1. CALL TO ORDER/ROLL CALL

Chair Manz called the meeting of the Lake Oswego Tigard Water Partnership Oversight Committee to order at 5:36 pm Thursday, February 22, 2018 at the Tigard Public Library, 13500 SW Hall Blvd, Tigard, OR 97223.

2. APPROVAL OF MINUTES

Mayor Cook moved to approve the minutes of the October 18, 2017 meeting of the Oversight Committee. Councilor Snider seconded the motion. The motion passed.

3. ELECTION OF CHAIR AND VICE-CHAIR

Mayor Cook made a motion to elect Councilor Snider as Chair and Councilor Manz as Vice-Chair of the Oversight Committee. Councilor Manz seconded the motion. The motion passed.

4. PUBLIC COMMENT

None.

5. OLD BUSINESS

5.1 Water Rights Extension Remand

Mr. Komarek reported he received information earlier in the day from outside counsel that they filed their responses to the exceptions and order delivered by the Judge, with the Department of Water Resources and the Court. He noted that the process allowed the parties to review the order and draft exceptions. The order was 56 pages in length and Water Watch filed 44 pages worth of exceptions. Each party may then file responses to those exceptions. The exceptions and response phase is complete and all that information is with the Department which digests it all and then writes their proposed final order (PFO). There is no timeline for the Department to produce the PFO. The last time the Department expanded on the items included in their proposed order so it took months. They have assured legal counsel they don't intend to do that this time and plan to get right to it and write the proposed order which then is subject to review and potential appeal. Mr. Komarek stated he didn't expect to see a
proposed final order until April at the earliest. Councilor Snider asked if counsel found anything compelling in the exceptions from Water Watch. Mr. Komarek responded that Water Watch was taking exception to just about everything the Judge drafted in the order. Councilor Manz asked if the documents could be shared with committee members. Mr. Komarek stated he would email them to the group. Councilor Snider thanked Mr. Komarek for the process updates he provided over the previous weeks. Mayor Cook asked if the order and exceptions are confidential or public documents. Mr. Komarek said he didn’t think they are protected from disclosure. They were issued by a state agency and given to a state agency and the parties to the litigation so he didn’t think they would be protected but would confirm that with counsel before sending them out. Councilor Snider stated counsel's analysis would be protected. Mr. Komarek affirmed. Mayor Cook asked if Water Watch could appeal the final order again once it’s issued. Mr. Komarek affirmed and said it was counsel’s opinion Water Watch likely would appeal. Councilor Manz asked who the appeal goes to. Mr. Komarek replied the appeal would go to the Water Resources Department.

5.2 Operations Committee Activity Report

Ms. Duncan reported operations ran smoothly over the previous quarter. She noted the table in the report showing the annual water use for both communities based on the end of 2017. The table included usage per month by each community and the overall total of 4 billion MGD for the year. Tigard’s daily average was 5.94 MGD and Lake Oswego’s was 4.95 MGD on average. Councilor Snider asked if there were any surprises in the data. Ms. Duncan responded the results were in line with what was expected. Councilor Manz asked what Tigard’s population is. Mayor Cook explained some Tigard resident’s don’t use this water system and areas like Durham and King City do. Ms. Duncan stated the number of Tigard customers used in various calculations is around 60k. Mayor Cook asked how many water customers Lake Oswego has. Ms. Duncan responded approximately 38k customers which includes some small wholesale customers. She noted Lake Oswego's water use increases during the summer due to irrigation. Mayor Cook acknowledged the efforts in Lake Oswego to promote conservation and suggested having numbers showing water use per capita would be useful. Ms. Duncan concurred. Councilor Manz noted the high usage in January 2017 and wondered what that was due to. Ms. Duncan couldn’t say why the increase but would compare it to January 2018 usage.

Ms. Duncan reported there hadn’t been many water complaints. Lake Oswego continues to have requests for voluntary lead and copper testing. She referenced the charts in the meeting packet showing lead and copper results over the years for both cities and noted the decline in the presence of both over the years. Councilor Snider called attention to the significant decline of lead and copper in Tigard beginning in 2016 when Tigard switched to the new water system. Ms. Duncan noted that Tigard historically remained below the action level but now is significantly below that level.

Ms. Duncan reported on asset management and referenced the pie chart showing 1,217 work orders were preventative, meaning routing maintenance. There were 100 corrective work orders which means someone found something not working properly and fixed it, and there was one predictive work order which means it was something anticipated. Some construction warranty repairs are still in process. There is a two year warranty period on all partnership structures and equipment and there have been 62 warranty requests for the treatment plant, 16 for the intake, and just a few of those are outstanding and the contractor continues to work on those. Councilor Snider asked if the quantity of warranty repairs was typical or expected for a project of this size. Ms. Duncan stated many of the warranty requests were for fairly small items. Only a few were for major issues one of which was a leak in the transition zone between the ozonated water basin and the settled water basin which committee
members witnessed on the tour during the project celebration event. Of the 62 work orders only a small number are significant. **Councilor Snider** asked if Slayden was being responsive to the requests. **Mr. Komarek** stated the outstanding request at the intake is the most concerning as it relates to a pump and explained the contractor has to go through the supplier and the pump representative and getting them to respond two years after the fact can be challenging. He added the previous day he reached out to the President of Slayden to express concern regarding the response expected and requested action be taken on the issue. **Councilor Manz** asked Ms. Duncan if she felt the equipment is performing to the standards expected. **Ms. Duncan** replied most of the equipment is performing better than expected and is running smoothly. There are a few little issues but on a whole she and staff are very happy with the finished product.

6. **NEW BUSINESS**

6.1 **FY 17/18 WTP Operations Budget Review**

**Ms. Duncan** referenced the fiscal year 19 proposed treatment plant operations budget report in the meeting packet and reviewed line items which totaled $3.647M. She also noted the report includes the current expenditures to date and spending is tracking well especially considering it’s the first year the new plant has been operating. **Mr. Komarek** added $30k was the estimated budget for pipeline and valve expenses. **Mayor Cook** pointed out the report didn’t include the FY17/18 budget, only the expenditures to date so it’s difficult to know if spending is in line with budget. **Ms. Duncan** agreed and stated the report could be modified in the future.

6.2 **Tenancy in Common Agreement - Tigard Proposal to Reconcile Property Interests**

**Mr. Rager** reminded the group that part way through the project the Tigard share increased to 18/38ths cost share and there were a few properties purchased before the cost share adjustment. The agreement provides an opportunity to bring all pieces of the project to an 18/38ths share. **Mr. Rager** directed attention to the memo from John Goodrich which summarized his analysis to take in to account Tigard’s participation in Waluga Reservoir 1 roof replacement at 50% cost share and request the value of the computer system be deducted leaving the true-up amount at $311,310. Staff recommendation was to move ahead with the agreement. **Councilor Snider** asked if that was Lake Oswego’s staff recommendation, as well. **Mr. Komarek** affirmed and stated if the committee members were in agreement staff would prepare Amendment 5 to the Intergovernmental Agreement for approval by both Councils.

6.3 **Intergovernmental Agreement with North Clackamas County Water Commission (NCCWC)**

**Mr. Komarek** provided an update to committee members. He reviewed the background and reminded the group there is an existing unused pipeline which extends from Gladstone to past the water treatment plant. A couple years ago a representative from NCCWC and other water providers on the other side of the river expressed an interest in what would become of the remnant pipeline and could it be repurposed for an emergency supply pipeline. During construction of the new pipeline, modifications were made to the old pipeline to make it ready for use as an emergency pipeline. A Memorandum of Agreement (MOA) was executed and NCCWC reimbursed Lake Oswego and Tigard for that work. The MOA states an IGA would be prepared for execution by the parties which has been prepared and reviewed by Tigard Legal Counsel and is with Lake Oswego Legal Counsel for review. Once their comments are incorporated in to the draft IGA, NCCWC will then review it. The agreement will
include details as to who owns the pipeline, who maintains it, who determines when it will be used as an emergency supply, who turns valves, etc. Mr. Komarek stated he hoped to have the process complete and the IGA fully executed by the end of the calendar year. Councilor Snider asked if the pipe runs in to the new WTP. Mr. Komarek responded it runs through the site, exits and runs NW to Highway 43 at Cedar Oak which is where the connection would be made between it and the new transmission pipeline in Highway 43.

7. FUTURE AGENDA ITEMS

7.1 Water rights extension remand

7.2 Clackamas River Water Providers Presentation

7.3 Regional Water Providers Consortium Presentation

Councilor Snider noted the list of future agenda items and asked if there were any comments or additions from committee members or staff. Ms. Duncan explained the presentation items were suggestions if committee members would like to learn more about the source water protection program both cities participate in. Mayor Cook voiced his support to have a presentation and the other committee members agreed. Mr. Komarek stated he thought it would be very worthwhile. Ms. Duncan said she would schedule a presentation for a future meeting.

Mayor Cook shared with the group he traveled to Napa in December for the US Conference of Mayors Water Conference where he spoke about the treatment plant, the building of it, and the working relationships with other governments. He spoke of the relationships between Tigard and Gladstone, West Linn, Lake Oswego, and Water Watch. He received good feedback regarding the presentation topic.

The next Oversight Committee meeting will be held April 12, 2018 at 5:30 pm at the Main Fire Station in Lake Oswego.

8. ADJOURN

Mayor Cook made a motion to adjourn the meeting. Councilor Manz seconded the motion. Motion passed. Chair Snider adjourned the meeting at 6:12 pm.

Respectfully Submitted,

Susie Anderson
Administrative Assistant

Approved by the Oversight Committee:

April 12, 2018

Oversight Committee Meeting
February 22, 2018