

HILLSBORO/FOREST GROVE/BEAVERTON
TUALATIN VALLEY WATER DISTRICT
JOINT WATER COMMISSION (JWC)

MINUTES

City of Hillsboro
Civic Center Room 113B
150 East Main St.

April 11, 2014
12:30 p.m.
Regular Meeting

Commissioners Present:

Hillsboro: John Godsey and Dave Judah
Forest Grove: Victoria Lowe and Rod Fuiten
Beaverton: Denny Doyle, Marc San Soucie and Mark Fagin
Tualatin Valley Water District: Dick Schmidt, Marilyn McWilliams and Mark Knudson

Staff Present:

Hillsboro: Rob Dixon, Kevin Hanway, Sophia Hobet, Chuck Kingston,
Tyler Wubbena, Suzanne Linneen, Erika Murphy, Tacy
Steele, Kristel Fesler, Mellisa Franklin, and Susan Howard
Beaverton: David Winship
Forest Grove: Rob Foster
Tualatin Valley Water District:

Others Present: Clark Balfour – Attorney

The Commission lunches at 12:00 p.m. Call to order at 12:48 p.m.

CALL TO ORDER

Introductions.

1. **CONSENT AGENDA** (The entire Consent Agenda is normally considered in a single motion. Any Commissioner may request that an item be removed for separate consideration.)
 - A. Approve regular meeting minutes from Friday, January 10, 2014.

Hanway stated Tyler Wubbena was not present at the January meeting as stated in the meeting minutes. The individual present was Bernie Monahan.

Motion by Godsey, seconded by San Soucie, to approve the Consent Agenda as presented with the correction stated above. Motion carried unanimously with Commissioners Godsey, Rosenberger, Judah, Fuiten, Lowe, Doyle, San Soucie Fagin, Schmidt, McWilliams and Knudson all voting in favor.

2. **COMMUNICATIONS AND NON-AGENDA ITEMS**

- A. None scheduled.

3. **UNFINISHED BUSINESS**

- A. None scheduled.

4. **NEW BUSINESS**

- A. Consider adoption of proposed 2014-15 budget. *Staff Report – Mellisa Franklin*

Franklin reviewed revenues for projected year end (PYE) stating water sales shows an increase of \$13,000 due to the 12th Avenue North Transmission Line (NTL) leak. This number could change depending on final invoicing. Miscellaneous contributions in aid are showing lower than budget by

\$4.7 million. This is primarily due to the timing of projects. She stated miscellaneous revenue is projected at \$4,000. Budgeted contingency is \$500,000, however the current PYE shows \$0 and after final numbers are received for the NTL leak, this number will change.

Franklin reviewed expenditures for PYE stating personnel services are under budget by \$84,000 which is primarily due to open positions and accrued vacation expense. Non-project capital outlay of \$83,000 will be fully utilized on spare steel transmission line, pump drive system and PLC firmware. Franklin stated special payments are in line with budget at \$1.7 million. Capital outlay is lower than budget due to project timing. She stated contingency is currently showing \$0, however depending on the 12th Avenue NTL leak there may be a need to use funds.

Franklin then reviewed the proposed FY 2014-2015 budget stating personnel services shows an increase of \$217,000 which includes an overall 5% increase for possible cost of living adjustments, medical/dental mid-year increase and the class comp study. Also included are a .5 seasonal utility worker and a .25 project manager. She stated materials and services increased by \$329,000 when compared to the original budget of \$3 million. Included in the increase is \$185,000 for utilities, \$20,000 for the water quality database and \$10,000 for additional monitoring. Non-project capital outlay shows an increase of \$83,000 with an increase in special payments of \$89,000 from original budget. Franklin stated \$500,000 is budgeted for contingency.

Franklin presented a list of capital outlay projects and Wubben gave an overview with general updates for each project. Franklin continued with the non-project capital outlay consisting of the purchase of a replacement vehicle, double axel heavy duty trailer, spare steel transmission pipe and fittings, pump station #1 floor painting and epoxy coating, zonal fire detection system and wonder ware and software platform upgrade.

Franklin reviewed proposed revenues for FY 2014-2015 stating water sales shows an increase of \$420,000, an increase of \$612,000 in contributions in aid and a budget of \$500,000 for contingency. She then reviewed unit cost of service stating approximately .40 cents per unit was budgeted in FY 2013-2014, however the actual average cost was .42 cents per unit. The proposed FY 2015 will be .43 cents per unit. San Soucie inquired if the cost of the repair for the NTL was taken out of the equation, would the unit cost be different. Hanway responded the inquiry will be calculated and forwarded for reference.

Motion by San Soucie, seconded by Schmidt, to approve the proposed FY 14/15 budget as presented, subject to final modifications not to exceed 5% of Personnel Service and Special Payments costs as determined by the City of Hillsboro. Motion carried unanimously with Commissioners Godsey, Rosenberger, Judah, Fuiten, Lowe, Doyle, San Soucie Fagin, Schmidt, McWilliams and Knudson all voting in favor.

- B. Consider authorizing a meeting of the Executive Committee to be called for consideration of contracts and change order. *Staff Report – Kevin Hanway*

Hanway requested that the Commission authorize a request to call an executive committee meeting to address contract awards associated with the South Transmission Line (STL) project and a change order regarding the electrical projects at the treatment plant.

Motion by Lowe, seconded by Fuiten, to approve a meeting of the Executive Committee to be called for consideration of contracts and change order. Motion carried unanimously with Commissioners Motion carried unanimously with Commissioners Godsey, Rosenberger, Judah, Fuiten, Lowe, Doyle, San Soucie Fagin, Schmidt, McWilliams and Knudson all voting in favor.

5. **DISCUSSION ITEMS** (These items may result in action by the Commission.)

- A. North Transmission Line Valve Failure Update. *Staff Report – Tyler Wubben*

Wubben presented an update on the North Transmission Line (NTL) valve failure. He provided a slide indicating the location of the leak and stated Kerr Construction was contracted by the City due to their location, familiarity with the NTL and their resources. He stated a consultant was

contracted to assist with the assessment and to help develop a repair plan. He explained the crack occurred in the metal flanges and extended through the bolts.

Wubbena stated the City of Cornelius is served by three pressure reducing valve (PRV) stations and all three stations were shut down to isolate the leak. A fourth PRV station was brought into service and produced a sufficient flow to meet domestic needs. However, an additional water supply was needed to meet life and safety needs of the City of Cornelius. On February 14 staff identified a location for a second PRV feed to Cornelius and by February 18 a 6" PRV was installed and began feeding water to Cornelius.

Wubbena reviewed the development of repair scenarios which listed essential parts that would be necessary to replace and repair to get the valve back on line. He also reviewed the process in locating the parts necessary for the repair and the necessary steps it took to receive the parts on a timely basis. Also reviewed were the necessary steps to dewater the NTL for repairs.

Wubbena stated excavation and assembly of shoring began on March 18. He reviewed the process of dismantling the coupling and valve and the removal of the cracked valve. He reviewed probable causes of valve failure and the valve reinstallation plan. He stated depressurizing of the NTL occurred on March 28 which consisted of testing for water quality, swabbing, upstream chlorine residual testing, C12 samples and Bac T sampling. On March 31 the NTL was back online.

In conclusion Wubbena stated communication with stakeholders is essential and the assessment of the spare parts program should be looked at more closely due to long lead times for fabrication or purchasing of parts for emergency repairs. Also developing relationships with other members of the "Big Pipe Club" is essential in acquiring parts necessary for emergency repairs. Hanway stated Hillsboro staff will be evaluating the valves more often which will help identify issues that may be occurring before there is an emergency.

Knudson inquired if a plan has been put into place that captured lessons learned through the process of the NTL valve repair that will assist in building future pipelines. Wubbena stated one lesson learned is that valves should not be placed in an intersection; it should be placed outside of the area. Dave Winship commented that these same issues will be faced on Cornelius Pass Road with the development of South Hillsboro.

B. Project Updates. *Staff Report – Tyler Wubbena*

Wubbena stated project updates were covered during the budget presentation.

C. Stored Water Status. *Staff Report – Kristel Fesler*

Fesler presented the stored water status update for Scoggins Reservoir stating everything is on target with the current reservoir level at 51,600 acre feet. She stated water levels are being monitored for release dates as the National Weather Service has predicted a warmer, dryer spring.

D. General Manager's Report. *Staff Report – Kevin Hanway*

Hanway reminded McWilliams, Lowe, Doyle and Godsey they will be contacted for an Executive Committed meeting to address contract awards associated with the STL project and a change order regarding treatment plant electrical projects.

He introduced Sophia Hobet to the Commission stating she will be serving as manager for the Treatment and Distribution divisions. He stated Sophia served as Water Services Manager for the City of Salem and brings with her extensive water systems and treatment plant experience along with experience in emergency planning. He also introduced Erika Murphy, a project manager in the Engineering Department.

He announced the retirement of Art Woll stating Art has served as an Operator at the treatment plant for the past thirty years. Art has been working closing with the remaining operators to ensure a smooth transition.

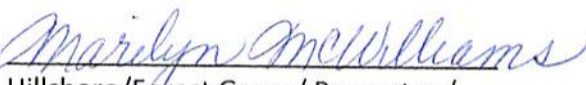
Hanway stated operations and treatment are well positioned to meet peak season needs. He stated currently no issues are being experienced with pumping from Wapato Lake. The Fish and Wildlife Department, who now manages the Wapato Irrigation District, has begun pumping earlier in the season and have been very good about planning and working closely with the Plant.

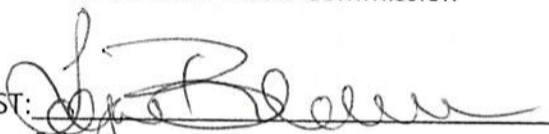
He updated the Commission on the Tualatin Basin Water Supply project, stating Clean Water Services (CWS), who has been managing the project, has been diligently working to bring the partnership to a close by fiscal year end due to the decision not to proceed with the 40' dam raise. To meet their own needs, CWS will continue looking at a 12' dam raise. For seismic needs, the JWC will stay involved in dam upgrades.

6. ADVICE/INFORMATION ITEMS

- A. The next JWC and BRJOC meetings are scheduled on Friday, July 11, 2014, at the Civic Center in Room 113B. The BRJOC meeting will be held at 12:30 p.m. with the JWC meeting following.

There being no further business to come before the Commission, the meeting adjourned at 2:11 p.m.

Chairman 
Hillsboro/Forest Grove/ Beaverton/
TVWD Joint Water Commission

ATTEST: 
Secretary