

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
May 10, 2007

Board Members Present: Norm King, West Linn Mayor, Chair
Scott Burgess, West Linn Councilor
Daphne Wuest, Oregon City Commissioner
Damon Mabee, Oregon City Commissioner

Board Members Absent: Alice Norris, Oregon City Mayor, Vice Chair
Mike Gates, West Linn Councilor

Staff Present: John Collins, SFWB General Manager
Laura Schroeder, SFWB Attorney
David Wimmer, Oregon City Finance
Kim Brown, SFWB Staff

Others Present: Brad Phelps, CH2MHill
Alice Richmond, West Linn Resident
Lynn Fox, West Linn Resident

General Board Meeting

(1) Call to Order

Chair King called the meeting of the South Fork Water Board to order at 6:15 p.m.

(2) Public Comments

No Public Comments.

(3) Consent Agenda - Approval of minutes of the February 8, 2007 South Fork Water Board Meeting.

Board Member Mabee moved to approve the minutes of the February 8, 2007 South Fork Water Board meeting. Board Member Burgess seconded the motion. MOTION CARRIED 3-0. Ayes: Wuest, Burgess, King; Nays: None; Abstentions: Mabee.

(4) Public Hearing – Resolution 07-01 Adoption of Fiscal Year 2007/08 Budget

Chair King opened the Public Hearing on Resolution 07-01, adoption of the SFWB fiscal year 2007/08 budget.

John Collins explained that the South Fork Water Board budget committee met on April 12, 2007 and unanimously approved the 2007/08 fiscal year budget in the amount of \$11,266,449.00. Mr. Collins asked the Board to approve Resolution 07-01 thereby adopting the fiscal year 2007/08 budget as approved by the budget committee.

Chair King closed the Public Hearing. No public comments were presented.

Board Member Burgess moved to approve Resolution 07-01 adopting the South Fork Water Board fiscal year 2007/08 budget. Board Member Mabee seconded the motion. MOTION CARRIED 4-0. Ayes: Wuest, Mabee, Burgess, King; Nays: None.

(5) Discuss Options for Land Use Issues Pertaining to Treatment Plant Reservoir Project

John Collins said that South Fork is presently in the middle of the design and application process for the two-million gallon reservoir project at the treatment plant. In the pre-application process with the City of Oregon City, County records indicate that the treatment plants sits on approximately 10.26 acres of land. Oregon City code requires any facility considered an institution sitting on more than 10 acres to develop a (facilities) master plan. This type of plan would look 15 to 20 years into the future regarding where buildings and basins will go and other property plans. In talking with Oregon City staff, they indicated that as part of the application process, South Fork would be required to dedicate some land for public right of way. The amount of land the City would require for public right of way comes to approximately 0.26 acres. This would put South Fork at ten acres which would exempt us from the (facilities) master planning process.

Mr. Collins said when the City (of Oregon City) first mentioned that land may be deeded as public right-of-way, he was against the option because this is all the land the treatment plant will ever have. However, after talking with Oregon City planning staff, they were very receptive to working with us in regarding which segments of land could be deeded. They also made it clear that even if South Fork moved forward with a master plan, the City would still have the right to require the land to be deeded to public right-of-way. Mr. Collins said City planning staff suggested that South Fork could go ahead and deed the land to the City for public right-of-way in advance; which would then put us on 10 acres or less and exempt South Fork from the master plan requirement. Mr. Collins introduced Brad Phelps of CH2MHill.

Brad Phelps added that this is a long term plan by the City for future expansion of public road right-of-way. Mr. Phelps confirmed that we can negotiate now to deed approximately 0.26 acres to the City in order to exempt South Fork from the master plan requirement, or move forward with a master plan and end up being required to deed approximately 0.26 acres anyway.

Board Member Burgess questioned exactly where and how many feet of land would be deeded and requested that a map be used to illustrate land use issues in the future.

Brad Phelps added the segments of land that would make up the 0.26 acres to be deeded are negotiable.

Board Member Burgess commented that with two absent Board members is difficult to make a decision.

Laura Schroeder stated if the Board decides to go the dedication route, the statutes provide that because South Fork is a public entity on public property, you can have a public hearing and agenda.

Board Member Mabee asked if the proposed dedication will require South Fork to immediately move perimeter fences.

John Collins said fences would be moved at the time of road work occurs and Oregon City has stated that work on the roads in question is probably 30 to 50 years in future.

Board Member Mabee clarified his understanding was that South Fork had the option to go ahead and deed the land now or look at spending up to \$100,000 on a master plan and still give up the 0.26 acres of land in the end anyway.

Chair King asked if \$100,000 was the anticipated cost of a doing a master plan.

John Collins replied that a master plan could be completed for \$50,000 to \$70,000 if started in the near future. This would not be a comprehensive plan; it would be a view of what we believe the future technologies will be and what size buildings will be needed.

Board Member Wuest asked if the Board would be doing South Fork a disservice by not doing a (facilities) master plan at this point in time.

John Collins replied that he felt that way initially, but after physically looking at and measuring the land under question it does not seem like a faulty decision. Water treatment technologies are getting smaller and their footprints are only getting smaller. Removing 0.26 acres from treatment plant land would not encumber South Fork in its expansion up to the maximum water rights capacity. Mr. Collins said he believed that South Fork would be best served by moving forward.

Chair King cautioned that land use and set back requirements might change in the future which could shrink South Fork's usable land and could have a larger impact than now expect.

John Collins said his plan is to propose a master plan update with the next (2008/09) fiscal budget that would allow us to properly plan for this and make a recommendation on what is the best technology and we can then submit a master plan for acceptance and with City's blessing will have approval for future build out. Mr. Collins added that one of proposed segments and a good portion of the 0.26 acres to be deeded may fall along Hunter Ave. Beyond the proposed reservoir there will not be any future treatment plant building along that road and while the City will never require us to move our reservoir, they may change the set back requirements which would prohibit future building there anyway.

Board Member Burgess said again that it would be helpful for the Board in this discussion if a map were presented showing the treatment plant property.

John Collins introduced an aerial photograph and pointed out the treatment plant grounds and surrounding streets.

Board Member Burgess said he may a higher sensitivity with this issue as a result of issues discussed in the recent South Fork Water Board goal setting worksession. In the worksession, the Board listed a goal/question regarding the acquisition of additional property. Board Member Burgess said he then became concerned that this means the Board is running out of land (for needed expansion).

John Collins clarified that the goal/question referred to whether the Board should seek additional land for other purposes, not for needed expansion of the water treatment plant. The treatment plant has adequate land for expansion, especially considering that future treatment technologies all require a smaller footprint than past technologies.

Board Member Burgess asked if it has been considered that our development (reservoir project) will have little to no impact on roads and neighborhood traffic after the construction is completed. We are developing and we have a responsibility and probably would take that responsibility even if we didn't have it as a public agency to improve the city we live in, but there is that issue of proportionality in terms of what we are doing and its impact. Whereas housing has a much greater impact on roads, is 0.26 acres proportional considering our lack of impact and is there room for negotiation with the City?

John Collins replied that South Fork had asked the City this question and basically we were told there would not be impacts that would require the addition of sidewalks to this project. We have also asked the City if South Fork is really an institution; what constitutes an institution; and does a reservoir have to be considered a building. To date, we have been told that we cannot expect to get any relief on requirements. Would the Board like staff to find a land use attorney to explore our options?

Laura Schroeder mentioned that her office has a good land use attorney available.

John Collins added that beyond the actual period of construction, there should not be an impact on the neighborhood. The new reservoir will only have a couple feet of concrete visible above ground, similar to the existing clearwell. Overall, Oregon City staff have been great and are willing to work with us and they don't want to see us not build the reservoir.

Brad Phelps added the City may still ask for sidewalks based on proportionality of amount being spent on this project. If this is the case, the City has indicated that the sidewalk requirement could be deferred to a larger construction project in order to make a meaningful improvement.

Board Member Mabee stated that he would like to see where the line will be drawn. In order to move forward with this issue and if the land has to be given up he would like to see the best case negotiated and what the new footprint would be. Board Member Mabee said he would also like to know the value of property in question (0.26 acres) and would like to consider a feasibility study on whether a master plan could be busted out without seriously messing with the construction schedule.

Board Member Burgess said what it really comes down to is if we will have to dedicate the 0.26 acres no matter what. If so, why fool around with master plan and its cost. Is the City really justified in taking the 0.26 acres and is that a reasonable amount? Board Member Burgess said he had no desire to see a master plan now; he just wants to know that South Fork will have the grounds to fit future treatment plant needs for space.

Board Member Mabee agreed the priority is to answer the question of whether 0.26 is a valid number (as a land dedication requirement).

Laura Schroeder said she can try to get an answer that question and report back to the Board.

Board Member Mabee said if Laura Schroeder confirms that a dedication of 0.26 acres is a valid number he would be happy to move forward after seeing what it looks like on a map.

Board Member Burgess restated that the Board needs to know if the 0.26 acres is justifiable and it would be nice to know our consultant has looked at future land use needs of the treatment plant and

how they will fit on the property considering the proposed land use dedication. These land use questions need to be answered.

John Collins recapped the Board consensus that if it is determined the City has a right to ask for the 0.26 acres to be dedicated, he will bring forward the appropriate documentation and prepare for a public hearing at the next meeting to proceed forward with deeding the property. If for some reason we have an issue with the 0.26 acres, then we will have a discussion at the next meeting about how the Board would like to proceed.

Board Member Burgess moved to take the recommendation of staff that the Board consider the option to deed 0.26 acres based on input on land use and proportionality, and subject to a public hearing. Board Member Mabee seconded the motion. MOTION CARRIED 4-0. Ayes: Wuest, Mabee, Burgess, King; Nays: None.

(6) Business from the Manager

John Collins reminded the Board that it was once again time for his annual review. The Board has been given paper copies of the General Manager evaluation form along with stamped envelopes addressed to Chair King. Chair King will put together a summary of the evaluations and comments and meet with Mr. Collins prior to next month's Board meeting and formal review in executive session. The evaluation form will also be provided to Board members in electronic format.

Mr. Collins continued by updating the Board on the South Fork water right extensions in review with the Oregon Water Resources Department (OWRD). Yesterday South Fork received the written opinion from Oregon Department of Fish & Wildlife (ODFW) stating that summer flow targets are just that, targets. ODFW also provided some hard numbers for September flows. This report was just received and Laura Schroeder will review it and there will be a full report for the Board at the next meeting.

On April 18, 2007, South Fork went through a comprehensive sanitary survey, which essentially is a full inspection of the water treatment facility including treatment processes, testing procedures, documentation and record keeping. These surveys typically take place every three to five years and the last one for South Fork was three years ago. South Fork was given a clean bill of health; we are doing an excellent job. In fact two issues came up as a result of the survey; one is the State required Operations and Maintenance Manual that Kim Brown is responsible for creating and keeping updated. Peter Farrelly (Oregon Department of Human Services) cited it as being the best that he has ever seen. The other issue is filter turbidity profiling and Kim Brown is working with the State to develop a matrix that can be used to help smaller water systems with this requirement. Again, South Fork is ahead of the curve and doing a great job.

(7) Business from the Board

No business from the Board.

(8) Adjourn meeting

The May 10, 2007 meeting of the South Fork Water Board adjourned at 7:08 p.m.