

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
June 21, 2012

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

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

Others Present: Alice Richmond, West Linn resident

General Board Meeting

(1) Call to Order

Chair Neeley called the meeting of the South Fork Water Board to order at 6:08 p.m.

(2) Public Comments

Alice Richmond read her comments regarding the exemplary work performance of SFWB General Manager John Collins for the SFWB. Ms. Richmond's statement was entered into the record.

(3) Consent Agenda

(A). Approval of the Minutes of the May 10, 2012 Board Meeting

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

(4) Selection of Professional Service Consultants for the South Fork Water Board

John Collins, SFWB General Manager, reminded that the Selection Committee, comprised of Dan Bradley, Kim Swan, Mark Cage and himself, had received excellent proposals. Because the firms could not perform all the functions needed by South Fork, he explained how the proposed general services contract would enable South Fork access to multiple consultants. The upside was that these firms would be available for a three-year term to provide for South Fork's everyday needs. For example, if SFWB had need of some structural modification, it could choose from the four or five qualified firms that were available to do the work. Subsequent similar projects would be offered to the next firm on the list. SFWB would have flexibility to choose a different firm should a company's schedule conflict with South Fork's needs. He recommended that the Board approve him to enter into a general services contract with these firms, adding that SFWB Legal Counsel Chris Crean would review the contracts to ensure they met South Fork's standards.

- He explained that SFWB is not allowed to ask firms for their rates, noting the proposals were statements of qualification. The professional rates of the firms were pretty close.

Because the potential of any one contract could be more than \$100,000 over the three-year span, rates could not be used as a factor in determining the contracted list of firms.

Chris Crean SFWB Legal Counsel added the State legislature ruled that cost could not be considered at the first level of analysis. Once South Fork identified its list of most qualified or preferred contractors, then cost negotiations could begin.

Board Member Jones confirmed with Mr. Crean that SFWB could ask two firms on the preferred contractor list what they would charge for a pump house design, for example. He stated it makes sense to approve all the firms as preferred providers in order to obtain and compare the costs and services provided by each firm.

Mr. Crean confirmed nothing had changed with regard to the set limits that the General Manager could approve without the Board's approval. The subject general services contract regarded three-year, individual contracts that could exceed \$100,000. In any one year, SFWB would not spend that much, however that was possible over the course of three years. South Fork had its own contracting rules, similar to the Cities, so a threshold did exist above which the General Manager could not contract without Board approval.

Mr. Collins clarified that larger projects that would exceed \$100,000 would run through the RFP process. One example of how South Fork might exceed the \$100,000 limit would be if the water rights examiner was needed in court for any length of time.

- He explained that South Fork had asked for statements of qualification. Those firms listed in the Staff report were those that were responsive and qualified to do work for SFWB. He was asking approval to enter into basic service contracts with the companies to provide general consulting services, and he intended to round robin the firms' services.

Mr. Crean noted that contracting with MWH five times for \$25,000 within the next three years would exceed \$100,000; however, SFWB might not exceed that threshold with any one individual firm.

Board Member Jones confirmed if SFWB did not enter into this general services contract, South Fork would have to go out to bid each time something came up the required services.

Mr. Collins stated he was authorized to enter into contracts \$10,000 or less without Board approval, as well as in regard to any item already approved in the budget, such as the study to consider working with alternative water services. He believed his discretionary spending limit as General Manager was \$5,000.

Board Member Jones asked if the General Manager's approval authority with regard to the subject contract would relate to individual contract amounts or the accumulated totals of the contracts with one of the listed firms. More than one contract with one firm within a three-year period could exceed \$10,000.

Mr. Crean responded that issues would arise on projects or contracts with change orders. He would advise that Mr. Collins come to the Board for approval to continue should the threshold be exceeded on an individual contract. However, if the contracts with one firm were for different projects within separate time frames, the aggregated amount would not affect the General Manager's authority to sign further contracts. While South Fork did not know what services would be needed over the next three years, the amount could exceed \$100,000 so

Staff erred on side of caution and followed rules. He agreed to research the General Manager's threshold amount for contracting without Board approval.

Mr. Collins stated that as a rule, he always brings such contracts before the Board to keep them involved.

Board Member Carson moved to authorize the General Manager to contract with the six firms selected by the Selection Committee. Board Member Smith seconded the motion, which passed unanimously.

Chair Neeley confirmed the Board was comfortable moving forward not knowing the threshold.

(5) Executive Session – Recess Regular Meeting and Convene Executive Session

- (A) To review and evaluate, pursuant to standards, criteria, and policy directive adopted by the South Fork Water Board, the employment related performance of the General Manager pursuant to ORS 192.660 (2)(i).
- (B) To consider information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f).
- (C) 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).

Chair Neeley recessed the regular meeting to convene the Executive Session at 6:26 p.m.

(6) Reconvene Regular Meeting if needed to take any action necessary as determined in Executive Session.

Chair Neeley reconvened the regular meeting at 7:23 p.m. and called for a motion.

Board Member Jones moved to increase the SFWB General Manager's salary by 5%, which included a 3% cost of living increase and a 2% merit/bonus. Vice Chair Kovash seconded the motion. MOTION CARRIED 6-0. Ayes: Neeley, Kovash Carson, Mumm, Smith, Jones; Nays: None.

(7) Business from the Manager

John Collins, SFWB General Manager, noted that hikers fond of hiking the south fork of the Clackamas River, along the former property of SFWB, had created a great exhibit at the Clackamas Historical Society. South Fork would loan a piece of its Mountain Line pipe along with SFWB meeting minutes from 1915 for the locked display case. The Historical Society and South Fork shared many pictures in creating the display. He encouraged Board members to visit the Historical Society where the display could be seen upstairs.

Mr. Collins noted that he would be on vacation the week of the Fourth of July. He reported that Chair Neeley, Board Member Smith and he had a good and productive time in Dallas at the ACE conference, which provided an opportunity to learn and build relations amongst

those attending. He appreciated their participation, and hoped that two more Board members would attend the ACE Conference next year in Denver Colorado.

(8) Business from the Board

There was none.

The regular meeting of the South Fork Water Board adjourned at 7:27 pm

Respectfully Submitted,

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