

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
January 24, 2018

Board Members Present: Dan Holladay, Oregon City Mayor, Chair
Russ Axelrod, West Linn Mayor, Vice Chair
Richard Sakelik, West Linn Councilor
Brian Shaw, Oregon City Commissioner
Bob Martin, West Linn Councilor

Board Members Excused: Frank O'Donnell, Oregon City Commissioner

Staff Present: John Collins, SFWB General Manager
Christopher Crean, SFWB Legal Counsel
Kim Brown, SFWB Staff

Others Present: None.

General Board Meeting

(1) Call to Order

Chair Holladay called the meeting of the South Fork Water Board to order at 6:00 pm.

(2) Roll Call

(3) Public Comments

No members of the public were present.

(4) Consent Agenda

a. Approval of the Minutes of the October 25, 2017 Board Meeting.

Board Member Axelrod moved to approve the Consent Agenda. Board Member Sakelik seconded the motion, which passed unanimously.

(5) Election of Chair and Vice Chair for 2018

Board Member Holladay moved to elect Russ Axelrod as SFWB Chair for 2018. Board Member Sakelik seconded the motion, which passed unanimously.

Board Member Shaw moved to elect Dan Holladay as SFWB Vice Chair for 2018. Board Member Axelrod seconded the motion, which passed unanimously.

Newly elected Vice Chair Holladay passed the gavel to newly elected Chair Axelrod.

(6) Energy Partner Program with CLEAResult

John Collins, General Manager, explained that CLEAResult was new program provider for PGE. He noted SFWB Attorney Chris Crean had some concerns regarding liability in the CLEAResult contract, so an addendum was being prepared. However, the contract would be identical to the one South Fork had with ENERNOC, the last service provider. He requested the Board's authority to sign the contract once it was approved by Mr. Crean.

- He noted the last check from ENERNOC was just over \$15,000 for the summer participation period, which meant South Fork was still on track to meet its five-year goal. He explained that CLEAResult monitored electricity use and notified South Fork when PGE needed to reduce power consumption. If South Fork was able to reduce its electrical use during those times, it was paid a premium. South Fork also received financial incentives based on average electrical use. He clarified the program was a by-product of the Energy Trust of Oregon.

Attorney Crean stated he was most concerned about the lack of liability statements. He did not want South Fork to be held responsible for any accidents that occurred on SFWB property. CLEAResult agreed to draft language ensuring they would take responsibility for their own contractors.

Mr. Collins described how South Fork was able to accommodate the requests for reduced power consumption, noting those requests could be declined if operational protocols cannot be met.

- He clarified South Fork's operating plant had been optimized numerous times to reduce energy usage over the years, but it would be beneficial if the SCADA system could manage the variable frequency drives to reduce the load once in a while. South Fork uses \$600,000 to \$700,000 in power each year, so reducing consumption even a fraction made a big, positive impact.

Vice Chair Holladay moved to authorize the General Manager to enter into a contract with CLEAResult after it was reviewed by South Fork Attorney, Chris Crean, and found to be equal in intent to the previous agreement with ENERNOC. Chair Axelrod seconded the motion, which passed unanimously.

(7) Business from the Manager

1) Hach Service Agreement

John Collins, General Manager, noted that Hach supplied South Fork with turbidity meters and laboratory equipment. At the October meeting, the Board approved a service agreement with Hach for an amount not to exceed \$6,000; however, Staff has since recommended that the service agreement also include service of the turbidity system, guaranteed replacement parts, and warranty back up, increasing the cost to \$6,800. He asked that the Board approve a contract with Hach for an amount not to exceed \$7,000. He explained that the increase needed to be recorded in the minutes because South Fork's auditors were meticulous. South Fork used a sole source, which was not an issue, but contract review rules required three quotes over \$5,000. Memorializing the increase in the minutes would satisfy the auditors' concerns.

Vice Chair Holladay moved to increase the not to exceed amount in the service agreement with Hach to up to \$7,000. Board Member Shaw seconded the motion, which passed unanimously.

Mr. Collins clarified his discretionary spending limit was set 15 years ago at \$5,000 and noted CRW's spending limit was \$50,000.

Vice Chair Holladay requested that the General Manager return to the Board with a proposal to increase the General Manager's discretionary spending limit in the mid-range of other comparable water districts.

2) Mt. Line Easements

John Collins, General Manager, reminded the Board that Oregon City and South Fork needed to work on vacating the easements together. Mr. Collins is working with the City of Oregon City to plan a work session to discuss this issue..

3) ACE 2018 in Las Vegas, Nevada (June 11th through 15th)

John Collins, General Manager, noted the budget would allow for three Board members to attend the conference, and he needed confirmation of who would be attending by the next meeting in order to meet the early registration date. He understood that so far, Chair Axelrod and Board Members Shaw and Sakelik planned on attending. He confirmed they would leave for Las Vegas on June 11th and return on either the 14th or 15th. Adjustments to room reservations could be made through the end of March without incurring additional expenses.

4) FY 2016-17 Financial Audit

John Collins, General Manager, stated Oregon City Staff delivered the audit report to the plant that afternoon. He provided copies to the Board members, noting that he and Wyatt Parno would present the results of the audit at next month's meeting.

5) Shake Alert System

John Collins, General Manager, explained the United States Geological Survey (USGS) planned to double the number of sensors in its alert system along the coast which use microwave communication technology to sense earthquakes. The USGS wanted water and wastewater treatment facilities to be the first responders to try the system because such facilities could shut down their facilities without causing panic. The warning period could be from 30 seconds to as much as 12 minutes depending on the epicenter's location. Even 30 seconds would make a big difference, especially with regard to employees' safety. If South Fork participated, South Fork would incur costs between \$5,000 and \$12,000 and RH2, the engineering and technical consultant, would give a presentation during a work session in February or March. He confirmed that the Board wanted him to move forward with the application process and stated he would schedule the work session presentation.

(8) **Business from the Board**

Chair Axelrod reported on the recent Executive Committee meetings and actions of the Regional Water Provider Consortium, noting work to update the 5-year Strategic Plan was ongoing, now focusing on the mission and core values statements, which were being developed. Gresham and Milwaukie received their mobile treatment units last year and South Fork would be the next in the region to receive a mobile treatment unit.

Mr. Collins noted the Technical Advisory Committee had given positive feedback on the Consortium's core values statement. He added South Fork Staff attended both training sessions on the mobile treatment unit. He confirmed South Fork would only receive one free unit, but would pay for a second unit, which would cost about \$125,000. Each unit could produce 30,000 gpd, so both cities would be in good shape one unit on each side of the river.

Chair Axelrod added the new intertie was supposed to be resilient through a Cascadia event, which also put South Fork in a good position. He continued, noting that Troutdale might join the Consortium and the Oregon Health Authority (OHA) was developing guidelines for resiliency plans for water districts. The Executive Committee also approved a budget, which would be presented to the Consortium Board on February 7th, and noted dues would remain the same.

SFWB Attorney Crean suggested South Fork get on OHA's email notice list to review the draft rules.

Mr. Collins confirmed the Technical Advisory Committee would eventually get involved and provide input about the guidelines. He agreed to send Mr. Crean the necessary contact information to follow up.

- He confirmed South Fork's Consortium's dues were about \$35,000 to \$40,000 annually. If Troutdale joined, South Fork's dues would be lowered by a fraction. The fee expenses were divided by the volume of water produced in the service connections. He reminded that Metro allowed the water districts to govern themselves because of the Consortium.

Board Member Shaw confirmed there would be an update on the water right extensions during the Executive Session.

(9) Executive Session –Adjourn regular meeting and convene Executive Session.

- A. To consider information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f).
- B. To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed pursuant to ORS 192.660 (2)(h).

Chair Axelrod adjourned the regular meeting of the SFWB at 6:32 p.m.

Respectfully Submitted,

By Paula Pinyerd, ABC Transcription Services, Inc.
for John Collins, SFWB General Manager