



**Lake Oswego Tigard Water Partnership  
Summary of Oversight Committee Meeting #57  
Meeting held  
January 19, 2017**

**Present:**

**City of Lake Oswego:**           **Oversight Committee:** Mayor Studebaker, Councilor Manz

**Staff:** Joel Komarek, Kari Duncan, Susie Anderson

**City of Tigard:**                   **Oversight Committee:** Councilor Snider

**Staff:** Marty Wine, Dennis Koellermeier, John Goodrich

**Brown and Caldwell:**       Jon Holland

**Guests:**                         Brad Moore, Kennedy/Jenks

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**1. CALL TO ORDER/ROLL CALL**

Oversight Committee Vice-Chair **Mayor Studebaker** called the meeting of the Lake Oswego Tigard Water Partnership Oversight Committee to order at 5:31 p.m. on January 19, 2017, at the Lake Oswego Main Fire Station, 300 B Avenue, Lake Oswego, OR 97034. Committee members Studebaker, Manz and Snider were in attendance. Committee member Mayor John Cook was out of town.

**2. ELECTION OF CHAIR/VICE-CHAIR**

**Mayor Studebaker** made a motion to nominate Jackie Manz as Chair of the Oversight Committee for the upcoming year. **Councilor Snider** seconded the motion. The motion passed unanimously. **Mayor Studebaker** nominated Mayor Cook for the position of Vice-Chair. **Councilor Snider** seconded the motion. The motion passed unanimously.

**3. APPROVAL OF MINUTES**

**Councilor Snider** moved to approve the minutes from the September 15, 2016 meeting. **Councilor Manz** seconded the motion. The motion passed unanimously.

**4. PUBLIC COMMENT**

There were no comments.

**5. OLD BUSINESS**

5.1 – Water cost of service rate

**Mr. Komarek** reminded the group of the September presentation by FCS Group regarding an operations rate for delivery of water to the partner cities. He stated the discussion at that meeting was regarding whether or not to include depreciation in the operations rate and noted the calculated rate with and without depreciation would be presented to the respective Councils at future meetings. He

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continued that it was the direction of the committee to defer depreciation and re-evaluate the topic in three to five years. **Mr. Komarek** requested confirmation of this recommendation of the Oversight Committee to be communicated to the two Councils. The group affirmed. **Councilor Snider** asked if the information would be presented at the joint Council meeting. **Mr. Komarek** replied that would be the perfect time to present and would work with FCS group to develop the details.

## 5.2 – Operations Plan

**Mr. Komarek** stated Kari Duncan would be providing a status update of the development and implementation of the Operations Plan for the water system. He noted the Partnership is obligated under the intergovernmental agreement to have an operations committee and an operations plan to guide operations of the plant and all other facilities constructed as part of the partnership.

**Ms. Duncan** explained that during construction and commissioning of the facilities an operations plan was being developed. She referenced a handout and noted three categories under the plan: (1) Operations and Maintenance Manual (OMS Connect); (2) Water Information Management System; (3) Asset Management System (INFOR Configured Assets). Standard operating procedures, design data, and equipment manuals make up the Operations and Maintenance Manual. Water Information Management System contains day to day operations information such as water quality information. Preventative maintenance schedules, asset history and condition, and reports/key performance indicators are part of the Asset Management System. She stated the Operations Plan will be the guiding document that governs the day to day activities and decisions staff will make regarding the operations and maintenance of all partnership assets. She noted water operations staff from both cities, consultants and project staff have been working together to develop the plan. **Mayor Studebaker** asked how detailed the plan is. **Ms. Duncan** explained that the plan isn't very detailed, for example, it will list who to contact in certain situations but doesn't have step by step instructions. She noted the more detailed information would be found in the OMS Connect Manual. **Mayor Studebaker** asked if the plan addresses maintenance tasks. **Ms. Duncan** replied that the Operations Plan states there must be an Asset Management System to maintain equipment to a certain standard and the Asset Management Plan will name specific tasks to be done. **Mr. Komarek** asked when the plan would be fully developed. **Ms. Duncan** responded it currently has the amount of detail necessary at a high level with a couple of chapters to fill in. She estimated it will be complete in two to three months. **Mayor Studebaker** asked how many employees would be required to read the plan. **Ms. Duncan** replied that the 9 – 10 people at the treatment plant would read and be familiar with it. **Councilor Snider** asked if the Oversight Committee would be looking at the document at some point. **Mr. Komarek** stated there were some policy issues in the plan that staff would like the Oversight Committee to review at a future meeting.

## 6. NEW BUSINESS

### 6.1 –Metrics Report

**Mr. Holland** referenced item 4.1 in the Metrics Report and noted expenditures aren't as high as anticipated to date mainly due to construction delays at the water treatment plant. He then referenced item 4.3, schedule, and pointed out the two remaining construction items; treatment plant construction concluding in late May and Waluga Reservoir 1 roof replacement to be complete early May. **Mayor Studebaker** recollected that the nine month delay put completion in February. **Councilor Snider** recalled it was April. **Mr. Komarek** explained that there have been some additional delays due

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to weather. The storms slowed progress and during freezing temperatures concrete plants don't produce concrete.

**Councilor Snider** asked when the ozone would be working. **Ms. Duncan** reported that the commissioning process had begun but ozone won't be touching the water until April. **Councilor Snider** said he hoped the taste of the water improves when ozone is in place. He opined the water isn't as clean smelling and tasting as it was before Tigard started receiving water from the new system. **Mr. Goodrich** noted that the water is currently being treated with aluminum sulfate and once ozone is online the aluminum sulfate won't be used anymore. **Ms. Duncan** noted Portland water is treated with chloramine and the Lake Oswego Tigard water is treated with free chlorine and there is a very noticeable difference between the two.

**Mr. Holland** directed the group's attention to table 4.4, financial snapshot. He noted \$241 million dollars has been spent to date with \$9.48 million remaining on open contracts. Contingency is \$1.54 million and \$1.86 million in anticipated changes and remaining sponsor costs. He continued that even with funding Waluga Reservoir 1 roof replacement the overall project cost is projected to be under budget. **Councilor Manz** asked what type of expense contingency would be used for. **Mr. Holland** responded it would be used for any unanticipated construction expense such as unanticipated site conditions and noted with the bulk of construction done there likely wouldn't be much in the way of unforeseen expenses.

**Mayor Studebaker** asked about the status of the WaterWatch case. **Mr. Komarek** replied that the final closing briefs from South Fork Water Board, the Cities of Lake Oswego and Tigard, the state, and WaterWatch had been submitted to the Office of Administrative Hearings the previous day. Objections were also submitted. All of those documents will be reviewed by the Administrative Hearings Judge and he will decide if the response to the appellate court remand was met. **Mayor Studebaker** asked if there would be any more hearings on the matter or if the decision would come from the Judge's bench. **Mr. Komarek** replied that there would be no more hearings and the decision would be issued by the judge. **Mayor Studebaker** inquired about ODFW's testimony at the hearings. **Mr. Komarek** said they seemed prepared and based on feedback from legal counsel, they did as well as expected. One of the issues raised by WaterWatch was that the second set of hearings were held in a small cramped hearings room in Tualatin and the mic system was of poor quality so portions of testimony and questioning weren't recorded. WaterWatch wants to reopen the hearings but all other parties disagree and think by working together they can help fill in the missing portions. No decision has been issued on reopening the hearings. **Mayor Studebaker** asked if the heavy precipitation and high river level would work to the Partnership's benefit. **Mr. Komarek** said it would not. **Councilor Snider** stated if the science was done in a couple years it would help. **Mr. Komarek** noted that one of WaterWatch's points of contention was that analysis submitted didn't include information from 2015, a very dry year. **Councilor Manz** asked when the ruling from the judge could be expected. **Mr. Komarek** responded he didn't know and there's no statutory time for a response. He speculated it would be close to summer time before a decision is made. He added the Administrative Law Judge will produce a document that is the proposed order and ruling. That will go to the Oregon Water Resources Department where it will be drafted in to a proposed final order which will be distributed to the parties. WaterWatch could contest the final order and the process would start all over again. **Mr. Komarek** opined the Partnership has established there is a need for the water and is beneficially using the water in that all the works have been constructed to meet that need. **Councilor Manz** requested the committee be provided updates on any new developments in the case in between meetings. **Mr. Komarek** affirmed.

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**Mr. Holland** referenced the risk register and addressed Councilor Manz' question regarding what might necessitate using contingency. He noted the only items remaining on the list are noise, vibration and potential construction damage to residences and theft or vandalism at construction sites. Both are fairly low risk items. **Mayor Stuebaker** asked if damage claims continue to be submitted or if they have been resolved. **Mr. Komarek** responded claims have slowed down. There was a rumor of a potential class action lawsuit in West Linn but nothing had materialized. **Councilor Snider** inquired as to when the rumor was heard. **Mr. Komarek** said it had been a two or three months ago.

**Mr. Holland** referenced the construction page of the report for the water treatment plant and pointed out the picture of the new ozone generation equipment. He then referenced the Waluga Reservoir 1 page and noted the picture showing the new footings and columns in the reservoir, with the roof off. **Councilor Snider** asked how the reservoir would be cleaned after construction and before commissioning for use. **Mr. Komarek** replied it would be cleaned out then sprayed down with a chlorine solution then filled with water. The water will be tested and if the chlorine levels are acceptable, the water will be sent into the distribution system. If the levels are too high, the reservoir will be drained to the storm drain system. **Mr. Koellermeier** commented on the difference between filtered water and non-filtered water. In a filtered water system reservoirs only need to be cleaned out every 10 – 12 years. The non-filtered system required cleaning every other year. **Councilor Snider** asked for confirmation that there is a waste product that comes out of the filtering process. **Mr. Komarek** affirmed. **Ms. Duncan** added the new plant has a dewatering system with screw presses and the solids produced from that process are trucked out. **Councilor Manz** asked where the solids go. **Ms. Duncan** responded currently they go to a landfill but options are being explored to use the solids beneficially. She added there is research underway looking at using the solids for storm water filtration.

#### 6.1 – Governance and operating agreement

**Mr. Komarek** referenced the outline regarding governance and operating agreement prepared by Clark Balfour. He explained he included it in the meeting packet to keep it fresh in everyone's mind. He noted that the City Managers have been working together to schedule a joint Council meeting with Lake Oswego and Tigard's Councils and one of the items for discussion is what type of process and timeline should be used to get to a decision on whether the partnership stays in a managing agency model or moves to a South Fork Water Board type entity. **Mr. Koellermeier** added the Tigard Council had a discussion on the topic of governance earlier in the week. **Mayor Stuebaker** asked how the discussion went. **Councilor Snider** replied the preference he and Mayor Cook have voiced at previous meetings for a separate entity was also the preference of the rest of the Tigard Council. **Councilor Manz** asked when the joint Council meeting would be held. **Ms. Wine** responded that the two city recorders were trying to get it scheduled for late February.

### 7. FUTURE AGENDA ITEMS

7.1 – Water rights extension remand – **Mr. Komarek** stated he would communicate any updated information on status as it becomes available.

#### 7.2 – Governance and operating agreement

8. Next meeting date – 5:30 pm, March 16, 2017 at Tigard Public Library 2<sup>nd</sup> floor conference room 13500 Hall Blvd, Tigard, Oregon 97223.

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**Mr. Komarek** asked if the group would like to continue on the same meeting schedule or if less frequent meetings might be appropriate. **Councilor Snider** acknowledged the past few meetings had a light agenda but he doesn't like to go too long between meetings and has felt out of the loop at times, particularly regarding the WaterWatch status the past couple months. **Mr. Komarek** apologized to Councilor Snider for not communicating more frequently and explained that there hadn't been anything to communicate since November because the attorneys were preparing briefs. There have been no new developments. **Mr. Koellermeier** said email updates could be sent to the committee between meetings when there is something significant to report. **Mayor Stuebaker** opined the committee should continue with the current meeting schedule until construction is complete. **Councilor Manz** said she would like to receive updates on anything to do with the remand or construction delays.

**Mayor Stuebaker** asked how Waluga Reservoir 1 roof replacement was going regarding schedule because he understood they couldn't work for a few days. **Mr. Komarek** replied construction was stopped for a week and a half due to unavailability of concrete during the cold weather. He continued before the bad weather the contractor was two to three weeks ahead of schedule so they aren't behind schedule. **Mayor Stuebaker** asked what the target completion date is. **Mr. Komarek** responded April 25<sup>th</sup> is substantial completion and opined the contractor is on target to meet that date. **Councilor Snider** asked who the reservoir contractor was. **Mr. Komarek** responded Ward-Henshaw which is the same contractor that built Waluga Reservoir 2.

**Ms. Wine** announced Dennis Koellermeier retired as an employee of the City of Tigard but would be staying on in a consulting capacity until the end of the project. She thanked Mr. Koellermeier for all the work he has done and appreciated his representation on the project. **Mr. Koellermeier** said working on the project was very rewarding and a nice way to end his career.

9. Adjourn

**Mayor Stuebaker** adjourned the meeting at 6:32 p.m.

Respectfully Submitted,  
Susie Anderson, Administrative Assistant

Approved by the Oversight Committee:

March 16, 2017