



**City of Lake Oswego/City of Tigard Water Supply Partnership
Summary of Oversight Committee Meeting #39
Meeting held
January 15, 2014**

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 January 15, 2014, at the Lake Oswego West End Building, BC Window Area, 4101 Kruse Way Lake Oswego Oregon 97035.

Present:

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| City of Lake Oswego | Oversight Committee: Mayor Kent Studebaker, Councilor Karen Bowerman LOTWP Staff: Joel Komarek, Jane Heisler, Dave Prock, Laurel McAfee Other: Councilor Jeff Gudman, Scott Lazenby, City Manager; Guy Graham, Public Works Director; Ursula Euler, Finance Director; and Kari Duncan, Water Treatment Plant Manager. |
| City of Tigard | Oversight Committee: Councilor Jason Snider Other: Marty Wine, City Manager; Dennis Koellermeier, Public Works Director; Rob Murchison |
| Brown and Caldwell | Jon Holland, Program Manager; Mike Prett |
| Kennedy Jenks | Brad Moore |
| Guests | Jackie Manz, Lamont King |

1. CALL TO ORDER/ROLL CALL
2. APPROVAL OF MINUTES FROM MEETING #38

Mr. Komarek asked for approval of minutes from the last meeting held on November 18, 2013 because of a lack of quorum at time of roll call. Lake Oswego **Mayor Studebaker** motioned to approve, Tigard **Councilor Snider** seconded the motion. A voice vote was taken, and the motion passed with Lake Oswego **Mayor Studebaker**, Lake Oswego **Councilor Bowerman** and Tigard **Councilor Snider** voting 'aye' (3-0).

3. PUBLIC COMMENT

Mr. Komarek opened the meeting noting that our guests were welcome to address the committee on any item not on the agenda. Jackie Manz introduced herself and asked if changes to the Lake Oswego pipeline route would be discussed this evening. **Mr. Komarek** informed her that plans for the route were not yet drawn up. Scheduling of surveys, geotechnical work, and meetings with impacted private property owners needed to be done before a route would be confirmed. More conversation could be had after the meeting. **Mr. Lamont King** introduced himself and had no comments.

4. OLD BUSINESS

Memos missing from the last meeting packet regarding permit requirements of the River Intake Pump Station and a Sponsor Contingency plan were included in this meeting packet. Committee members had reviewed the memos and did not have questions.

5. PROGRAM METRICS REPORT

Section 5.3 - Starting with 5.3 and the related memo on Meeting Management, **Mr. Komarek** invited City Manager Scott Lazenby to speak. **Mr. Lazenby** spoke about having an elected official chair the oversight meetings and allowing someone in the project's management be administrative support. This symbolic change would reflect the leaderships' role as elected officials especially in regards to project execution and financial management. **Mr. Lazenby** suggested the rotating this chair position annually amongst the Oversight Committee. Mr. Komarek would still be a resource for topic choice and agenda review before meetings.

Mayor Studebaker moved that the oversight committee select a chairperson from an elected official of Tigard or Lake Oswego. **Councilor Bowerman** seconded. **Councilor Snider** commented his agreement. **Mr. Komarek** asked for a vote to create the position. **Mayor Studebaker, Councilor Bowerman** and Tigard **Councilor Snider** voted 'aye' (3-0). **Mayor Studebaker** nominated **Councilor Snider** for the year 2014, **Councilor Bowerman** seconded the nomination. **Mr. Komarek** asked for a vote on this nomination. **Mayor Studebaker, Councilor Bowerman** and **Councilor Snider** voted 'aye' (3-0). **Councilor Snider** is now Oversight Committee Chair.

Section 5.1 Program Metric Report – **Mr. Prett** moved past unchanged cover sheet, table of contents and map. 4.1 Expenditures to date are tracking a bit below July base line with 21% spent moving toward construction.

Schedules are constantly being updated as pipelines timetables are introduced. Work on the contracts that includes pipeline Schedules 1, 2, and 3 will begin this summer and Schedule 4 will begin in late 2014. **Mr. Komarek** asked if the base line reflects those schedules from the first time projected. **Mr. Prett** said the base line shown here reflects schedules as of July 1, 2013 when costs were also updated. **Mayor Studebaker** asked if we project the completion date to change for the overall program. **Mr. Holland** replied that it is still projected to finish prior to July 2016. The Water Treatment Plant is expected to begin producing water through the new process in August 2015.

Section 4.3 Current Total Project Cost Estimate – some contingencies have been exercised for conditions of approval with the West Linn water line relocation and designer changes. Some Mitigation Contingency funds have also been used and the Sponsor Contingency has been reduced. **Mayor Studebaker** noted that these costs do not reflect the projected costs of the HDD and costs for realignment around the lake and this is likely to go up \$10-20M. **Mr. Prett** responded we will know more about costs when Schedule 1, 2, and 3 bids arrive in February. Staffing changes in construction management could also increase costs. Due to the delays in construction schedules at RIPS and the WTP, two construction change orders were executed amounting to a \$60,000 increase. Overall, change control over construction is going well.

Mayor Studebaker asked about Slayden's recovery schedule. **Mr. Holland** replied that he just received their detailed schedule. He noted that Slayden is bringing in a second pile drilling rig to

recover some lost time and they are making efforts that will be seen over the duration of the contract. Further details will be provided at the next meeting.

Councilor Bowerman asked if there any indication of the incoming bids for the HDD? **Mr. Komarek** replied he has talked to all the prequalified pipeline general contractors and five of those six will be bidding. There will likely be fewer HDD subcontractors providing bids to those general contractors. Bid opening is currently scheduled for February 20, 2014.

Section 4.4 Contingencies – **Mr. Prett** continued with describing construction cost estimate contingencies carried in the program budget. With each bid received, construction cost estimate contingency for that project is reduced to zero as the estimate and contingency are replaced by a bid.

Sections 4.5 & 4.6 – **Mr. Prett** noted that the percentages of allocations have been updated to reflect Tigard's current percentage of 61.8 and Lake Oswego's 38.2. Those are the most current expenditures to date. **Councilor Bowerman** asked for the definition of the total pending and approved design amendments which **Mr. Prett** described.

Reviewing permit status for water rights and land use, **Mr. Komarek** introduced the LUBA decision. West Linn council held a public hearing and addressed the three remanded issues from the LUBA opinion. The council approved and adopted the findings which starts a 21-day clock for appeals of those remand issues, ending February 5, 2014. If there is an appeal it would go back to LUBA, not the West Linn council.

Mr. Prett introduced a consolidated version of the change list for both construction and design phases and reviewed updates to the Risk Register.

Construction status reports followed with **Mr. Prett** giving a positive update on the River Intake Pump Station (RIPS). The Water Treatment Plant (WTP) is behind schedule and a recovery schedule has been submitted by Slayden for analysis. The production rate on the piles put construction behind. **Mr. Holland** noted that while being 30 days behind schedule may not impact the project, this delay should be addressed now while there is still time to recover.

Councilor Snider asked if the Oversight Committee would receive a short report on the WTP schedule between the every-other-month oversight meetings. It was requested to know Slayden's response, how behind they consider themselves, and if self-analysis is in the process.

Mr. Komarek said project management will continue to provide a monthly metrics report and will provide an update on the recovery schedule (see February 12, 2014 email to City Councils).

Permits and Easements were reviewed by **Mr. Prock** with no updates or changes. **Mayor Stuebaker** asked about the status of Mary S. Young Park's agreements on easements. **Mr. Komarek** replied that all easements have been acquired and executed and park staging issues resolved. Tree removal at the park will be conducted by the company also working on Waluga Reservoir and Bonita Pump Station.

Communications/Outreach Update – **Ms. Heisler** updated the committee about the continued engagement of stakeholders at all construction sites to assure all residents are receiving timely information. Since construction began, twice-monthly meetings and monthly facility tours are available to WTP neighbors. On the calendar for Tigard and Lake Oswego councils and city

members are site tours of the Water Treatment Plant and River Intake Pump Station on February 21 and 22. The communications team and project principals are scheduled for their annual meeting in a few weeks to discuss overall project goals, messaging and challenges. Upcoming focus will be communicating with residents on both sides of the Willamette River about HDD impacts. Contact with Lake Oswego businesses, residents and neighborhood associations impacted by the pipeline realignment around the lake has already begun. **Councilor Bowerman** requested publicizing a map with the new alignment to the public as soon as it is available.

Councilor Snider asked about the quantity of citizen contacts per month and the quality of service the project is providing. **Ms. Heisler** answered that 20-40 incoming neighbor contacts are recorded and reported to the City of West Linn each month. Numerous outgoing contacts are also initiated to produce approximately 100 contacts per month for all projects. All concerns are discussed with site project managers and the referring citizen to resolve as soon as possible. **Mayor Studebaker** noted he appreciates the bi-weekly updates he receives.

6. FUTURE AGENDA ITEMS

- Schedule 4 Pipeline realignment decision
- Update on recovery schedule from the Water Treatment Plant contractor
- HDD cost discussion
- Schedules 1, 2, 3A and Schedule 3B construction bid process
- Waluga Reservoir and Bonita Pump Station contractor selection process

7. NEXT MEETING DATE

Monday, March 10, 2014, 5:30 p.m. at the Tigard Public Library, Second Floor Conference Room
13500 SW Hall Blvd Tigard Oregon 97223.

8. ADJOURN

Councilor Snider adjourned the meeting at 6:30 p.m.

Respectfully Submitted,
Laurel McAfee /s/
Laurel McAfee, Administrative Support

Attachments:

Approved by the Oversight Committee:

On _____