

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
February 8, 2023

Board Members Present: Denyse McGriff, Chair, Oregon City Mayor
 Rory Bialostosky, Vice Chair, West Linn Mayor
 Rocky Smith, Oregon City Commissioner
 Frank O'Donnell, Oregon City Commissioner
 Mary Baumgardner, West Linn Councilor

Board Members Excused: Bill Relyea, West Linn Councilor

Staff Present: Wyatt Parno, CEO
 Chris Crean, Legal Counsel (attended remotely)

General Board Meeting

(1) **Call to Order**

Vice Chair Denyse McGriff called the meeting of the South Fork Water Board to order at 7:05 pm.

(2) **Roll Call**

(3) **Public Comments**
 There were none.

(4) **Consent Agenda**

 (A) Approval of the Minutes of the October 26, 2022, Board Meeting.

Board Member Bialostosky moved to approve the Consent Agenda. Board Member Baumgartner seconded the motion, which passed unanimously.

(5) **Election of Chair and Vice Chair for 2023**

Wyatt Parno, CEO, explained that according to the intergovernmental agreement between Oregon City and West Linn, the cities are required to rotate the chair and vice chair positions annually. In 2022, West Linn held the position of chair, so this year, Oregon City will hold the chair position. The Vice Chair will come from West Linn.

Board Member O'Donnell nominated Denyse McGriff for Chair. Board Member Smith seconded the motion. The vote passed, 4-0, with Vice Chair McGriff abstaining.

Board Member Baumgardner nominated Rory Bialostosky for Vice Chair. Board Member O'Donnell seconded the motion, which passed unanimously.

(6) **Repair of Sodium Hypochlorite Generation System**

Wyatt Parno, CEO, presented the Staff report on the sodium hypochlorite generation system. SFWB was the first drinking water provider in the state and is the only water provider in the Clackamas River Basin that makes its own chlorine on site. Two years ago, the rest of the region experienced a shortage of chloring after a fire occurred at a major plant that supplies chlorine to the region. He asked the board to approve the expenditure of \$80,159 for the purchase of two new cells for repair of the system.

Board Member O'Donnell asked for details about the life expectancy of the cells, how long the cells would be in use, and if the cells could be resold to recover some of the cost when the new chemical feed building is constructed.

Mr. Parno shared that purchasing the cells was less expensive than bringing in chlorine based on a cost analysis calculating totes of chlorine versus replacement cells prior to construction of the chemical feed building. Staff anticipated having the new building online in about two years, so the cells would be in use for about two years before they were no longer applicable in the new building. However, the life expectancy of the cells was between five and 10 years. He confirmed that Staff would look into selling the cells to recover some of the costs. He also confirmed for Chair McGriff that the cells were very large and weighed about 500 pounds.

Board Member O'Donnell made a motion to approve the expenditure of \$80,159 to purchase two new cells. Board Member Smith seconded the motion, which passed unanimously.

(7) **Letters of Endorsement for West Linn Water Main Funding**

Chair McGriff reported that Board Member Relyea had asked that SFWB write a letter of endorsement for state funding to reconstruct the West Linn water main. Board Member Relyea had also asked City of Oregon City to write a letter of endorsement. The water line was being moved because of construction of Interstate 205, not because of its age. She presented a draft of the proposed letter that had been prepared by West Linn staff.

Discussion about the background of the project and the wording of the letter followed. Board members discussed whether the main served just West Linn or included some of the unincorporated area, and discussed changing language in the letter to remove reference to the residents of Clackamas County and instead reference residents of West Linn.

Vice Chair Bialostosky confirmed for Board Member O'Donnell that the current line still had 20 years of life expectancy remaining and that the new line would be upsized to comply with the State's specifications. **Board Member O'Donnell** noted that the City would not be replacing a water line that still had 20 years of useful life. He questioned whether West Linn should be expected to pay for the costs of meeting the

State's specifications. He also questioned what would happen if a city could not afford the financial burden of the specs required by the Oregon Department of Transportation (ODOT). **Board Member Baumgardner** stated that the City of West Linn was required to approve the state-mandated specs the day they were presented or the pipe would be left off, leaving the city with no water supply.

Vice Chair Bialostosky confirmed for **Chair McGriff** that the letter would be sent to Representative Walters and possibly Senator Wyden.

Board members briefly discussed splitting the cost of building the new main with ODOT and the possibility of pursuing funding from other sources. **Vice Chair Bialostosky** explained that the City of West Linn was not allowed to propose amendments to the agreement with ODOT when it was presented.

Chair McGriff read her suggested edits to the letter, incorporating the previously discussed items.

Board Member O'Donnell asked how the city planned to pay for their portion of the funding. **Vice Chair Bialostosky** responded that the city took out a loan.

Board Member O'Donnell moved to authorize a joint effort by Chair McGriff and Vice Chair Bialostosky to construct a letter, as discussed at this meeting, to be presented to the state legislature and any level of government they deem appropriate. Board Member Smith seconded the motion, which passed unanimously.

The Board and Staff discussed the financial impacts of the project on SFWB. SFWB could realize an estimated loss in revenue of \$700,000 to \$900,000, if the project proceeds according to schedule. The City of West Linn was connected to Lake Oswego/Tigard and could use that water while the work was being done. Additionally, costs would be incurred to inform the public through mailings and press releases about the change in water source.

Mr. Parno related that he had approached the Clackamas River Water Providers to ask if they would support the letter from SWFB. The organization declined, preferring to remain neutral in political matters. **Chair McGriff** asked Mr. Parno to relay thanks for considering the option.

(8) **Business from the CEO**

1) Chemical Feed Building Update

Mr. Parno reported that he reviewed final requests related to design last week, which were nearly final and were to be sent to the Oregon Health Authority for review. He confirmed for **Chair McGriff** that Oregon City had finished reviewing the design, but the permitting had not yet been completed. He also explained that the project was taking a little bit of time to get back on track since a new engineer had been assigned to the project by the engineering firm.

He hoped the project would go out to bid at the end of March and information about the bids would be available at the April meeting.

Mr. Parno asked if any board members would like to participate in reviewing the bids. **Chair McGriff** said she would review the proposals, with **Vice Chair Bialostosky** serving as backup.

2) Operations Update (Pump #5 Repair, Variable Frequency Drive Rebuild, Intake Dredging)
Mr. Parno said that divers came out to dredge the intake and inspect the wet well. They discovered two damaged screens. The total bid came back at under \$10,000, so he did not need to get board approval for the expenditure. The repairs were completed, and pictures were provided to the Board.

He also reported that Pump Number Five and its variable frequency drive (VFD) would need to be rebuilt. He confirmed for **Chair McGriff** that the engineers would present the capital plan at an upcoming meeting. A pump rebuild and VFD replacement were already programmed in the budget. Staff tries to replace or rebuild one of the pumps every other year. Rebuilding Pump Five would cost about \$150,000, which had already been budgeted. If the pump could not be rebuilt, it would have to be replaced, which was more expensive. However, experts reported that the pump could be rebuilt. The VFD was 20 years old and the manufacturer would no longer provide support. So, the VFD starter components would be rebuilt to provide additional life for the pump. A company in Longview, Washington would be doing the rebuild of the pump, and the VFD is rebuild is being considered and there is no rush.

3) Annual Comprehensive Financial Report Distribution

Mr. Parno handed out copies of the Annual Comprehensive Financial Report. He stated that the auditors gave it a clean opinion. The packet included letters from Mr. Parno and Matt Zook (Finance Director), and the auditors. Mr. Zook would present the report at the February 22 meeting.

Chair McGriff noted that letters from the auditors should include individual signatures, not a generic company signature.

Mr. Parno also reported that the American Water Works Association, Annual Conference and Exposition would be in Toronto June 11-14. He had reserved five rooms. The budget allowed for four board members to attend and he would ask the board to let him know who would attend at the next meeting.

(9) **Business from the Board**

Chair McGriff asked board members to review their calendars regarding a spring conference, April 22-25, in Seaside.

(10) **Executive Session –Adjourn regular meeting and convene Executive Session if needed.**
No Executive Session was held.

- 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).
- (11) **Reconvene Regular Meeting if needed to take any action necessary as determined in Executive Session.**

Chair McGriff adjourned the regular meeting at 8:28 pm.

Respectfully Submitted,

By Paula Pinyerd, ABC Transcription Services, LLC
for Wyatt Parno, SFWB CEO