



**City of Lake Oswego/City of Tigard Water Supply Partnership  
Summary of Oversight Committee Meeting #17  
Meeting held September 12, 2011**

Lake Oswego Technical Committee Member Dennis Koellermeier called the meeting of the Lake Oswego/Tigard Water Partnership Oversight Committee to order at 6:02 p.m. on September 12, 2011, in the Santiam Conference Room of the West End Building; 4101 Kruse Way, Lake Oswego.

**Present:**

**City of Lake Oswego Oversight Committee:** Councilors Bill Tierney, Mary Olson  
**Staff:** Dave Prock, Jane Heisler, Laura Barrie

**City of Tigard Oversight Committee:** Mayor Craig Dirksen, Councilor Gretchen Buehner  
**Staff:** Dennis Koellermeier, Rob Murchison

**Guests** Guy Graham, Lake Oswego Mayor Jack Hoffman

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1. CALL TO ORDER/ROLL CALL

Technical Committee member Joel Komarek was absent; he was attending the Planning Commission hearing about the text amendment.

2. APPROVAL OF MINUTES FROM MEETING #16

Mr. Koellermeier asked for approval of the minutes from the last meeting held on August 8, 2011. Councilor Buehner motioned to approve, Councilor Olson seconded the motion. A voice vote was taken, and the motion passed with Lake Oswego Councilors Tierney and Olson and Tigard Mayor Dirksen and Councilor Buehner voting 'aye' (4-0); Councilor Olson had the following questions:

1. The arborist decided 14 trees need to be removed at the Water Treatment Plant; it is stated in the minutes that the high rate clarification process will reduce the footprint of the plant. Will that change the amount of trees that need to be removed? Ms. Heisler answered that a year ago a tree on the plant property fell onto a property to the west of the plant. The plant Manager, Kari Duncan, had an arborist look at all the trees for liability purposes. The arborist's report concluded that 14 trees should come out now because of disease. Additional trees will be removed on the Mapleton properties and on the Kenthorpe property to make room for new facilities, but those will be removed at a later date.
2. Has the communications team spoken to McVey/South Shore Neighborhood Association to see if there is interest in having a presentation by the Partnership? Ms. Heisler indicated that she had spoken with the new chair and at this point she was not interested in having a meeting because it seemed too early in the process.

3. PUBLIC COMMENT

There was no comment.

#### 4. FOLLOW-UP OF DRAFT ADMINISTRATIVE PLAN FOR DELAY MITIGATION

Mr. Koellermeier stated that the Technical Committee took information from prior discussions about delay mitigation and developed a memo. In summary, the memo states that the IGA that formed the Partnership clearly defines roles and responsibilities for all of the parties involved. It concludes that if there is a need to make a fast decision, using the Oversight Committee as a sounding board may actually slow the process down. The memo proposed to go the Lake Oswego City Council outlines the delay mitigation plans. There is a need to have a detailed communications strategy so that the Tigard members of the Oversight Committee can be kept informed. Councilor Buehner asked if a Tigard representative could attend these meetings. Mr. Koellermeier answered yes.

Councilor Olson mentioned a minor issue concerning the line “temporarily suspend the current practice of (Lake Oswego) Council blackouts in August.” She would prefer to keep a two to three week stretch where there are no Council meetings. Mayor Dirksen stated that meetings should only be held if absolutely necessary. Councilor Tierney wanted the wording to be changed to “temporarily suspend the current practice of Council blackouts in August, if necessary.”

Councilor Tierney stated that the memo mentions an increase to the contracting authority amounts for the Director and the Deputy Director but there is no amount specified. Mr. Koellermeier mentioned he would like to get Mr. Komarek’s input, but he could take the Oversight Committee’s suggestions. Councilor Tierney mentioned that if the dollar amount already authorized was to double, it could be incorporated in the memo; however, if the amount needs to be more than doubled, more discussion would be necessary.

Councilor Olson mentioned that the document says to increase the contracting authority of the City Manager, she would like it specified that the increase is for the water project only.

Mr. Koellermeier asked if there should be a motion accepting this memo? Councilor Buehner moved for approval of the Administrative Plan for Delay Mitigation, recommending the memo can be forwarded to the Lake Oswego City Council, with noted changes. Councilor Tierney seconded. The motion passed with Lake Oswego Councilors Tierney and Olson and Tigard Mayor Dirksen and Councilor Buehner voting ‘aye’ (4-0). Mr. Koellermeier mentioned that DRAFT will be removed, the Oversight Committee’s suggestions will be incorporated and the memo will be forwarded to the Lake Oswego City Council.

#### 5. OREGON DEPARTMENT OF ENERGY – SOLAR INVESTMENT

Mr. Prock stated that Mr. Komarek prepared a memo that described the Oregon Administrative Rule (OAR 330-135) which implements the legislative intent of House Bill 2620. The memo states that the planned expansion and renovation of the Water Treatment Plant appears to meet all the tests established under the Rule necessary to confirm that it will very likely be subject to the 1.5% solar energy mandate. Partnership staff is having meetings with the Department of Energy to validate that information. One of the concerns is that 1.5% of plant construction cost is significant. Another concern is the amount of space that would be necessary on-site to house a field of solar panels. Mr. Koellermeier stated the Technical Committee has talked about whether the Rule could be satisfied if the program were to build these facilities elsewhere in the system or possibly, as a

potential mitigation issue, on a public facility such as a school in West Linn. Councilor Tierney asked what counts as a public facility at the plant, Mr. Prock answered best case, it would be applicable to the administration building and the addition to that building and worst case is the entire plant.

Mr. Prock mentioned that the Tri-Cities Wastewater Plant did not need to build anything. Mr. Koellermeier stated that the plant went through a definition process that concluded that a sewer treatment plant did not fall under this Rule. Staff is pursuing that definition.

Councilor Olson asked if there is a deadline for mitigating elsewhere because the City of Lake Oswego has many upcoming projects including the tennis center, library, maintenance yard, police, etc. Mr. Prock answered he is not sure at this time but that is part of what is being investigated.

Councilor Tierney mentioned that because the treatment plant is a large user of energy, having an alternative on site would make sense. Solar is going through a number of changes and footprints are shrinking. Mr. Koellermeier mentioned that solar is not just solar panels anymore; it is natural lighting and other applications that could also give the program credit.

Mayor Dirksen mentioned making the building passive solar. He is concerned that solar panels would be extremely obtrusive in the neighborhood. Councilor Tierney mentioned PGE has an industrial building that has a film that sits on top; it is not even visible. Mr. Koellermeier mentioned that the Technical Committee wanted to give the Oversight Committee an early head's up and staff will keep members informed as information is available.

Councilor Tierney stated that although this would result in expenditures on the capital side, the potential is there to earn some back in operating costs over a reasonable period of time. Mr. Koellermeier mentioned that Lake Oswego has some internal sustainability policies and if this becomes a large money issue, it will have to be negotiated because there is language in the IGA that specifically states issues that are not mandated by a land use action are subject to negotiation. Councilor Tierney mentioned this was coming from a state requirement and he does not believe there is anything in the sustainability policies that mandates such activity; like One Percent for Art. Ms. Heisler asked if that was a requirement in West Linn or Lake Oswego's code. Councilor Tierney mentioned he wasn't sure, but staff might look into that as well.

## 6. UPDATE BY MAJOR TASKS

### a. WATER TREATMENT PLANT (PACKAGE 1)

Mr. Prock mentioned weekly design workshops are being conducted where staff is going through the plant system by system. These meetings should be concluding in mid-October. The pilot plant was delivered Tuesday, September 6, 2011. A reporter visited on Friday and took some pictures for an article that should run in local newspapers in the next couple of weeks.

**b. RAW WATER/FINISHED WATER PIPELINE (PACKAGE 2)**

Staff is continuing to study the alternative alignment where the raw water pipe will be crossing the Willamette River. The barge work for in-water drilling should be done this week. The samples will be analyzed and recommendations for the preferred alignment should be available soon. The primary difference between routes is one is in Mary S. Young Park versus one that is not in the park. Councilor Olson asked if Mr. Prock knows when that decision will be made. Mr. Prock mentioned there should be an answer sometime in October.

Councilor Tierney asked who makes the decision on which route is preferred. Mr. Prock stated the program management team will run information by Sponsor staff and then the Technical Committee will review it with the Oversight Committee. Councilor Buehner asked if that information would be presented in October's meeting or November's meeting. Mr. Prock answered he would guess November. Councilor Tierney stated if there is a change in the cost, outside of the Capital budget it will have to go before Council. Mr. Prock answered that was true. Ms. Heisler mentioned both of the options that are being looked at now are more expensive than what was in the PDR. Councilor Buehner asked if that meant it had to go before Tigard Council also. Mr. Koellermeier stated it technically does not need to go to either Council unless it is confirmed to have a budget implication or it deviates from the Capital Improvement Plan which has been approved by both Councils. Staff will explore the approval process and let the Oversight Committee know if there is an issue.

The design team for package 2 for the Finished Water Pipeline is looking at fine-tuning some of the other elements of the alignment. Mr. Komarek and Ms. Heisler attended a meeting with Hunt Club staff to talk about some alternative alignments that might involve Hunt Club property. One option is abandoning the existing pipeline in the property that goes right behind the stables and club house. The Hunt Club has wanted to get rid of this pipe because it inhibits future expansion. Staff proposed going a little bit further back toward the base of the cliff and then crossing Springbrook Creek. The Hunt Club was very favorable toward that option. There is some work to be done, including a delineation of the wetland involved and easement documents. Councilor Tierney thought the existing pipe was planned to be used. Mr. Prock thinks the assumption was to be paralleling in that area but he would have to check and then let the Oversight Committee know.

**c. PUMPING AND STORAGE COMPONENTS (PACKAGE 3)**

The package for the Raw Water Intake Pump Station, Waluga Reservoir 2 and Bonita Pump Station in Tigard was awarded by Lake Oswego Council last Tuesday to Black & Veatch. The contract award is approximately \$3.2 million which is about \$50,000 to \$53,000 more than what was estimated; however, for the summation of all 4 packages of work that have now been awarded, there is a net savings over what was projected of about \$3.2 million. The \$3.2 million is not really available as true savings because it is just part of the "overs" and "unders" of a large program. The process of hiring all of the design consultants for the project is now completed.

d. PROGRAM-WIDE SCADA SYSTEM (PACKAGE 4)

The consultants are developing design standards that will be used by each of the design teams for each of the facilities. Councilor Olson asked if this work was being done by Brown and Caldwell. Mr. Prock answered it is being done by Portland Engineering, a local firm that does a lot of SCADA control work for a number of large municipal providers.

e. WATER RIGHTS

There was a motion by the Water Resources Department to consolidate the entire record regarding the appeals; the court approved the request and set a deadline of September 19<sup>th</sup>. Councilor Buehner found it interesting to hear the motion had gotten lost in a clerk's office. If staff had not asked, who knows when it would have been found? Mr. Koellermeier mentioned that because of the length of time this process took, program staff has implemented a little more rigorous system of tracking critical path items.

f. GNC "VALUE ADDED" LIST

Ms. Heisler mentioned there is an update in the communication packet. There are two versions of the list of potential mitigations from the Great Neighbor Committee from the Robinwood Neighborhood. As Mr. Koellermeier mentioned earlier, the way that the Partnership agreement is written, costs are not shared unless required by a land use body but there may be some room for discussion about some good neighbor items.

Councilor Buehner mentioned one item listed, to have all the neighbors get free water, concerned her. Ms. Heisler stated she was wondering about the legality of that issue. Staff will create a matrix from this list with tasks that are already planned, items that it is anticipated the land use body might require and those that do not seem to have a connection to the project. Mr. Koellermeier mentioned the items on the list are not as onerous as he expected. Mayor Dirksen mentioned many of the items, like building heights and setbacks, were already being considered.

g. UPDATE ON LEGISLATIVE BRIEFINGS

Mr. Koellermeier asked how the communications team is doing preparing for state and federal briefings. Ms. Heisler mentioned the legislative packets are now finished. These packets will be in a nice folder and will include information about the benefits of the partnership and the permitting process. Councilor Tierney asked if there is a specific piece of legislation being discussed. Mr. Koellermeier answered not at this point. Ms. Heisler stated the project team is relying on a lot of state and federal agencies to get approvals on various aspects of the project so the more information the legislators have about what the Partnership is trying to do and how many people the project actually serves, the better off the project will be. Councilor Tierney asked if the federal elected officials were included. The answer was yes.

7. COMMUNICATIONS UPDATE

Ms. Heisler mentioned the team had the pre-app meeting for the Water Treatment Plant. Councilor Tierney asked if there was a plan submitted with that pre-app. If the footprint is

reduced, it would be nice to show what the bigger footprint was and then the outcome of a smaller footprint. Ms. Heisler mentioned what was shown at the pre-app was a slight variation on what the neighborhood had seen. Ms. Heisler stated staff is holding a design open house at Cedaroak Park Elementary School on October 27, 2011. Councilor Buehner mentioned that it would be nice to see the existing footprint in one color and the new, smaller footprint in another color so that the effort being made is clearly defined.

Councilor Tierney asked about the condemnation activity. Ms. Heisler mentioned the offer letters went out today. Councilor Tierney mentioned the letter has the same dollar amount as what was offered initially. Ms. Heisler answered correct. Councilor Tierney asked does the offer letter include reference to the assessment that was done. Ms. Heisler stated it does include the appraisal. Councilor Buehner mentioned this starts the 40-day process.

Councilor Buehner asked how the BBQ went. Ms. Heisler answered there was about ten neighbors out of the several hundred invitations that went out. A couple of people mentioned wanting to see a water feature of some kind. There were some questions about the staging area. Project staff will attend the public hearing at the Planning Commission in Gladstone on September 20 for the Conditional Use, Design Review and Natural Resources Review.

#### 8. UPCOMING ISSUES/FUTURE AGENDA ITEMS

Future agenda items will include a discussion about alternative delivery or sole sourcing, a budget update and a report about 20 mgd to Tigard.

Councilor Buehner thinks the Oversight Committee and other Council members want to see the pilot project. Ms. Barrie mentioned the tour will not be scheduled until the high rate clarification piece from Kruger Actiflo is on-site. Mr. Prock mentioned that piece is scheduled to be here in late October or early November. Councilor Tierney asked if the Oversight Committee Meeting in November could be on-site.

Councilor Olson asked about the 20 mgd to Tigard agenda item. Mr. Koellermeier mentioned it has to do with the size of the pipes that could ultimately allow more than 14 mgd to Tigard. Staff needs to consider the capacity and make sure it is as flexible as possible. Mr. Prock mentioned the pipes are being sized between the plant and the Waluga Reservoir to handle 38 mgd instead of 32 mgd and the same is being done with the raw water pipeline.

#### 9. NEXT MEETING DATE

The next Oversight Committee meeting will be Monday, October 10, 2011, from 6:00 p.m. to 7:00 p.m. at the West End Building in Lake Oswego.

#### 10. ADJOURN

Mr. Koellermeier adjourned the meeting at 6:45 p.m.

Attachments: None

Approved: October 10, 2011