

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
March 10, 2011

Board Members Present: John Kovash, West Linn Mayor, Chair
Rocky Smith, Oregon City Commissioner, Vice Chair
Doug Neeley, Oregon City Mayor
Betty Mumm, Oregon City Commissioner
Mike Jones, West Linn Councilor

Board Members Absent: Jody Carson, West Linn Councilor

Staff Present: John Collins, SFWB General Manager
Christopher Crean, SFWB Legal Counsel

Others Present: Alice Richmond, West Linn Resident
Justin Pritchard, Pacific Inland Consulting

Work Session: Water Rights Presentation and Discussion

General Board Meeting

(1) Call to Order

Chair Kovash called the meeting of the South Fork Water Board to order at 6:49 p.m.

(2) Public Comments

John Collins, SFWB General Manager, agreed to address Alice Richmond's questions about selling South Fork water during a drought outside the meeting.

(3) Consent Agenda

(A). Approval of the Minutes of the February 10, 2011 Board Meeting

Vice Chair Smith moved to approve the Consent Agenda. Board Member Mumm seconded the motion, which passed unanimously.

(4) Update on FEMA Claim for January 16, 2011 Flood Damage to South Fork Intake

John Collins, SFWB General Manager introduced Justin Pritchard to provide the update.

Justin Pritchard, Pacific Inland Consulting reported that he and Mr. Collins met with FEMA on March 8th. FEMA claims are covered on a first in/first out basis so South Fork had 60 days from last Tuesday to create a scope of work for the intake damage that occurred in January. Two separate projects had been identified: the smaller project would be the repair of the actual prow, and they were meeting on site with FEMA environmental and mitigation specialists tomorrow to determine the scope of the second, larger project that would address the embankment erosion. He

reviewed several PowerPoint slides depicting the damage done to the embankment, including bare sections of ground, the exposed footing of the bridge abutment and the inconsistent grade of the slope, and then described the repairs South Fork would be advocating with FEMA. If South Fork was not able to get as much work done as desired, they would advocate for other funding sources regarding infrastructure repair.

Mr. Collins added that FEMA pays 75% of the claim, and South Fork's insurance would protect the property, but had a \$500,000 deductible. The insurance company does not consider "dirt" property to insure, however Mr. Pritchard researched SFWB's construction records to build a case that the dirt was not the issue, but the actual rock imported onto property to protect the prow and intake, so in fact, a property loss was incurred. If the insurance company agreed, SFWB's maximum expense would be \$125,000 for the \$2.5 million in projects. If they did not concur, Mr. Crean might get involved, but the Board would have to seriously discuss future plans and possibly involve the County and others as the County road was in danger if the embankment erosion was not fixed. FEMA was bringing in a geo tech expert and other professionals to help SFWB address these issues.

He noted that 20% above the \$6 million allocated for damage that occurred on the Clackamas River was set aside for other forms of mitigation. Mr. Pritchard was also identifying projects that might be funded at 75% to get in the FEMA queue. These projects might go outside the scope of the river damage per se, and could include mitigation to address issues with the basins should an earthquake occur, or installing automatic shut off valves for the reservoirs. If South Fork could not afford to fund these added projects, the Board could elect not to pursue them.

Chair Kovash understood the County road could be damaged if the improvements were not made, but asked how South Fork would be affected.

Mr. Pritchard replied that while it depended on the size of next flood event, South Fork could not afford to lose any more backfill behind the abutment holding the transformer station and surge tank, basically the bridge to the pump station. This much more expensive repair would result in a loss of service for an extended period of time. Worse case scenario, South Fork could lose part of its facility. He explained the goal was to return conditions to the original asbuilt construction drawings; ideally rock would be placed up to the wood on both the upstream and downstream sides of the prow. Currently, the build up shown was due to sediment deposits.

Mayor/Board Member Neeley confirmed that the tree currently within the prow had caused no equipment damage during the January event.

Mr. Pritchard explained the prow was designed to take the abuse of the river, to protect and deflect the massive pressure of the water stream from hitting a flat piece of concrete. The prow was doing what it was designed for, which was to prevent massive damage. However, no one probably anticipated a tree ever penetrating the prow.

Mr. Collins explained that should a catastrophe occur, South Fork had the ability to limit both West Linn's and Oregon City's water supply. If the event occurred in the summer, SFWB's capacity could supply water for 1½ days. In winter, South Fork fills its reservoirs in any kind of high water event, resulting in 5 to 6 days of water supply. The upcoming budget includes a line item of \$100,000 in SDC expenditures to look at wells for emergency supply, but more importantly, peaking and developing. He noted that with no damage to the prow two years ago, resources were used to install a safety, anti-climb device along the prow, so damage did not occur every year; however this was the most significant shift in earth seen for sometime.

Mr. Pritchard assured the structure was well built. Theoretically, with its industrial design, the prow could stand on own accord even if all backfill was lost. Again, the intent was to get the conditions back to how it was originally designed.

Mr. Collins clarified the only other intake was upstream, but it was inoperable. He assured South Fork was not in danger of losing this intake, but was trying to capitalize on existing resources to address the significant movement of earth. The intake structure was valued at about \$12 million. To his knowledge, no real redundancy exists on the Clackamas River, although Pipeline B runs to another water treatment plant, and if an intake failure occurred each plant would serve the other according to the emergency agreement. The redundancy was by large pipelines connecting more than one intake by multiple owners.

(5)Business from the Manager

1) Professional Services Agreement for FEMA Claim Project Management

John Collins, SFWB General Manager, reviewed the rules and general practices regarding contract review and the General Manager's spending limits. Because of the very short window of time, he had hired Mr. Pritchard, an expert in this field. If South Fork is able to proceed with FEMA, he expected more than \$10,000 in work. He requested that the Board allow him to negotiate a contract, not to exceed \$25,000, at an hourly rate of \$95 and have South Fork's attorney approve the contract. Given the extraordinary circumstances and tight timeframe, South Fork could not go through the usual RFP process. He noted Mr. Pritchard was already working with FEMA and working on the project, which had to be complete within 60 days.

Mayor/Board Member Neeley moved to authorize John Collins, General Manager, to negotiate a contract, not to exceed \$25,000, to meet the obligations of the professional services agreement for FEMA, contingent on approval from South Fork's legal counsel. Board Member Jones seconded the motion, which passed unanimously.

2) Clackamas River Water Providers IGA Update

John Collins, SFWB General Manager, provided the background in forming the Clackamas River Water (CRW) Providers. Over the last few years, CRW has experienced some growing pains. The

IGA was being rewritten by committee and following review and comments from the cities, managers and Mr. Crean, the IGA would come before the Board for consideration, likely in May.

3) SFWB Facilities Plan Update

John Collins, SFWB General Manager, noted one component of the updated Master Plan was to apply for a master plan within the City of Oregon City. That Master Plan is a building plan for a 20-year horizon. The first public hearing had gone well. South Fork staff was addressing questions from two new planning commissioners and would return for a second public hearing.

4) Special Districts Association of Oregon (SDAO) Safety/Security Grant Award

John Collins, SFWB General Manager, announced that South Fork had been awarded a \$3,000 matching grant. The \$6,000 would be spent to install an alarm system throughout the building. If a major alarm sounds, a water quality issue arises, etc., a strobe light and a horn would sound, alerting anyone outside, in the basement or the boardroom. South Fork has been working with OSHA over the last year to be SHARPS Compliant, which was over and above existing standards in outstanding workforce safety. This system would get SFWB one step closer to that compliance. South Fork uses a SCADA system, which would sound the alarm if needed. The majority of funds would be used to get the actual application to communicate with the SCADA system.

5) Solids Handling Presentation for ACE Conference in Washington DC

John Collins, SFWB General Manager announced that he and Pete Kreft submitted a paper for the ACE Conference for AWWA and had been asked to present a poster session, their second together. The session topic involved sludge removal and handling solids in the Pacific Northwest.

(10) **Business from the Board**

There was none.

(11) **Executive Session –Adjourn regular meeting and convene Executive Session.**

The March 10, 2011 regular meeting of the South Fork Water Board adjourned at 7:18 p.m.

(A) To consider information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f)

(B) To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed pursuant to ORS 192.660 (2)(h).

Respectfully Submitted,

South Fork Water Board
Minutes of Meeting
March 10, 2011

By Paula Pinyerd, ABC Transcription Services, Inc.
for John Collins, SFWB General Manager