

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
June 24, 2020

Board Members Present: Russ Axelrod, West Linn Mayor, Chair
Rocky Smith, Oregon City Commissioner
Bill Relyea, West Linn Councilor
Frank O'Donnell, Oregon City Commissioner
Richard Sakelik, West Linn Councilor

Board Members Excused: Dan Holladay, Oregon City Mayor, Vice Chair

Staff Present: John Collins, SFWB CEO
Wyatt Parno, OC/SFWB Finance Director
Katelyn Niece, SFWB Regulatory Compliance

Others Present: Lee Odell, Odell Engineering, LLC
Lester Garrison, CRW
Alice Richmond, SFWB Citizens Advisory Board

General Board Meeting

(1) **Call to Order**

Chair Axelrod called the meeting of the South Fork Water Board to order at 6:01 pm.

(2) **Roll Call**

(3) **Public Comments**
There were none.

(4) **Consent Agenda**

(A) Approval of the Minutes of the May 27, 2020 Board Meeting.

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

(5) **Discussion of Scope of Work for WTP Expansion – Lee Odell, Odell Engineering LLC.**

John Collins, CEO, welcomed and thanked Mr. Odell for the work he had done in the last few weeks to address the Board's questions, concerns, and objectives in retooling the proposal for the WTP Expansion.

Lee Odell, Odell Engineering, LLC, briefly highlighted his presentation from the May 27, 2020 SFWB meeting, noting South Fork had already identified its high-priority projects and the Scope of Work (Attachment A) involved combining several of those projects, including the new chemical building and raw water pipeline, with the expansion of the WTP to 30 mgd, which would also include additional finished water piping. The result would be a pretty complete upgrade from the intake to the Division St pump station and up to Mountain View

Reservoir. After last month's comments from the Board, the scope of work and budget were revised. He highlighted the six tasks in the Scope of Work, noting all of the information would be packaged into a Project Definition Report, which could be used for future funding applications as well as a basis for future design projects or design/build projects, providing many future options for SFWB to move forward.

Mr. Collins added that as part of the financial review, Mr. Parno would consider different project combinations for the Board to consider. The money was already in the bank to complete the chemical feed building, but other projects could be added that fit the financial viability of a loan or funding program. It was important for the Board to know the financial ramifications of these projects, including future payments and rates to Oregon City and West Linn. Having that vision and understanding of cost now and into the future is invaluable.

Mr. Odell confirmed that the survey had been removed from the Scope of Work. A separate surveyor was going to do that work, which could be done later. It would be better to determine the locations of the pipeline routes and structures on the site before the surveying was done.

Mr. Collins corrected there were 11 years left for the Master Plan with the City, rather than the 9 years he noted at the last meeting because it was not accepted by the City until 2011. With regard to the survey work, he noted the City might require South Fork to put a building in another location, resulting in the need for another survey, so it made sense to do it after the pre-construction meetings were held.

Chair Axelrod commented that GPS could determine the lines for the environmental and State Historic Preservation Office (SHPO) work, and then a detailed topographic survey could be done later. He had asked about confirming South Fork's agreement with the planning in the City of Oregon City, and wondered whether there was any more information about whether South Fork was going to get buy-in from the City.

Mr. Collins stated he could guarantee the Master Plan was approved.

Mr. Odell noted that Ben Schoenberg, who was part of the team and had worked with Mr. Collins to get the Master Plan approved, had also confirmed the Master Plan was approved.

Mr. Collins believed there was an exemption for under \$100,000 for vendors under a personal services contract. Mr. Crean, who was unable to attend tonight, had agreed to review the contractor rules to verify that was the case once back in his office. He requested that the Board approve the CEO entering into the agreement with the approval of the South Fork attorney for the amount of money in the contractor review rules. He was confident it would be okay, but wanted verification from Mr. Crean.

Board Member O'Donnell moved to authorize the CEO to move forward with the revised Scope of Work contract as outlined by Lee Odell tonight. The motion was seconded by Board Member Sakelik and passed unanimously.

Chair Axelrod stated he was excited to see some projects getting started.

(6) **SFWB Apprenticeship Program**

John Collins, CEO, briefly reviewed the proposed SFWB Apprenticeship Program as outlined in the meeting packet, noting the concept received overwhelming support from the Board at the May 27, 2020 meeting. He had sent the program outline to Wade Hathhorn, General Manager of the Sunrise Water Authority and manager of the North Clackamas County Water Commission to get his opinion. Mr. Hathhorn was so excited about the program that he asked for permission to speak with his board about possibly working together or creating a program very similar to South Fork's with the idea of cross-training and working together with a mutual aid agreement, for instance. He saw a lot of benefit in that, both for the apprentices learning the different types of filtration as well as the water facilities in the event of an emergency since both plants were connected with a 24-in pipeline owned by CRW, South Fork, and Sunrise Water Authority. With the extra manpower, if there was an issue with one or both of the plants at the same time, labor and energies could be concentrated on getting the first available plant back together, the one that could be made whole the quickest, to would serve both communities. The labor pool could then be brought to the other plant to get it fully functional. He requested the Board's comments and feedback, as well as permission to move forward with the program.

Board Member Reylea believed that it was an exciting program. He believed that the trades industry at large needed more support and these types of programs provided that opportunity. He appreciated Mr. Collins's forward thinking.

Board Member O'Donnell commented that he was also totally supportive of the program, noting the benefits of mutual aid, training, and workforce that might not otherwise be available, as well as possibly getting the pick of the litter in terms of qualified future candidates.

Board Member Sakelik said he agreed wholeheartedly with the comments made by Board Members Reylea and O'Donnell.

Chair Axelrod noted a correction on the Apprenticeship Program sheet, stating that in the section under the program offers, the third line under Item 2 should read, "or ~~though~~ **through** correspondence courses..."

- He noted Item 3 under Expectations discussed not missing more than five days for illness and asked if some criteria or standard should be added to address a COVID-19 situation, which was an unusual circumstance that SFWB might want to give some slack on because they would miss more days.

Mr. Collins replied he was heavy on the expectations because SFWB was giving somebody a life-changing, projectory opportunity. He wanted to set a standard of "You better bring your 'A' game, and you better be worthy of this opportunity." While five days might seem cold or harsh, a situation could always be reviewed and adjusted based on what was fair and right. If the measure of accountability was pretty strict, then the ability existed to tell someone they were not measuring up to South Fork's standards, and it was time to part ways, which would be part of this program because South Fork did not have time to put that much energy into somebody that was not worthy of that energy. There was a calculated reason for that amount

of days. If someone South Fork liked and wanted to continue working got COVID-19, they would be supported and told that their job was not in jeopardy. Board Member Relyea asked if the language states an apprentice can't miss five days or five events? Typically, in an employment situation, say if an employee came down with COVID and were out for 10 days, that would be one event. It would be counting the sick time events, not the days. If somebody was out with pneumonia for an entire week, it would be one event.

Chair Axelrod confirmed for Board Member Reylea that Item 3 read "five days of work" and did not discuss the limit being related to an illness event, where an employee being out with pneumonia for a week would be considered one event.

Board Member Sakelik said he believed the key words were "may be", adding that it should be up to the discretion of the CEO, or whoever was responsible for supervising the intern. He agreed with Mr. Collins that the expectation would be to take it seriously, and if the apprentice read the expectations, they would be aware of it from the start and would address any needed adjustment, if necessary.

Mr. Collins commented that the program would need legal review and that Mr. Crean's office had a good HR attorney. He would ask the five-day versus event question and return with the most suitable answer. He believed there was merit to using "events" versus "five days," but would defer to the HR attorney to use their judgment about what was fair and reasonable. He confirmed that he would like to move forward since the Board's comments had been noted and would be included when submitting the program draft to the attorney for review.

Board Member O'Donnell noted that as someone who had participated in a very similar program through the community college, he believed those entities also entered into contractual arrangements with their students, so it might be worth looking at what those expectations were as well. Something structured might already exist that would add some value.

Board Member Sakelik confirmed Mr. Collins would report back about the attorney review, as he was curious to hear what they would say about identifying five days from a legal point of view.

Board Member O'Donnell moved to authorize the CEO to move forward with the South Fork Water Board Apprenticeship Program and to structure it as he saw fit. The motion was seconded by Board Member Smith. The motion passed unanimously.

(7) **Update on SFWB Pandemic Preparedness**

John Collins, CEO, reported that the situation of procuring PPE was much improved over 30 to 60 days ago and that there was enough to get through the end of 2020 and start into 2021. He noted that Mr. Parno and his team in Oregon City had pursued and were receiving grants to help with recovering COVID-19 related expenses.

Wyatt Parno, OC/SFWB Finance Director, stated the good news was that there was a signed grant agreement with the State of Oregon for reimbursement of expenditures incurred during March 1 through December 30, 2020. While there was no direct allocation to the

smaller agencies from the CARES Act, cost-tracking systems were established with the intent to eventually file for Federal Emergency Management Agency (FEMA) reimbursement. Additionally, the Association of Oregon Counties, the League of Oregon Cities, and the Oregon Mayor's Association also lobbied for federal funds, and also for the State of Oregon to share its allocation of the CARES Act fund. Notice was received in May that the State would share the funds. Because the cost-tracking systems were already in place, the request was able to be submitted by the deadline, which was about three days from the notification date.

- Because of the signed agreements with the State, the benefit of applying for the CARES Act funding was that the rules about what would be disallowed as costs were much less stringent than for a FEMA application, and the process was very streamlined. SFWB had been notified that reimbursement would be received for costs incurred, including staff time and protective supplies amounting to about \$10,000.
- Between the cities of Oregon City, West Linn, and South Fork, there was a possibility of receiving almost \$400,000, but he was hesitant to make that announcement until the payments were received. He also noted that any amounts received were subject to future audit by the federal government or the State of Oregon.
- He noted the amount received by South Fork would be smaller than what was received by the cities because it was a much smaller agency. However, South Fork was already substantially prepared for emergency events and was very efficient in responding to COVID-19 because with support from Chair Axelrod, Mr. Collins worked with Staff to ensure the right procedures were in place by using information from the two Cities. South Fork had the procedures, protective equipment, and everything it needed to support the operation, if needed.

Mr. Collins commended his assistant, Katelyn Niece, for her hard work in spearheading the COVID-19 program information.

Mr. Parno noted that the Finance Department in Oregon City, Melissa Goss, Erin Wilke, and Lorelei McCaffrey, as well as the Finance Department at West Linn, were also instrumental in compiling all the needed information.

(8) **Business from the CEO**

John Collins, CEO, congratulated Chair Axelrod for being elected/appointed to the Executive Committee of the Regional Water Providers Consortium for a second term. It was a very good position for South Fork, West Linn, and Oregon City, as represented by South Fork's membership in the RWP. The Executive Committee had seven members and was responsible for setting the business agenda for the entire Board of the Regional Water Providers. With the communities of Oregon City and West Linn, and part of CRW, SFWB served 70,000-plus residents, a good number for a medium-sized utility like South Fork. However, as an Executive Committee member, Chair Axelrod was one-seventh of the voting pool for the water service of over 1.5 million people. For the medium-sized water district and Cities' to be represented on that Committee was a great honor and very beneficial to the cities South Fork served. It was great to have the Committee solicit Chair Axelrod for another term.

- 1) Progress Update on the American Water Infrastructure Act

John Collins, CEO reminded that over the last year he had been talking about the American Water Infrastructure Act (AWIA), and the need to hire a consultant and perform a vulnerability assessment using the tools and approaches South Fork had in place. Quotes had been solicited and received ranging from \$47,000 to \$50,000.

Following discussions, he and Ms. Niece used a VSTAT tool on the federal website that provided a self-assessment for utilities to do the vulnerability assessment on their own. A lot of time and calculations were involved, but he and Ms. Niece worked together, and the assessment had been completed internally and was legally compliant. While not required, a second option existed for countermeasures that Ms. Niece was currently working on and was nearly complete.

Wyatt Parno stated it was amazing that Mr. Collins and Ms. Niece had saved about \$50,000.

Mr. Collins noted Ms. Niece's work would merit a small bonus. The assessment had to be finalized and submitted to the federal government by the end of 2020, but it would be strategically submitted in the second or third week of November, which would start the six-month clock for writing the Emergency Response Plan. He hoped Kim Brown would come out of retirement in January because she had been a great help and had the skill set necessary to write the plan. If not, a consultant would be hired because it required a technical writer. He was working to get the entire project done in house.

2) Update on Wyatt Parno Contract for Employment with South Fork Water Board

John Collins, CEO, said that he and Mr. Parno had worked on a fair and equitable contract and that the legal review had been finalized. The contract would be sent to Chair Axelrod and Vice Chair Holladay tomorrow. The salary was a 5% increase from Mr. Parno's base salary and what he was making now. He added that he would work with Chair Axelrod to have the contract come before the Board for review and acceptance at the July meeting. He appreciated that he was given the privilege of succession planning, adding that he got a great leader for South Fork's future. He clarified the start date would be October 1, 2020, adding that he and Mr. Parno would work together for nine months before he retired.

Mr. Parno thanked the Board and Mr. Collins, saying he was very excited about the new position.

Mr. Collins added that South Fork was moving forward with its SCADA system and was about to have its first virtual meeting with Staff and the design team for Jacobson Engineering. As soon as the project was fully engineered, the RFP/RFQ combination would go out for the chemical feed building. All that was needed was the interface for the two buildings from Jacobson so the equipment needed for the system integration tools could be specified. Everything was moving along well, and he would be with the Board through the design, bidding, and any land use issues.

(9) **Business from the Board**

Chair Axelrod reported on the Regional Water Providers Consortium Executive Board meeting held about two weeks ago, updating on the new website, www.regionalh2o.org and discussions regarding the snowpack, noting that 95% of the state was still abnormally dry, which was very concerning for both the water supply and wildfire potential; COVID-19 and

approaches being taken by utilities, such as revising rates, SDC approaches, and customizing bill management programs. There had not been any shut-offs, and many utilities were implementing plans to address consumer needs while still maintaining water, which was great to see. He noted some Portland Water Bureau staff had been furloughed and that due to the cancellation of some of the Consortium's community and school activities, the budget had been revised to address some of the resulting cost savings.

John Collins, CEO, added that the Consortium's budget recalculation also lowered South Fork's dues slightly.

- (10) **Executive Session –Adjourn regular meeting and convene Executive Session if needed.**
No Executive Session was held.

- 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).

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

Chair Axelrod adjourned the regular meeting at 6:51 pm.

Respectfully Submitted,

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