

General Board Meeting Minutes

Conference Room & Remote Video Conferencing

<https://sfwb.org/about-us/board-meetings>

CALL TO ORDER

Chair Bialostosky called the meeting to order at 7:05 pm.

ROLL CALL

Present: Rory Bialostosky, Chair, West Linn Mayor; Frank O'Donnell, Oregon City Commissioner; Carol Bryck, West Linn Councilor; Mary Baumgardner, West Linn Councilor. Denyse McGriff, Vice-Chair, Oregon City Mayor, arrived at 7:16 pm.

Excused: Rocky Smith, Oregon City Commissioner

Staff Present: Wyatt Parno, Chief Executive Officer; Christa Britton, Business Manager, SFWB; Mark Cage, Operations Manager, SFWB

Others Present: Esin Onart, SFWB Legal Counsel, Beery, Elsner, and Hammond; Mike Mitchell, Oregon City Commissioner; Adam Marl, Oregon City Commissioner

PUBLIC COMMENTS

None.

CONSENT AGENDA

A. Approval of the Minutes of the June 26, 2024 Board Meeting

Board Member Baumgardner moved to approve the Consent Agenda as presented. Board Member Bryck seconded the motion.

Ayes: Board Members O'Donnell, Bryck, Baumgardner, and Chair Bialostosky

Nays: None.

Motion Carried: 4 to 0.

RENEWAL OF PERSONAL SERVICES CONTRACT WITH BEERY, ELSNER, AND HAMMOND

CEO Parno presented the Staff report on the contract renewal with Beery, Elsner, and Hammond for legal services and recommended approval.

Staff confirmed rates were increasing, noting SFWB had been operating under an expired contract; that the contract is renewable, but would not auto renew; and that there were no areas of concern, having worked with the law firm for a number of years.

Board Member Baumgardner moved to approve the contract renewal with Beery, Elsner, and Hammond and authorize the CEO to execute the contract. Board Member Bryck seconded the motion.

Ayes: Board Members Bryck, Baumgardner, O'Donnell, and Chair Bialostosky.

Nays: None.

Motion Carried: 4 to 0.

RESOLUTION 24-02: ADOPTING UPDATED PUBLIC CONTRACTING RULES

CEO Parno, Business Manager Britton, and Attorney Onart presented the Staff report on Staff's proposal to update SFWB's public contracting rules to align the rules with recent amendments to State statutes and provide clarity to the language regarding ease of use. A redline version of the proposed clarifications and changes were provided in the packet.

They answered clarifying questions and responded to comments about the State statutes and South Fork's procurement process in an emergency. It was noted that the updates did not change the CEO's spending authority, only South Fork's procurement process.

Vice-Chair McGriff arrived at 7:16 pm.

Board Members recommended clerical adjustments for clarity regarding which rules were being referenced in Section 1.(6) (Contract, Page 2 of 15) and adding a table or chart showing the different value thresholds by category for easy reference, a draft of which Staff was already using internally.

Mayor Bialostosky noted a signature line for SFWB's legal counsel had been added to the Resolution as requested by Vice Chair McGriff.

Vice Chair McGriff moved to approve Resolution 24-02: Adopting Updated Public Contracting Rules. Board Member Baumgardner seconded the motion.

Board Members briefly discussed the necessity of adding a signature line for legal counsel on resolutions.

Ayes: Board Members Baumgardner, O'Donnell, Bryck, Vice Chair McGriff, and Chair Bialostosky.

Nays: None.

Motion Carried: 5 to 0.

RAW AND FINISHED WATER PIPELINE PREPAREDNESS

CEO Parno and Operations Manager Cage presented the Staff report via PowerPoint, providing the background and importance of South Fork's Proactive Maintenance Plan and preparing for potential leaks in the Raw and Finished Water Pipelines, which included a demonstration using pipe segments and straps to show the methods of repair for different types of leaks, as well as a

complete break and displacement of a pipeline. Addressing critical repairs in complex locations was also described, as well as South Fork's proactive approach developing specific action plans and acquiring an on-call contractor and repair materials on site.

Staff addressed clarifying questions about the repair methods and experiences with past repair projects.

Additional comments and responses continued as follows:

- Hiring an on-call contractor would allow South Fork to familiarize the contractor with potential repair projects ahead of time, rather than having to educate them during a crisis.
- While SFWB does have repair materials on hand, Staff was searching for a rare piece of 27-inch pipe, which is no longer being manufactured. Repairing a 27-inch pipeline with a 30-inch pipe was described and clarifying questions were addressed about the repair process.
- If the raw water supply was totally interrupted, South Fork could only supply water for a couple days in the summer, worst case; summer would be different than winter.
 - South Fork is able to receive water through an intertie which would be distributed to Oregon City and West Linn.
- Staff would be working with the two Cities to outline existing interties and redundancies, including looped systems, and to determine whether protocols are in place for turning on the interties.
- Cities with most failures had no interties with surrounding communities.

RESOLUTION 24-03: EXEMPTION TO ALLOW RFP FOR ON-CALL CONSTRUCTION CONTRACTS
CEO Parno and **Business Manager Britton** presented the Staff report, highlighting the background, purpose, and justification for the proposal to exempt on-call construction contracts from the formal invitation to bid (ITB) process and allow contracts to be awarded through the request for proposal (RFP) process.

The Board and Staff briefly discussed the benefits of having multiple contractors on call who were familiar with SFWB's site and operations.

Board Member Baumgardner moved to approve Resolution 24-03: Exemption from formal invitation to bid requirements for on-call construction contracts. Board Member Bryck seconded the motion.

Ayes: Board Members Bryck, Baumgardner, O'Donnell, Vice Chair McGriff, and Chair Bialostosky.

Nays: None.

Motion Carried: 5 to 0.

CEO Parno confirmed he would report to the Board when the contractors were selected.

SOUTH FORK WATER BOARD GOALS UPDATE

CEO Parno presented an update on South Fork's Strategic Goals and Priorities (Page 37 of the packet) with these key comments with responses to key Board questions and comments as noted:

- Water Quality
 - SFWB received an award for Outstanding Performance
 - Testing continued for various substances according to emerging issues and federal mandates; nothing has been detected
- Infrastructure Investment
 - Staff is working with Consor to update costs in the capital projects list
 - SFWB has contracted with Donovan Enterprises, Inc. to update the system development charges (SDCs).
 - Developing a plan for stakeholder outreach will be one of the first steps.
 - An RFP would be done for the rate modeling and associated funding strategy.
 - The Board will have a work session with the city managers, public information officers, and public works directors to inform South Fork staff about the priorities for a communication strategy.
 - The Board had previously toured the plant and were informed of the five highest risk items, making great strides toward proactive maintenance.
- Water Supply
 - Staff and consultants were working to update the Water Management & Conservation Plan, as well as the water rights strategy to identify the steps needed to solidify the senior water rights held by Oregon City and West Linn. An agreement for the consultant would be presented to the Board.
- Stakeholder Support
 - CEO Parno and the city managers, and also the operations teams of both cities would be meeting quarterly for advisory discussions; a summit of both groups met to review prioritization of SFWB's capital planning
 - CEO Parno and Business Manager Cage completed two emergency management tabletop exercises involving use of the water trailers in both cities.
 - SFWB and all the Clackamas River Water Providers contracted with a consultant specializing in climate change issues who has models of changing climate and engineers who advise on what might happen in the Clackamas River basin and discuss the impacts to water plants.
- Enterprise Management
 - Succession Planning. Special assignment pay had been implemented and maintenance logs, emergency management, safety knowledge, and regulatory compliance were being transferred onto younger SFWB team members.
 - Following review by Cybersecurity and Infrastructure Security Agency (CISA), a federal agency, South Fork contracted with Summit Security, a private consulting firm, to do penetration testing on SFWB's systems.
 - Contracting Policy updates were addressed today, and Emergency Management was being worked on.

BUSINESS FROM THE CEO

1. Special Districts Insurance Services Best Practices Program (Board Training)

CEO Parno described how South Fork receives a ten percent discount, approximately \$13,000, on general and liability insurance policies if Special Districts' Best Practices were followed and one requirement was that all Board members complete a customized public meetings training, which was to watch a 16-minute video.

Staff addressed questions about the training, which would not fulfill any Oregon Ethics Commission public meeting training requirements, and confirmed the training needed to be complete by November 1st.

Following discussion, the Board consented to watch the training video during the October meeting.

BUSINESS FROM THE BOARD

Vice Chair McGriff stated she hoped to put together a comparison chart of the water rates in the two cities.

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).

RECONVENE REGULAR MEETING IF NEEDED TO TAKE ANY ACTION NECESSARY AS DETERMINED IN EXECUTIVE SESSION

ADJOURNMENT

The meeting adjourned at 8:21 pm.