



**City of Lake Oswego/City of Tigard Water Supply Partnership  
Summary of Oversight Committee Meeting #32  
Meeting held  
April 8, 2013**

Lake Oswego Technical Committee Member Joel Komarek called the meeting of the Lake Oswego/Tigard Water Partnership Oversight Committee to order at 5:35 p.m. on April 8, 2013, at the Tigard Public Library, Second Floor Conference Room 13500 SW Hall Blvd Tigard Oregon 97223.

**Present:**

**City of Lake Oswego Oversight Committee:** Mayor Kent Studebaker (excused), Councilor Karen Bowerman  
**Staff:** Joel Komarek, Jane Heisler, Dave Prock, Vanessa Deets, Kari Duncan  
**Other:** Councilor Jeff Gudman, Tom Coffee, City Manager

**City of Tigard Oversight Committee:** Councilor Gretchen Buehner, Councilor Jason Snider  
**Staff:** Dennis Koellermeier, Public Works Director; Rob Murchison,  
**Other:** Marty Wine, City Manager

**Brown and Caldwell** John Holland, Program Manager

**Guest Presenter** Ted Kyle, HDR Engineering, Inc

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1. CALL TO ORDER/ROLL CALL
  2. APPROVAL OF MINUTES FROM MEETING #31

**Mr. Komarek** asked for approval of minutes from the last meeting held on March 11, 2013.  
**Councilor Buehner** motioned to approve, **Councilor Snider** seconded the motion. A voice vote was taken, and the motion passed with Lake Oswego **Councilor Bowerman**, and Tigard **Councilor Snider** and Tigard **Councilor Buehner** voting 'aye' (3-0).

3. PUBLIC COMMENT

There was no public comment.

4. CONSTRUCTION RISK AND CLAIMS MANAGEMENT PRESENTATION

**Mr. Koellermeier** introduced Ted Kyle to the Oversight Committee (OVC). Mr. Kyle previously had a hand in building a large treatment plant in Oregon City, then worked as a city engineer in Tigard and currently works in a program management position in Hawaii. He also previously held a position on West Linn's City Council. The presentation Mr. Kyle will be giving today was also presented to the OVC a year and a half ago and it was very beneficial for the group.

**Mr. Kyle** gave a presentation entitled "Construction Risk and Claims Management . . . Dealing with the unexpected." The primary message from this presentation was that in any project of this size,

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time is of the essence. Delays, disruptions and rework during construction can result in significant expenditures. On-site inspectors, claim experts and records are very important. The staff hired to run the program needs to be given the authority to make timely decisions and settle issues as they occur.

**Mr. Komarek** added the contract documents Mr. Kyle referred to in his presentation, the Engineers Joint Contract Documents Committee (EJCDC), are well reviewed not only by construction professionals and endorsed by the Associated General Contractors Association but are also reviewed by the National Society of Professional Engineers and others. These documents will be used on all the construction contracts in the project.

**Mr. Komarek** stated how important it is to have on-site inspectors and records available. Staff recommends it is worth spending the money on adequate inspector staff on all locations of the project. The projects construction inspectors need to thoroughly understand the plan sets because those are what govern how the contract is executed.

**Councilor Buehner** asked for Mr. Kyle's presentation to be passed along to all the OVC members. **Mr. Koellermeier** stated he has a copy.

#### 5. WATER TREATMENT PLANT MANDATORY PRE-QUALIFIATION

**Mr. Komarek** asked Mr. Holland to speak on the process staff is using to pre-qualify contractors. It is an approach staff has elected to mitigate and manage risk to make sure staff is able to get the most qualified contractors for the various construction projects.

**Mr. Holland** stated the pre-qualification process ensures potential contractors have a good track record, have the experience and wherewithal, have good people assigned, good references and could demonstrate they would be successful. This process was used on the Lake Oswego Interceptor Sewer (LOIS) and had good results. On each of the construction projects, staff will be implementing the pre-qualification process. Contractors are asked about the basics of their company, safety records, dispute and claim history, financial status, information on assigned key personnel and to reference projects similar to projects up for bid. 18 firms responded with pre-qualification statements for the River Intake Pump Station (RIPS) and 14 were screened out as they did not meet the criteria.

11 submittals were turned in for the Water Treatment Plant (WTP) pre-qualification process. So far in the process, **Mr. Holland** can conjecture that 7-9 will be invited to bid. Two firms which have been disqualified already as they did not need meet the initial threshold of having the requisite experience. The pre-qualification process will continue with pipelines, the horizontal directional drilling (HDD) and the Bonita pump station (BPS).

**Councilor Buehner** asked if the pre-qualified bidders for the WTP would be selected before the next Oversight Committee (OVC) meeting on May 13. **Mr. Holland** answered yes and the invitations to bid will also be issued to the pre-qualified contractors by that date.

**Mr. Holland** stated there is a 10 day appeal period after the contractors are notified of findings. **Mr. Komarek** added on the LOIS project there were two protests for bypass pumping and staff successfully resolved those without either contractor taking the next step. **Mr. Holland** stated this is where documentation and stating the ground rules upfront helps to resolve claims. **Councilor**

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**Buehner** asked if it would appropriate to have a member of the OVC join in on the qualification meetings for the contractors, especially the water treatment plant (WTP). **Mr. Holland** replied any member of the OVC would be welcome to join.

## 6. FY 2013-2014 DRAFT BUDGET PRESENTATION

**Mr. Komarek** stated staff is required by the Intergovernmental Agreement (IGA) to present a draft budget for review and discussion in April of each year. Next month, staff will be seeking feedback and an endorsement of that budget.

**Mr. Prock** referenced the draft budget summary on the packet handed out at the meeting and passed out a more detailed packet. He noted the key budget line items as listed in the packet. **Councilor Bowerman** asked for staff to provide her with the total amount budgeted for consultants and professional services. **Mr. Holland** added that Mike Prett, Deputy Program Manager, has been reviewing cash flow and he believes there will be shift to the right and the next fiscal year amounts may level more. **Mr. Prock** brought attention to line item 490 for contingency. He noted the Lake Oswego finance department has taken other bond proceeds being put towards the project and have placed them into this account for tracking purposes. The bonds are a part of the project revenue but staff is not proposing to spend 132 million the next year. **Councilor Bowerman** posed questions regarding the 18 million in line item 490 and where is the line of credit. **Mr. Komarek** added the questions will be asked of Lake Oswego's finance director and an answer will be given by next month's OVC meeting.

**Councilor Snider** asked if the high level of inspection services was included in the budget. **Mr. Holland** confirmed it was and added staff has more than enough construction management funds set aside. **Councilor Buehner** asked Mr. Koellermeier if he could make note of how much of inspection services is allocated to each project. **Mr. Komarek** asked Mr. Holland to add inspection and assignments to the org chart.

**Councilor Buehner** asked if Mr. Prock and Mr. Holland would be at the sites often. **Mr. Prock** answered yes and **Mr. Holland** stated he will attend the weekly construction management meetings.

**Councilor Bowerman** asked for the status of the right-of-way in Gladstone. **Mr. Prock** answered staff has directed others to restart their effort of appraisals and offers made. There are 3 easements, 2 private and 1 with the City of Gladstone. The expenses to accomplish these easements are in the budget. The right-of-way line item amount includes remaining work in Lake Oswego. There are 4 easements open in Lake Oswego. **Mr. Komarek** added all work in West Linn has been done except for HDD. HDD has been granted but staff is waiting on further discussion with the Oregon Parks and Recreation Department (OPRD) and on the status of the LUBA appeal to conclude the easement. **Councilor Bowerman** asked how staff anticipates the effects of the timing of the LUBA appeal and OPRD's decision. **Mr. Komarek** stated it depends on whether the petitioners object to the record. **Councilor Buehner** added there is a 6 month hard line. **Mr. Komarek** added staff has not heard back from the appeals court regarding Water Watch and the motion to expedite the process. **Councilor Bowerman** asked if the decision is made in December will there be an impact on timing delays. **Mr. Komarek** responded no as there are not any restraining orders made by the petitioners. As the processes go forward staff will be evaluating risks. Staff feels confident now that written briefs have been submitted. The next step will be oral argument in front of the appeals court.

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7. COMMUNICATIONS UPDATE

**Ms. Heisler** passed out the project calendar for March, April and May 2013 of staff's meeting. There has been lots of activity in terms of pre-construction at the WTP site and beginning work on RIPS. Robinwood neighbors have asked for constant communication for all work at the WTP.

**Ms. Heisler** mentioned staff currently does not have a citizen information coordinator and the position needs to be filled quickly. **Mr. Coffee** stated there may be budget reductions and as a result there needs to be fluid positions. He stated the citizen information coordinator is in the budget for next year to provide West Linn the service.

**Mr. Heisler** will have more communications strategy information FY 13/14 at the next OVC meeting.

**Councilor Snider** mentioned the OVC meetings have been running past the hour timeframe allotted. **Councilor Buehner** asked if the OVC should meet twice in May or have a longer meeting. **Mr. Komarek** stated he wants to keep the OVC adequately informed about what is going on and he agreed an hour is too short. The next meeting will be an hour and half and future meeting times will be based off the agenda.

8. FUTURE AGENDA ITEMS

FY 2013/2014 budget, FY 13/14 communications strategy and WTP prequalification.

9. NEXT MEETING DATE

May 13, 2013 5:30 p.m. at the Tigard Public Library.

10. ADJOURN

**Mr. Komarek** adjourned the meeting at 7:16 p.m.

Respectfully Submitted,  
Vanessa Deets /s/  
Vanessa Deets, Administrative Support

Attachments: None

Approved by the Oversight Committee:

On 5/13/13