

Oak Lodge Sanitary District
MASTER PLAN COMMUNITY ADVISORY COMMITTEE
Wastewater Treatment Plant Pre-Design Project
Public Outreach Project
Summary of January 20, 2009 Meeting

The January 20, 2009 meeting of the Oak Lodge Sanitary District Master Plan Community Advisory Committee (MPCAC) convened at 6:10 pm in the Conference Room of the District Administration Building at 14611 SE River Rd, Milwaukie, Oregon.

Committee members attending this meeting were Matt Anderson, Tom Foeller, Jerry Foy, Thelma Haggemiller, Margaret Pritchard, Leah Robbins, Henry Schmidt, and William Wild (attending as representative of the District Board of Directors).

Members absent were Greg Leedy, Myron Martwick, Bob Murch, Brad Smith, and Leonard Waldemar.

District staff members attending were J. Michael Read, General Manager of the District; Brett Arvidson, Manager of Planning and Engineering, and Kay Deines, Administrative Support Specialist.

Consultants attending were Libby Barg and Clark Worth of Barney & Worth, Inc.; and Dave Green and Kelly Dancey of CH2M Hill.

1. Dinner and Welcome
Michael Read welcomed everyone to the meeting and briefly reviewed the agenda items.
2. Treatment Plant Design Decisions
Dave Green of CH2M Hill described the status of the plant design decisions. He described and discussed a series of PowerPoint slides showing the latest treatment plant site plan and the non-process facilities.
 - a. Predesign Schedule
Dave discussed the schedule for the near future.
 - *On February 16 CH2M Hill will submit the Draft Schematic Design Report.
 - *Staff Workshop - review of the Draft Schematic Design on February 24.
 - *Board of Directors workshop - review of the Draft Schematic Design is on March 10These meeting dates are tentative and will be changed if they do not work out for District staff or the Board of Directors.
 - *April 9, 2009 - Schematic Design Report submitted to Oak Lodge Sanitary District. The project will be 30% complete at that point.
 - b. Fence location and pedestrian trail
MPCAC members discussed the future location of the front fence and the pedestrian trail. The fence will be approximately 65' further from the roadway to allow for a winding pedestrian pathway with native plants as landscaping. The pathway will provide safety for pedestrians. It has been designed to provide good visibility for traffic on the roadway and entering and exiting the wastewater treatment plant

facility, as well as providing adequate space for larger trucks to maneuver. Committee members attending the meeting approved of the location and design of the trail, and the use of native plants for landscaping.

c. Treatment Plant access

Access to the plant will be along the western edge of the property. Realignment of the roadway allows space for maneuvering large vehicles. It will also provide a 1-way loop through the plant for visitor and construction traffic.

d. Grading and layout

The District recently purchased the residence south of and adjacent to the old Administration Building. This purchase will pay for itself in reduced construction costs and will serve as the construction project headquarters.

Brett met with North Clackamas Parks and Recreation District (NCPRD) to discuss the joint property line between the treatment plant and River Villa Park. NCPRD is pleased to work with the District on this project. The area discussed is approximately 40' to 50' wide and is on the park side of the fence. This space will be graded and cleared, and planted with native vegetation to serve as a transition between the treatment plant facility and the park. The access road will be on District property and function as a berm to prevent floodwaters entering the plant. It will be a visual separation between the park and the plant. Oak Lodge Sanitary District is pleased to cooperate with NCPRD on this transition feature, and NCPRD is pleased the area will be cleared of invasive species and planted with native vegetation.

e. Non-Process Facilities

Design features and placement of the non-process facilities were discussed. Dave Green discussed the parking plan design process. CH2M Hill identified each of the District's vehicles and where each would be stored, and then added employee and visitor parking space.

Dave then discussed the plan for the existing service building. Indoor space will be added for needed training and conference room space by enclosing the current deck area, reconfiguring the locker room, and moving the SCADA equipment to the new electrical building. Because of flooding danger, the basement will be used for storage only. Plans for addition of a second floor and lab space have been pushed out to Phase II of the project.

The old administration building needs a new roof, but is structurally sound. It will be rehabilitated to house the field crew. There will be a conference room and minimal employee parking. Henry Schmidt asked if the parking space is adequate, and Dave confirmed that it is.

Dave then discussed the plan for vehicle storage. Three types of vehicle storage are planned: full freeze protection parking, covered parking, and open parking. CH2M is working with staff to determine the storage needs of each vehicle or piece of equipment to be stored there. Henry Schmidt stated his belief that the original plan did not show parking in this location. Dave said that was true; the parking area was

not originally by the plant entrance. Henry voiced concern that the back of the vehicle storage building would be the first thing seen when entering the plant. He would like a less industrial initial appearance. Thelma Haggemiller asked if the structure was visible from the planned pedestrian path. Dave confirmed that. Henry asked if the vehicles would be visible. Dave said vehicles could likely be visible, depending on their size. He explained that the screen on the structure, which does not go to the top of the outer wall, was an architectural feature and he would check with the architect to see if there was any functional reason not to increase the screen size to block the view of vehicles more. Michael Read pointed out the back of the structure would be screened by Oregon oaks. This met with Committee approval.

f. Roofing

Thelma Haggemiller would like new buildings to be designed to support growing/green roofs. Dave Green stated that many of the roofs will not be strong enough to bear that weight, however the new Digester Control Building will have a demonstration green roof. Some types of growing roofs are less heavy and might be placed on the vehicle storage buildings. Another suggestion was that solar panels are could be placed on the lighter roofs. Dave Green will check out the strength of the carport roofs and the possibility for the lighter-weight growing roof. This subject will be discussed further between the architects, the engineers, and District staff. Thelma noted that growing/green roofs may be part of the Governor's Oregon stimulus package.

g. Chlorine

MPCAC members asked if chlorine would still be used for disinfection of the wastewater. Dave Green explained that the current plan is to use UV disinfection for the main disinfection method, with Proxitane (peracetic acid – a mix of vinegar and hydrogen peroxide) for chemical disinfection. DEQ is very interested in this method of disinfection. It is possible that we will still have some chlorine on hand for emergency disinfection, but it will not be the chlorine gas that we are currently using. The members asked about the toxicity of Proxitane. Dave Green explained that it is toxic and corrosive, but does not have the same danger level as chlorine gas. Chemical disinfection will be reserved for use in peak wet weather flows.

h. Cost

In response to a question about the cost of the revised plan as presented, Dave Green answered that a revised cost estimate, a refinement of the previous package, will be provided by CH2M Hill next week.

3. Communications Subcommittee

- a. William Wild reported that the MPCAC Communications Subcommittee worked hard with Barney & Worth on the survey that was sent out in the last two billings by District staff. Approximately 7,000 surveys were mailed out, and between 1,000 and 1,200 have been returned.

Clark Worth reported that the response to the survey is over 15%, which is a strong response. He noted that their staff was surprised by the number of customers who say they come to our office for various reasons. Clark believes this suggests that the front

lobby of the Administration Building would be a good site for placing information on the treatment plant upgrade. The most common customer comments express appreciation of the interest of District staff take in customers' views or problems, and they rate customer service as high quality (6 on a scale of 1 – 7). The majority of customer questions pertain to Surface Water Management services, and many of those comments are quite specific (i.e., requesting the District fix a flooding problem near their home).

Henry commented he was glad to see how much information the District was getting from the survey and was happy to see the high rate of return. Henry agrees that the lobby would be a good site for a display.

William Wild stated the Board is looking forward to the information from the survey. He noted that members frequently hear comments in various situations to the effect that “people think” or “the community feels” but have no way to confirm or deny a statement. The survey results will help confirm or refute those comments.

Jerry Foy asked if there had been more hits on the webpage since the survey has been circulated. Libby Barg will check into that.

The Committee and staff then discussed the prevalence of concern over surface water issues. William Wild noted that the Board has been concentrating so much on the project to renovate the wastewater treatment plant that they may be surprised over the number surface water complaints. Thelma noted that people see the surface water issues in the yards and in their neighborhoods on a daily basis, and so they are constantly aware of them. Jerry Foy stated that twelve years ago the Board was hearing a lot of surface water complaints. Brett Arvidson stated his belief that in the next year the District needs to revamp the SWM CIP projects and start a major push to move toward solving some of the longstanding problems.

b. Video

Tom Foeller brought up the subject of presentations to the public and wanted to be sure that no one was listed in the minutes of the previous meeting as being willing to make a presentation unless they truly wanted to do that. Thelma stated that she believed that people were willing to help as long as there were tools provided by Barney & Worth and the District to assist in the presentation. Libby explained that the 5-minute video being shown in the meeting is meant to be used as such a tool. It would provide for all the information to be presented without requiring Michael or other staff to attend each meeting.

The video was played for the MPCAC. The Committee members approved of the video – they noted that the information was presented in a concise and accurate way. Michael Read then distributed copies of the first newsletter to be enclosed in the next billing mailing. The newsletter is at the printers at this time. Michael noted that the title, masthead, and content had been approved by the Communication Subcommittee. There was a discussion on the use of “Reinvesting in” or “Reinvesting for” at various points in the newsletter and the video. Jerry Foy stated that he feels the correct use depends on the sentence construction – i.e. “reinvesting in stormwater or sanitary

facilities for healthy rivers”. Michael noted that we can adjust language every two months as we put out each new edition of the newsletter.

4. Update on Current Activities

a. Project Delivery Mechanism

Michael Read reported that there is a Project Delivery Mechanism workshop scheduled in the Administration Building Conference Room on January 29 from 4:30 p.m. to 6:30 p.m. The Board will meet regional experts on project management will be meeting with the Board at that time. They are: Leah Robbins, who is managing the delivery process for one of Metro’s light rail projects; Jerry Foy, a private sector developer; Ted Kyle, managing the PMPC process being used at the Tri-City Plant’s remodel; and John Lang, a project manager for City of Portland and the consultant who presented the overview of Project Delivery at the previous MPCAC meeting.

A recommendation for Project Delivery from staff will be delivered to the Board at their February 2009 regular meeting. The proposed State and Federal stimulus packages are driving the fast pace for conclusions on this part of the recommendation so the District will have a project that will be “shovel ready” within 90 days after February 15, 2009, could qualify for stimulus funds. Once a contract has been awarded the project is considered “shovel ready”.

b. Land Use Permit Application

Brett Arvidson reviewed the status of the Land Use Permit Application for the Committee. He received Application from the Consultant on January 19, and feels it looks good. He plans on completing the review this week and then will submit it to Clackamas County the first part of next week. Jerry Foy noted that the County has thirty (30) days to review a submitted application and determine if it is complete. Brett stated his belief that the package will be complete. The Consultant has prepared and submitted many applications, and they are very thorough; and Brett is checking it very closely to ensure the application is complete the first time around.

Because ours is a Conditional Use application it will have to come before a Hearings Officer for approval. Brett noted that Hearings Officers are much more comfortable granting approval to a permit that has community support. The presence of supportive members of the local community at the hearing will be important, as well as the submittal of letters in support of the project. Brett noted that because we have had two meetings so far and will have another before the hearing date to be sure that all of the plant neighbors’ questions have been answered we should be able to get the approval of the Hearings Officer. We will have addressed community issues, spoken with neighbors and the broader community, and will have been conducting the public outreach effort for over a year prior to submitting the application; and all of those things will help the Hearings Officer to be more comfortable with our proposal.

Thelma suggested that all of the information be presented on the District’s website. She also suggested that the local volunteer groups should be approached for their support – groups such as the Friends of the Trolley Trail.

Margaret asked if the local retirement residential facilities have been contacted for

informational meetings. Michael stated that Committee members have been assigned to contact those complexes as part of the strategic public outreach plan. Thelma stated that the Communications subcommittee has been waiting for the informational tools before contacting all of the retirement residences. The video that the group viewed at this meeting is one of those tools.

c. Financial Plan and the Cost / Rate Impact

Brett reviewed the report by Kieu-Oanh Nguyen of Western Financial at the last meeting and our approach to a Financial Plan. She recommended that we immediately submit a Resolution for Reimbursement, which has been approved by the Board of Directors. The District has spent moneys from its Capital funds for project development and design, and with this Resolution we can reimburse itself for those expenditures should the Board determine that is desirable.

Kieu-Oanh has evaluated the District's policies, budget, and financial plan. Currently, with the financial markets as fluid as they are, she is planning on discussing the financial plan in February or March. She recommended that the District apply for the State Revolving Fund (SRF) Program and create an intake with the Oregon Economic Development (OED) program. Those two actions are completed. Brett spoke with an OED officer this morning, and between them they settled on a request for \$35 million. Brett feels that to get the funds we are requesting we will need to get some political backing from people like Dave Hunt, the State Representative from this area. Jerry asked about the interest rate on the SRF funds. Brett replied that the interest rate is 3.5%, and just as important is the fact that the coverage is only 5% rather than the 20% customary on regular bonds.

Jerry Foy asked about the meaning of "shovel-ready" and wanted to know if the District will be that far along. Brett stated that it will depend on the type of Project Delivery Method recommended to the Board after the workshop next week, and on which Project Delivery Method the Board approves. One reason to have the workshop and develop the recommendation in the immediate future is to be able to move forward. Jerry asked about the method for the Board to recommend an alternative Project Delivery Method to the Design / Bid / Build method. Brett explained that it is an internal District decision, and that to select an alternative method the Board must agree that they have been presented with facts that support such a selection. The Board makes the decision based on its Findings.

Brett explained that because the District is on sound financial footing, and can afford to pay its way for a while without having to wait to get a loan or sell bonds prior to starting the project design process; it is in a good position to make use of any available stimulus funds. In the next two months the Board and staff will consider the cost of the project and its impact on service charge rates.

d. Cost / Rate Impacts

Michael discussed the need now, as we enter a new budget cycle, to develop a rate model to determine how much of a rate increase we must have at this time and to determine if we can live off of our reserves for a while; and secondly to immediately develop a System Development Charge (SDC) model. Development of an SDC

model requires accurate pre-design costs. Michael estimates that the proper SDC for connection of 1 Equivalent Dwelling Unit (EDU) to the District's sanitary sewer system should be in the range of \$3,500 to \$5,000. The current SDC rate is \$1,657.10. Brett estimates the correct SDC will be around \$4,500.

Thelma suggested a regular indexed increase in SDC fees. The problems involved in this type of indexing were discussed. SDC fees must be tied to proven costs in a capital program. Brett stated he will work on this problem. He stated he will have to be able to tie such an index to a planned construction program. Michael stated that the reason for any increase in SDC fees must be documented and justified.

5. Question and Answer session

- a. Jerry Foy asked if the engineers would be present at the Project Delivery Mechanism Workshop. Michael stated that they would not be present as official participants. However, it is an open meeting and anyone can attend. If they attend, and the group wants to ask them a question, then they can answer that. Dave Green emphasized that they do not want to be on the agenda or a part of the process, however they would like to remain eligible for selection as the engineer contracted for the project. The decision will be made collectively by the Board with the assistance of experts in the field, not one that has anything to do with the consultants.
- b. Leah Robbins asked about the delivery of the cost estimates. William Wild answered that the cost estimates will be delivered and will be scheduled for review internally. Leah Robbins wanted to confirm that the stimulus package deadlines will be considered in delivery and review of the cost estimates. William confirmed that they would.
- c. Margaret Pritchard asked if NR Index can be used as a model at this time for SDC fees. Michael replied that this has not been an industry practice. Brett noted that it does not provide a good local cost or CPI application.
- d. Next MPCAC Meeting - March 24, 2009
Libby announced that the next meeting of the MPCAC will be on March 24. At that meeting there will be a lot of information presented for review and feedback from the MPCAC. That day is during Spring Break from schools, so the date may be changed. (*The date has been changed to March 19, 2009 KLD*)

Tom Foeller asked if the Conditional Use Hearing at Clackamas County would be after the March 24 date. Brett stated that it would, and if for any reason there is information that needs to be disseminated to the Committee the members will be notified.

The meeting adjourned at 8:00 p.m.