

OAK LODGE

WATER SERVICES

OAK LODGE WATER SERVICES

Minutes

Board of Directors – Regular Meeting 6:00 p.m.

July 17, 2018

Board of Directors - Members Present:

Nancy Gibson, President
Susan Keil, Vice President/Secretary
Lynn Fisher, Treasurer
Kevin Williams, Director
Paul Gornick, Director (after being sworn in),

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
Haakon Ogbeide, Associate Engineer
Tommy Brooks, District Counsel, Cable Huston LLP,

Visitors Present:

Eric Hofeld, Sunrise Water Authority
Jim Martin, Local Resident
Jane Civilett, Local Resident, Fair Oaks
Peter Winter, Local Resident – second interview for the Board position,
Greg Radinovich, Local Resident – third interview for the Board position.

Regular Board of Directors Meeting

1. Call to Order and Flag Salute

Board President Nancy Gibson called the regular meeting to order at 6:03 p.m. and to honor the passing of staff member Trevor Lierman requested a moment of silence in lieu of the pledge of allegiance.

2. Call for Public Comment

There were no comments from the public.

3. Interviews for OLWS Board Vacancy

The Board interviewed three applicants for the vacant Board position and may or may not invite one applicant to join the OLWS Board for this evening's meeting. Board President Gibson started the interview process and interviews took place with the following three candidates in the following order: Greg Radinovich, Paul Gornick, and Peter Winter. Each interview was roughly 20 minutes with a list of set questions used by the sitting Board. At the end of the process, President Gibson commented on her gratitude to Paul Gornick for stepping up to apply for the Board position after his service on the Budget Committee. In

addition, President Gibson stated in regards to Peter Winter that she was glad to see a younger member of the public raising a family in the District and applying to be on the Board of Directors. She would entertain a motion for either one to be appointed to the Board.

Director Williams moved to appoint Paul Gornick to the OLWS Board of Directors. Secretary Keil seconded the motion.

Ayes: 4

Nays: None

Motion carried: 4-0

Paul Gornick was invited to join the OLWS Board of Directors. The other two members were invited to possibly join the Budget Committee and to become interested parties in the District. Paul accepted, and President Gibson followed the outlined steps to bring him onto the Board, including reading the oath of office. The oath states: "I, Paul Gornick, will support the constitution and the laws of the United States of America and of the State of Oregon and will well and faithfully perform the duties of the office of the Director of the Oak Lodge Water Services District to which I have been appointed." Director Gornick signed the official documents to become a Director.

4. Consent Agenda

- a. June 2018 Financial Reports**
 - i. Approval of June 2018 Check Run**
 - ii. Approval of May 2018 Budget Report**
- b. June 6, 2018 Special Board Meeting Minutes**
- c. June 13, 2018 Special Board Meeting Minutes**
- d. June 18, 2018 Special Board Meeting Minutes**
- e. June 19, 2018 Board Meeting Minutes**

Questions included: In the checks-by-date payment to staff for \$783 for reimbursement to a conference – is there a way to advance employees money if needed to cover costs for a higher expense? Finance Director Kelly Stacey mentioned the pending OLWS Travel Policy with a possibility of a per diem along with an expense reconciliation was a possibility. What does the payment description "Flex Expense Section 125" refer to? Staff responded it's where money is taken out every month and can be reimbursed in case of medical expenses. For what is the check for \$7,500 to Ecology in Classrooms and Outdoors? Staff response it is for outreach and education programming reimbursement for the entire FY 2017-18. What are the General Ledger utility costs so high for telephone and natural gas utilities? Staff response the phone overage related to the new budget and the combined costs of the new system. The natural gas charge may have been a combined allocation. The janitorial costs are higher because of the change in contractors from water to sewer based on an updated QRF within state regulations and state approved rates. Would it be possible to get a financial snapshot of combined expenses in the accounts, across departments without breakouts, for example what is our total expense for legal, maintenance, etc. Staff will follow up to create that financial report.

Secretary Keil moved to approve the consent agenda. Treasurer Fisher seconded the motion.

Ayes: 5

Nays: None

Motion carried: 5-0

5. Resolution 18-08 to Amend and Restate the Intergovernmental Agreement for the North Clackamas County Water Commission with Sunrise Water Authority, Oak Lodge Water Services District and City of Gladstone (Commission Approved Version 06-28-2018).

General Manager Chaplen presented Resolution 18-08 to the Board, amending and restating the Intergovernmental Agreement (IGA) for the North Clackamas County Water Commission (NCCWC) with Sunrise Water Authority, OLWS, and City of Gladstone. The goal is to provide enough structure for the commitment while allowing appropriate flexibility to stand the test of time. Board President Gibson reflected that the NCCWC Board recommended this IGA because it should allow organizations to meet their obligations to each other while still providing mutual benefit.

Director Williams moved to adopt Resolution 18-08 in the matter of amending and restating the District's North Clackamas County Water Commission's Intergovernmental Agreement and to approve the Board President to sign the amended and restated Intergovernmental Agreement itself. Treasurer Fisher seconded the motion.

Ayes: 5

Nays: None

Motion carried: 5-0

Discussion: President Gibson suggested a celebration upon completing the IGA. Director Williams shared the challenge around trust historically with regards to the relationship with City of Gladstone and it is shifting towards the positive. At the next meeting in September the decision needs to be made whether to change from three to two OLWS representative members on the NCCWC. The OLWS Board provided consensus that after the IGA has been signed, Kevin Williams and Nancy Gibson will be the NCCWC representatives with Paul Gornick as an alternate.

6. Water Quality Services – Next Steps Discussion

District Engineer Jason Rice led the Board in a discussion about next steps for the OLWS Water Quality Program. The Budget contains a project to develop a Storm Water Maintenance (SWM) Master Plan split between this Fiscal Year and next, and we will develop a System Development Charge. Leading up to these goals, the District must determine its role concerning water quality management and quality/quantity and our relationship with Clackamas County's Department of Transportation and Development (DTD). For example, should OLWS be responsible for sweeping the streets? Another example would be when OLWS requires developers to install storm water catchment systems with new development and then asks owners to maintain those systems – we could charge an appropriate fee within the structure of Equivalent Service Units (ESUs) and maintain those systems if that is something the Board and Public wanted. He would like to

hear from the Board and a variety of public groups including HOAs and larger community developments before putting together the Request for Qualifications (RFQ) for the SWM Master Plan.

The Board discussed the issue, and comments included: make sure we get comments from many different types of people, not just those interested in municipal storm water management systems; figure out how to get larger numbers of people and of varied ages and backgrounds; go to the meetings of a wide variety of groups like Rotary, church groups, the Elks, etc. There was a suggestion to gain information through the appreciative inquiry mode – get suggestions through requesting what folks already appreciate and ask what else we could do to invite more appreciation in our communities. Another comment requested a Board retreat to discuss what OLWS might want to provide in terms of service levels around storm water. The question about how much the District should take on when it is outside our current responsibility, with the example of cleaning out River Forest Lake. Suggestion to make sure we clarify current responsibilities around street maintenance, storm water management, etc., and if we take on the responsibility we incur the cost. The reminder that OLWS does not own the water conveyance system even though we protect the quality of the water within the County's conveyance system. The example of street sweeping might make sense because more frequent street sweeping would make catchment basin cleaning less needed and improve water quality. At this point DTD has the funding mechanism of the gas tax for maintaining streets and the storm water conveyance system. OLWS would have to fund a shift in who owns and maintains the system.

General Manager Chaplen asked if the Board would like some public outreach to help inform a Board retreat or if they would prefer to conduct the retreat first to decide what to offer the public. Conducting outreach after the retreat would allow the public to comment on what the Board decided at the retreat, and then we could add that level of service to the Master Plan RFQ.

The Board asked for the information on how much money we would need to request from the County (gas tax, pending vehicle registration fees, etc.) to take over a portion of the storm water infrastructure management; as well as what we and the County are both responsible for. Then we would be able to ask the County for the appropriate amount of money, in addition to the amount of money the District would charge for the SWM Fee. The challenge is that the County has a fundamentally different idea of how SWM management is accomplished (ADA, impervious surface, treatment of water flow, etc.), as does City of Milwaukie and every other co-permittee on the shared MS4 Permit. The question for our public comes down to what the District's appropriate level of service should be.

The Board would like to have the retreat first to build a series of questions to inform public outreach. The Board also would like information sharing about what is the current level of service under the MS4 Permit, and what is the current level of service that the County provides for the District and for what costs.

The Board emphasized use of the term “Watershed Protection Fee” or “surface water” and encouraged consistency – not using “storm water” management or that we are responsible for flood management.

There was a final question from the Board about who is responsible for cleaning catch basins. Staff responded OLWS is responsible for cleaning catch basins, and the County is responsible for street sweeping and maintaining the streets, which OLWS took over during the recession when the County did not have the resources.

7. Department Reports

- **Finance Report:**

Finance Director Kelly Stacey updated the Board that we are at the beginning of the year-end reconciliation process. She’s converting the NCCWC and the Clackamas River Water Providers to Accela this week, transferring directly. Her team is cleaning and organizing the office and updating the filing structure. She is updating the finance policies and is focused on the Capital Asset List for upload into Accela and review by the Board in August.

- **Field Operations Report:**

Field Operations Superintendent Todd Knapp commented on Trevor’s passing and noted that he will be sorely missed. This year has brought many starts, stops, turnovers and retirements with regards to staff, which has affected the amount of cleaning and maintenance the crew has been able to accomplish. He updated the Board on numbers concerning catch basin cleaning and suggested that there might be the need for another staff hire to make sure all the lines can be cleaned in a timely fashion. He is excited to be working with Jason and the new employee Haakon to begin the Capital Improvement Program projects for the Collections department. This includes vehicle upgrades, which he looks forward to. Since they are only at 75% of their cleaning goal at year end, they will have an increased goal per month for the start of the next year. They are bringing on two people and will hopefully be catching up to their goals. General Manager Chaplen commended Todd on his work bringing together the two teams and keeping up with as much of the work as possible. The Board reiterated their thanks and expressed their sadness about losing Trevor.

- **Plant Operations Report:**

Plant Superintendent David Mendenhall highlighted the good water quality in June, especially near the end of the month, and hopes to continue that trend. He continues the push on reducing solids stating that there is too much of a solids population for the load that is coming in, with a goal of having the existing solids be “hungry.” Recently staff discovered stalked ciliates (*Vorticella* sp.) under the microscope, a microorganism that indicates stable and mature bacterial clusters and healthy sludge. Rainfall indicates a very dry spring, which lowers flow. The flow levels allowed a clarifier to be taken offline for cleaning and maintenance, and there is a second clarifier that needs to be looked at. He appreciated receiving cross training for the collections team. He noted a reduction in the service contract by \$6,700 through a close survey of needs. The new mechanic starts on Thursday, which is exciting.

- **Technical Services Report:**

District Engineer Jason Rice introduced the new project manager Haakon Ogbeide, who pronounced his last name for the Board. They welcomed him. Jason presented the new spreadsheet of projects, which will be updated regularly for the Board packet. The Boardman project is in process but got off to a slow start. Jason is pushing them to get back on schedule to avoid contract charges. The Board asked about permits and the Army Corps of Engineers and staff responded that everything is in place and that it is a difficult project, but he expects it to be on track soon.

8. Call for Public Comment

Jane Civiletti suggested making sure to offer food to attract participants in public meetings. Eric Hofield supported the Board's idea to meet concerning storm water before holding public meetings to be ready to respond to public requests concerning storm water.

9. Business from the Board

Director Paul Gornick will be attending Sunrise Water District meetings and will report back next meeting.

Treasurer Fisher went to the Oak Grove Community Council meeting on and heard a variety of topics. A new local business owner, Josephine Ell from Green River Radio presented her music therapy business and her goal of community involvement. Oak Lodge Community Emergency Response Team presented their goal of emergency preparedness. Jane Civiletti presented her group Clackamas County 350, an organization committed to lowering CO₂ (Carbon Dioxide) in the County from neighborhood levels of 411. One way to achieve this is by stopping the cutting down of trees. The Land Use Application Review Team (LIUART) presented current development activity. Mike Schmeier, local resident and historian, presented a historical overview of the Concord School property starting in 1854 and moving through the history of the entire Concord complex.

Vice President Keil will be attended the C4 Retreat on the afternoon of June 29 and all day on June 30. The first evening got off to a slow start because of the Board's critique of the survey put together by staff to inform the retreat. Response to the survey was low and not representative. There was an overrepresentation of responses from Special Districts and underrepresentation by Cities. The retreat concerned transportation priorities throughout Clackamas County, with a focus on road right-of-way maintenance and runoff (first), regular resurfacing of roads (two), and safety for all (three) in order of focus. OLWS focus on runoff is timely. The Region I Oregon Department of Transportation representative Brian Windscheimer presented the large I-205 widening/seismic improvement project and information about value pricing (tolling). There will be a final listening session as part of the Oregon Transportation Commission (OTC) August 16 & 17th meeting and at their November 16th meeting the OTC will be presented with a draft proposal to be approved for submittal to Federal Highways. The plan for congestion pricing is due to Federal Highways by December 31st. Sue shared information on the transit priorities discussion with few points for Oak Lodge; and Tualatin's 20 million-dollar GeoBond measure for congestion relief, neighborhood safety and safe access to schools, with a 10-year payback and 3-5 years for project completion. There was a discussion on transportation regional investment measures, which concerns vehicle registration to go onto the ballot in May of 2020. Barney

and Worth is doing the public outreach which is standard and comprehensive in nature. Unmet transportation needs might be covered in part by a vehicle registration fee and would allow for a local control over a portion of a "reserve" fund, but the idea did not receive enough votes for approval. There was only 5 minutes on the homeless conversation. She noted the discussion was very similar (identical to) last year. She suggested other Board members attending in the future as well.

Director Williams reported to the group about Jennings Lodge CPO. The first item last month was a table top exercise to identify local transportation projects in order to pass the findings along to C4 to organize requests for Metropolitan Transportation Improvement Program (MTIP) funds with Metro. The CPO chairs throughout the county have been meeting to report to the Board of County Commissioners (BCC) weaknesses or code enforcement issues throughout the county. Only one land use development application came in this month for the Adventist Community Church. The Jennings Lodge CPO community picnic on Tuesday, July 24th from 5:30 – 8:30 p.m., bring items to grill and food to share. The Lenare property will only receive \$200,000, which is not enough to save the chapel or move it. The Happy Valley Parks and Recreation District still is in the North Clackamas County Parks and Recreation District until further notice. Treasurer Fisher shared information on the NCPRD Budget being passed without Happy Valley and then renegotiated with them back in the Budget. Probably the entire District will have to vote to recommend to the BCC a boundary change in their parks situation. There is a large gap in value in what Happy Valley would like from NCPRD. Director Williams let people know about music at 6:30 p.m. to start off the Jennings Lodge CPO meetings in order to get more interest in coming to the meetings.


Director Gibson shared her last meeting was for the NCCWC meeting, at which they voted on the IGA that the District reviewed tonight. She could not attend the C4 Executive Committee meeting because of traffic and has no further information. She encouraged people to attend the Jennings Lodge CPO picnic.

The Board assigned a new liaison to the Sunrise Water Authority – Lynn Fisher is the alternate, but he attends the Oak Grove Community Council (OGCC) which conflicts with the timing of the meetings; President Gibson asked Director Paul Gornick to become the liaison for this group, Director Gornick agreed to attend their board meetings and report back to OLWS. They meet on the fourth Wednesday of the month at 6 p.m. at Sunrise Water Authority's office off 122nd in the back building through the gate.

10. Adjourn Regular Meeting


President Nancy Gibson adjourned the regular meeting at 8:47 p.m.

Respectfully submitted,



Nancy Gibson
President, Board of Directors

Date: 9/18/18



Susan Keil
Secretary, Board of Directors

Date: 9-18-18