



**Lake Oswego Tigard Water Partnership
Summary of Oversight Committee Meeting
July 18, 2022**

City of Lake Oswego: **Oversight Committee:** Mayor Buck, Councilor Manz
Staff: Erica Rooney, Public Works Director/City Engineer; Bret Bienerth,
Water Treatment Plant Manager; Susie Anderson, Administrative
Assistant

City of Tigard: **Oversight Committee:** Councilor Goodhouse, Councilor Newton
Staff: Brian Rager, Public Works Director

1. CALL TO ORDER/ROLL CALL

The meeting of the Lake Oswego Tigard Water Partnership Oversight Committee was called to order by **Chair Manz** at 5:42 p.m. The meeting was held in the second-floor conference room at the Tigard Public Library, 13500 SW Hall Blvd, Tigard.

2. APPROVAL OF MINUTES

Councilor Newton moved to approve the minutes of the April 11, 2022 meeting. **Mayor Buck** seconded the motion. The motion passed unanimously.

3. PUBLIC COMMENT

None.

4. COMMITTEE BUSINESS

4.1 Operations Committee

Mr. Bienerth reviewed the operations report in the meeting packet. Of note, water demand hadn't increased much until the previous couple of weeks. Overall water use was down and the river level was above normal. Most of the state remained in drought conditions but the northwest corner of the state was not. Pump 4 at the River Intake had been reinstalled and was running smoothly. Lake Oswego and Tigard staff worked together to turn pipeline valves in Gladstone and Lake Oswego.

4.2 Backup Power Study Update

Mr. Bienerth reported Lake Oswego City Council had approved a design/build approach for the backup power project but an RFP hadn't yet been issued. The hope was to have it issued soon but a staff shortage in engineering was slowing the process. **Councilor Goodhouse** asked if the backup source had been determined. **Mr. Bienerth** replied the RFP would include the potential backup options but thought

diesel generators would likely be used. **Councilor Goodhouse** asked if they would determine which side of the river backup power would be housed. **Mr. Bienerth** said he had extensive discussions with the manager of the Tri-City Wastewater Plant, which is across the river from the intake, about the potential to have a backup power source on their property. They determined it would be prohibitively expensive and a regulatory nightmare. **Mr. Bienerth** explained there were two power feeds into the pump station, so two smaller generators could be brought in, attached to each feed, and provide more than enough power to run pumps. **Councilor Goodhouse** asked if the generators would be mobile or permanent. **Ms. Rooney** responded there wasn't enough room at the site for permanent generators so they would have to be portable.

4.3 Water Quality Report

Mr. Bienerth handed out copies of each city's Annual Water Quality Report. He explained although the reports looked different they contained the same required information. **Mayor Buck** asked where the reports go to. **Mr. Bienerth** replied Tigard mails their report to their water customers. Lake Oswego announces the report is available in the *HelloLO*, either online or they can call to request a hardcopy be mailed to them. **Councilor Newton** stated the decision was made to mail the Tigard report because they serve Durham and King City whose citizens may not necessarily visit the Tigard website. **Mayor Buck** commented on the graphic showing tap water cost at \$.01 per gallon vs. bottled water at over a dollar. **Councilor Goodhouse** stated people think bottled water is better than tap water but it really isn't. **Ms. Rooney** noted there were parts of the country where bottled water was safer and cleaner than tap water so we were fortunate in this area. **Mayor Buck** asked if the penny per gallon was just for the water, not the infrastructure. **Ms. Rooney** said it was part of the water rates which include infrastructure. **Mayor Buck** stated people would still get a bill if didn't use any water. **Ms. Rooney** explained there was a base rate that covers getting the water to your house and then there was a usage rate on top of that. **Mr. Rager** added it costs the City about a penny per gallon to provide or deliver the water. **Councilor Goodhouse** stated some Tigard customers were charged a pumping fee, depending on where they live, and different meter sizes had different rates. **Councilor Newton** noted meter size was determined by the number of fixtures in a home, as well. **Mayor Buck** asked if people in Lake Oswego also have different sized meters and different rates. **Ms. Rooney** replied there were different size meters that had different rates for installation. **Councilor Goodhouse** stated Tigard billing was now more consumption based. **Mayor Buck** asked if River Terrace 2.0 would be supplied by this system. **Mr. Rager** replied it would and was part of the Water Master Plan. Reservoir 18 on the other side of Bull Mountain was under construction and another reservoir would likely be needed in the future in that area. **Councilor Goodhouse** said Tigard's population was expected to go from about 55k to 70k. **Ms. Rooney** added the Joint Water Commission would also be supplying water to Tigard. The Lake Oswego Tigard system wouldn't be large enough to be the sole source for Tigard in the future.

4.4 Budget Report

Mr. Bienerth reported Lake Oswego was half way through the biennial budget cycle and overall had 65% of budget remaining. He noted historically spending for electricity was well below budget but the past fiscal year the budget was \$800k and total spending was \$802k. **Councilor Manz** asked if the price of electricity had gone up. **Mr. Bienerth** replied it had increased 6% at the beginning of the year. **Councilor Manz** asked how inflation would affect the bottom line at the end of the budget cycle. **Ms. Rooney** responded later in the fall when work for the next budget cycle begins, they would receive rate information from PGE and NW Natural that would help plan for the upcoming year. **Mr. Bienerth** stated water treatment chemical prices had also increased and noted hypochlorite had recently gone from \$1.22 per gallon to \$1.94. **Councilor Goodhouse** asked how the increased expenses for electricity and

chemicals were being covered and if reserves were being used or if a rate increase would need to be considered. **Ms. Rooney** stated other line items may not expend their full budget so that would help make up for those line items that may go over. If necessary, the ending fund balance could be used with council approval. She pointed out there was 65% of the biennial budget remaining after the first fiscal year so spending was trending low. Things like electricity rates couldn't be controlled but decisions could be made, whether to spend or not, on other line items. **Mr. Bienerth** added due to the increased cost of electricity and chemicals he had been backing off of elective type work or trying to schedule anything extra. **Councilor Goodhouse** asked if reserves were being set aside. **Ms. Rooney** affirmed. **Mr. Rager** stated each finance department had a different approach but were setting aside reserves in their respective water funds. **Councilor Goodhouse** asked if the reserves would be to rebuild the entire plant or were for wear and tear. **Ms. Rooney** replied the reserves would be for capital replacement over time. **Councilor Manz** recalled deciding on the approach for setting aside reserves in the past. **Councilor Newton** agreed and noted the cities were setting aside the same percentage but using different approaches.

4.5 Summer Water Forecast
Reviewed in previous discussion.

4.6 IGA Agreement Next Steps
Ms. Rooney reported staff had received the first draft revised IGA from Clark Balfour and would be meeting in the coming week to review the draft. Staff would continue to work on the draft over the next two months and bring it to the committee in mid- September. It would be a special meeting separate from the regular quarterly meeting.

5.0 FUTURE AGENDA ITEMS

Councilor Manz asked if anyone had future agenda items to add. There were none.

6.0 ADJOURN

There being no further business **Chair Manz** asked for a motion to adjourn the meeting. **Mayor Buck** moved to adjourn the meeting. **Councilor Goodhouse** seconded the motion. The motion passed and **Chair Manz** adjourned the meeting at 6:23 pm.

Respectfully Submitted,

Susie Anderson
Administrative Assistant

Approved by the Oversight Committee:

October 10, 2022