000 carry over because of a staff vacancy, which will artificially help keep dues low temporarily. He reviewed the City of Beaverton stormwater catch, treat, and infuse project that is going on, which he thinks is interesting but potentially not being well executed in terms of costs and technical design. He mentioned attending the Clackamas River Water Providers (CRWP) Watershed Tour and was impressed by their work and staff. He also appreciated the North Clackamas County Water Commission water treatment plant tour. On October 20 and 21st he is attending the Business Oregon Infrastructure Summit in Salem on his own time and expense. They will focus on business infrastructure issues, including reliability, resiliency and funding alternatives. He will report back on the outcomes and requested mileage to and from Salem for both days. The Board agreed to provide mileage as a Board expense.

President Keil attended the Chamber of Commerce Public Policy meeting and heard a presentation on the Metro Bond Measure focused on parks and greenspaces. The new Clackamas County Commissioner Christine Lewis presented her power point presentation on the bond. People commented on the fact that there were a number of properties presented for acquisition outside of the Metro boundary. There was considerable discussion about these properties and about the top 25 projects, which did not include the OGLO Bridge project. The presentation was not particularly well received. She presented a copy of the materials for the record.

President Keil stated the meeting would be the last with Treasurer Fisher. He will be leaving the Board after the meeting. She commented on the loss of his positive influence on the OLWS Board, on the former Oak Lodge Sanitary District Board, and in the community. His knowledge of finance and business practices, systems, and standards have helped improve both Boards significantly over the years. She illustrated details of his contributions with gratitude. She announced the renaming of Pump Station #2 as the Lynn Fisher Pump Station and both he and the audience appreciated the gesture.

Treasurer Fisher expressed his pleasure at working with the Board and staff. He pointed out the work has been a team effort and mentioned both Jim Martin and Nancy Gibson as being crucial and tremendously involved in the professionalization of both Boards over time. He appreciated the staff for their experience and efforts. He feels like he is leaving many good friends and that the District is in good hands to continue on as a thriving asset for the community. He is looking forward to making the changes he has planned for the future. Vice President Williams stated he will not be easy to replace, and he will miss him.

He encouraged the District to publicize who is responsible for lateral ownership, maintenance and replacement in the newsletter, etc.

There was no further Board business.

13. Adjourn Regular Board Meeting


President Keil adjourned the regular Board meeting at 9:45 p.m.

Respectfully submitted,



Susan Keil
President, Board of Directors

Date: 12-3-19



Kevin Williams
Secretary, Board of Directors

Date: 12-17-19