

**OAK LODGE SANITARY DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
October 7, 2009**

CALL TO ORDER

President Paul Savas called the Regular Meeting of the Board of Directors of Oak Lodge Sanitary District in Clackamas County, Oregon to order at 6:30 p.m. in the District office, 14611 SE River Road, Milwaukie, Oregon.

PERSONS PRESENT

Declaration of a Quorum: Directors present were Paul Savas, President; William Wild, Vice President; David Seigneur, Jim Martin and Tom Foeller.

Staff present were J. Michael Read, General Manager and Secretary of the District; Brett Arvidson, Manager of Planning and Engineering; Jack Perry, Field Operations Manager; and Faith Paddock, Administrative Services Manager.

OTHERS PRESENT

Leonard Waldemar, 5025 SE El Centro Way, Milwaukie, Oregon 97267
Lynn Fisher, 16133 SE River Road, Milwaukie, Oregon 97267
Doug Woods, OLSD Staff
D. Brown, no address given
Chips Janger, 1468 Fair Oaks Avenue, Oak Grove, Oregon 97267
Libby Barg, Barney & Worth, Consultant
Clark Worth, Barney & Worth, Consultant

**STATUS OF CM/GC RFP:
Brett Arvidson**

Mr. Arvidson updated the Board on the status of the CM/GC RFP process. The District received seven proposals and the selection committee has been appointed and began reviewing the proposals. The four finalists will be interviewing the week of October 20th. Based upon the selection process, the selection committee will forward a recommendation to the Board.

**PUBLIC PROCESS
UPDATE: J. Michael
Read/Clark Worth, Barney &
Worth, Inc.**

Manager Read updated the Board on the recent activities of the public outreach process. Manager Read has made presentations to a number of organizations in the Oak Grove community, which includes the Oak Lodge Community Council, Oak Grove Rotary, Milwaukie Rotary, New Urban High School, North Clackamas, Chamber of Commerce, Milwaukie Lions, and Policy Team of the North Clackamas Chamber of Commerce. Manager Read stated that the response to the information and presentation has been positive.

The Board viewed the Re-investing in Healthy Rivers DVD mailer that was sent to all District residents about the treatment facility upgrade and ballot Measure 3-348..

Clark Worth stated that consultants have been developing materials for the District to use in their outreach effort and information sharing on the GO Bond measure. This campaign is geared towards educating the public about

the upgrade to the treatment facility and GO Bond Measure on the November 3 Ballot. In addition, Mr. Worth provided materials to the Board relative the two mailings to District residents, which were the Re-investing in Healthy Rivers DVD and a mailer highlighting information about the upcoming, GO Bond elections. There will be an Open House on October 27, 2009, from 6:00 p.m. to 9:00 p.m. for area residents interested in finding out more information about the bond measure and treatment plant renovation. Informational boards will be displayed in the Administration Building front entrance as well.

There was a brief discussion among the Board and Mr. Worth regarding whether or not it would be advantageous for the District to advertise in local newspapers information about the GO Bond Measure.

SANITARY SEWER AND
SURFACE WATER
PROGRAM REPORTING:
Jerry Perry

Jack Perry, Field Operations Manager updated the Board on the recent activities of the field operations crews and the status and condition of the collection system.

President Savas stated that the Board is concerned with: 1) the number of sewer overflows in the past three years and the fact that the number of overflows is higher than what has been recorded historically; and 2) the fines and penalties imposed by the Department of Environmental Quality (DEQ) for these overflow violations. The Board is very concerned about the maintenance of the system and its current condition. Further, the Board is very interested in seeing a five-year maintenance plan and want to have confidence in the monthly reports that the numbers being reported are accurate and can be verified through systems recordings or back up documentation.

Manager Perry answered the Board's questions stating that the collection system is not in good condition and it has not been well maintained. A good evaluation of the system is necessary and a comprehensive report will be provide to the Board in December on the findings and condition of the overall sewer system. However, Mr. Perry also wanted to the Board to know that field crews have more work than bodies to do the work, so work is being contracted out. In addition, field crews have been working diligently to make progress in maintaining and cleaning the years of backlog and they are making great process. Manager Perry provided the Board with pictures of the field crews working in areas where manholes have not been cleaned for many, many years because of their location. Mr. Perry showed the Board huge sized rocks and concrete found in the sewer system left over from the McLoughlin Blvd. manhole project.

Manager Read stated that the history is not good but that what Mr. Perry needs to know is what the Board needs from [him] as far as information on a monthly basis. Mr. Read stated that Manager Perry is leading his team in a good effort to get the management of the system under control and commended the efforts of Mr. Perry and his crews for all of their hard work.

In addition, Manager Read stated that the District might need to approve future Ordinances in order to enforce stricter regulations on businesses and others who are major contributors to the system; especially, those businesses who contribute significant amounts of grease to the collection system.

Manager Read stated that he is confident there are no looming major system failures or that the system is collapsing, but rather the systems current condition is related to deferred maintenance. Further, Mr. Read stated that Mr. Perry will be making his next report to the Board in January 2010.

Director Wild stated that he would like the monthly reports to include information or a map that shows the areas that have been cleaned and the areas that need to be cleaned. In addition, information on geographic locations that might be in very poor condition would be helpful.

President Savas asked that the monthly report should also include information related to how many feet of sewer lines have not yet been cleaned.

There was a brief discussion among the Board and Mr. Perry related to the development of his plan and how his plan will comply with Federal and State cMOM requirements.

President Savas thanked Manager Perry.

DEQ STIMULUS
FUNDING RECORDS
REQUESTS: J Michael
Read/Paul Savas

Manager Read stated that at the Board's August 11, 2009, Regular meeting the Board directed District Counsel to send a formal Public Records Request to Oregon DEQ regarding the criteria and evaluation process that was used to distribute Federal Stimulus funds to wastewater utilities under the American Recovery and Reinvestment Act. The District was told by DEQ that materials related to their criteria for selection in this process were available on DEQ's website. The information and emails from the District received from DEQ were provided to the Board and in the public's meeting packets for review.

There was a lengthy discussion between Mr. Arvidson, Manager of Planning and Engineering, Manager Read, and the Board regarding 5 million dollars in SRF money that the District is in line to receive.

President Savas stated to the Board his opinion about DEQ's hesitation to provide much information or paperwork to the District about the criteria scoring used by DEQ to determine those agencies selected for stimulus funding. President Savas proposed that an additional email to DEQ asking them if they have in fact provide all the information they have relative to the scoring criteria used has been sent to the District per the public records request. This would be helpful in assisting the District and the Board in better understanding DEQ's decision not to give Oak Lodge Sanitary

District stimulus money.

METRO NATURE IN THE
NEIGHBORHOOD
GRANT: Brett Arvidson

Mr. Arvidson stated that Tri-Met is locating the light rail terminus at the intersection of Park and McLoughlin Blvd. The terminus will consist of a light rail train station, a 1000 car-parking garage and associated site improvements. With impacts to local storm drainage, PS 3, the trolley trail, and other District concerns, Tri-Met/Metro has invited Oak Lodge Sanitary District staff to participate in a charrette (intensive design workshop). Participation in these activities with Metro could potentially provide for Nature in the Neighborhoods funding. The first step in obtaining a grant is submitting a letter of intent. The letter would present a conceptual description of the project. In addition, the letter needs to identify interested partners with resources to participate in the project. The final grant proposal would be presented to the Board. Mr. Arvidson recommended the Board approve staff moving forward with a letter of intent to participate in work associated with Nature in the Neighborhoods.

Mr. Arvidson reviewed with the Board the benefits to the District relative to surface water should we move forward in partnership with Nature in the Neighborhoods.

Chips Janger
1468 Fair Oaks Avenue
Oak Grove, Oregon 97267

Mr. Janger resident of Oak Grove Oak Grove stated that he was representing a group of concerned citizens and a representative of Urban Green, both groups will be submitting a letter of interest to Metro. Mr. Janger provided the board with a brief history about the activities of Tri-Met and Metro.

M/S Foeller/Wild Authorize staff to submit a letter of interest to metro for a Nature in the Neighborhoods grant and participate in further work associated with final grant application. The question was called and motion passed unanimously.

CONSENT AGENDA:
Approval

President Savas called for approval of the Consent Agenda.

Director Wild requested that page 6 and 7 of the September 8 2009, Regular meeting minutes be amended to show President Savas as voting.

M/S Wild/Seigneur Approve the September 8, 2009, Regular meeting minutes as amended. The question was called and the motion passed unanimously.

MONTHLY REPORTS

Director Foeller asked questions related to the handling of biosolids and the cost of the current process versus the new cannibal process. In addition, Director Wild asked questions about the monthly reports relative to traffic services.

M/S Wild/Seigneur Approve the monthly reports. The question was called

and the motion passed unanimously.

CORRESPONDENCE
REVIEW

The Board briefly reviewed September correspondence from the District.

GENERAL MANAGER
REPORTS: J. Michael Read

Manager Read updated the Board on the budget.

Manager Read stated that the Board holds two or more Retreats each year for purposes of education and training and issues facing the District. Manager Read polled the Board on possible dates for the next Retreat. The Board recommended that the Retreat be held after the November 3rd election. The Board selected December 4th and 5th, 2009 for their Retreat.

Manager Read will confirm with the Board the suggested December 4-5 dates.

DIRECTORS REPORTS

President Savas updated the Board on the recent activities of the C4 committee and the retreat.

President Savas updated the Board on the activities of the Jennings Lodge CPO. Manager Read did well with his presentation to the CPO.

Director Martin updated the Board about activities related to the Oak Lodge Community Council.

Director Wild stated that the District's Master Plan Community Advisory Committee (MPCAC) met on September 17th. He updated the Board on the meeting discussions.

Director Foeller showed the Board the Stringfield Park award. Director Foeller thanked Mr. Arvidson and those who were involved in getting this project complete.

PROJECT STATUS
REPORT: Brett Arvidson

Mr. Arvidson, Manager of Planning and Engineering updated the Board on the status of projects for the District. A detailed report was provided to the Board in their meeting packets.

PUBLIC COMMENT

Director Foeller spoke to the Board as a private citizen of Oak Lodge Sanitary District to make them aware of a newly formed political action committee of area residents supporting Measure 3-348. Ballot Measure 3-348 authorizes the District to sell up to \$44 million in general obligation bonds to fund the needed upgrades of the wastewater treatment plant.

There were no other comments from the public.

OTHER BUSINESS

There was no other business.

DIRECTOR COMMENTS: There were no Director comments.
Directors

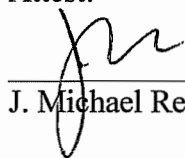
BOARD REQUESTS: Director Martin asked what the District is doing concerning Ms. Susan Schiele's request to have the water problems at the corner of Wabash the SE corner off River Road analyzed. Mr. Arvidson responded to Director Martin stating that he would have District staff issue a service request and have a member of the field operations crew out to the property to assess the situation. Mr. Arvidson will report his findings to the Board at the November regular meeting.
Directors

MONTHLY EXPENSES: M/S Wild/Seigneur Motion to approve the District's monthly expenses of \$265,232.30. The question was called and the motion passed unanimously.
Approval

Adjourned 9: 17 p.m.

Paul W. Savas, President of the Board

Attest:



J. Michael Read, Secretary