



**Water Environment Services Advisory Committee
Minutes**

Date: January 11, 2018
Time: 6:00 – 7:30 p.m.
Location: Water Environment Services, Development Services Building, Auditorium / Room 115,
 150 Beaver Creek Road, Oregon City

Meeting Objectives

- WES Orientation and Committee Training
- Election of Chair and Vice Chair
- Appointment of Budget Committee

Handout: WES Advisory Committee Notebook

Presentation: PowerPoint – WES Advisory Committee Q1 Meeting Slides_20180111

Facilitator: Shelly Parini

Attendees:

Members

James Adkins	X	Rita Baker	X	Jim Bernard	X	Christopher Bowker	X
Greg DiLoreto	X	Markley Drake	X	Greg Geist	X	William Gifford	X
Renee Harbor	X	Diana Helm	X	Max Hepburn	X	Eric Hofeld	X
Kay Mordock	X	Michael Morrow	X	James Nelsen	X	Brenda Perry	X
Karin Power		Ron Weigel	X				

Clackamas County/WES Staff

Lynne Chicoine	X	Greg Eyerly	X	Amanda Keller	X	Chris Storey	
Doug Waugh	X	Ron Wierenga	X				

Public

Milwaukie City Councilor - Shane Abma, Ahn Le, Chris Randall

The meeting convened at 6:00 p.m.

Clackamas County Chair Jim Bernard welcomed and thanked everyone for volunteering.

Director Geist noted the Committee was high caliber and he looks forward to utilizing their great ideas. He stated it was also an opportunity to get the word of WES out into the community.

Introductions were made around the room.

WES Financial Manager, Doug Waugh, gave a presentation on WES finance (refer to PowerPoint presentation – Budget and Financial Planning Overview slides). He noted WES had kept rate increases to about 3% over the last three years.

WES Advisory Committee Member, William Gifford, asked if WES had bonds.

Mr. Waugh answered, yes. There is approximately \$89 million in outstanding debt from the Membrane Bioreactor construction. He explained at the time, WES borrowed as best they could. Then, in 2016, rates were low and WES refinanced, cutting the interest rates by half which produced significant annual savings.

Mr. Gifford asked what WES had for a bond rating.

Mr. Waugh explained that Clackamas County Service District No. 1 (CCSD#1) has a rating of AA+, and that WES went from a AA to a AA+ rating, after refinancing. He stated factors to the difficulty of WES achieving a higher bond rating. WES is not a large enough organization, and WES issues revenue obligations which are like revenue bonds and they are not backed by property taxes. Mr. Waugh noted the WES partnership will aid in the rating for WES.

Mr. Waugh stated the biggest concern is financing the projected capital infrastructure cost of \$170 million over the next five years.

Mr. Waugh explained the different revenue sources for WES. He stated WES will be taking a look at its SDC rates soon.

Mr. Waugh noted there would be more discussion regarding the formation of the WES Budget Committee later in the meeting. He stated there will be 10 members on the committee, with five being Commissioners, while the other five will be a subset of WES Advisory Committee members. He said March will be the month when the Board will formally appoint members.

Director Geist noted that WES will be presenting the budget to the WES Advisory Committee.

WES Capital Manager, Lynne Chicoine, gave a presentation on the WES Capital program (refer to PowerPoint presentation – Capital Program slides).

Ms. Chicoine stated WES does not currently have wastewater regulatory drivers, as permits with DEQ are awaiting renewal. She noted WES is functioning with the anticipation of what the regulatory requirements will be for minimal impact once in place.

Ms. Chicoine said she plans to create a resiliency plan for things such as seismic events that include mitigation.

Clackamas County Project Manager, Shelly Parini, asked if the resiliency plan would include all of the cities, noting that some maintain their own pipes.

Ms. Chicoine responded the plan would include pipes that Clackamas County owns and maintains.

Director Geist stated WES is hosting a technical advisory team that brings the service area engineering staff related to collection system coordination together to work and plan as a team, as several communities have their own systems.

Mr. Gifford asked if WES incinerates sewage.

Ms. Chicoine responded WES does not incinerate sewage.

Mr. Gifford questioned if WES plans to keep the Kellogg facility long-term.

Ms. Chicoine stated for many years WES was not sure, and the Kellogg facility is in its current condition due to that uncertainty.

Ms. Chicoine noted she will be returning to the WES Advisory Committee meetings to talk about the Master Plan.

Discussion occurred regarding infiltration and inflow (I & I) and how partnerships can be built so WES can help cities with replacement of their pipes. The next increment of growth is projected to be wet weather flows. This may be addressed either through cooperative I & I reduction efforts, additional treatment capacity, or a combination of both. These may result in intergovernmental agreements (IGAs). Further discussion of flow meters, flood zones, and water quality occurred.

Director Geist stated he would send more information to the group on the formation of the districts and how they're oriented.

WES Environmental Services Manager, Ron Wierenga, stated he would cover regulatory requirements at the next meeting.

WESAC Member, James Adkins, asked what it will mean for WES once DEQ approves its permits.

Director Geist noted his experience with DEQ and he does not anticipate any major drivers in the next permit cycle.

Discussion occurred regarding the Lower Willamette River and Blue Heron.

Discussion occurred regarding boundaries following political and watershed lines.

Mr. Gifford stated overlay maps are interesting.

Ms. Parini began a presentation (refer to PowerPoint presentation – WES Advisory Committee slides).

Ms. Parini reviewed roles and responsibilities.

WES Advisory Committee Member, Max Hepburn, read the WES Advisory Committee Purpose.

Ms. Parini requested comments from audience member Milwaukie City Councilor, Shane Abma. Mr. Abma explained his involvement in the Kellogg Good Neighbor Committee and how it works, including all of the benefits the city has seen. He noted it was a wonderful committee with a great partnership.

Ms. Parini noted WES is working on organizing a good neighbor committee for the areas surrounding the Tri-City Plant.

Ms. Parini reviewed the terms for the WES Advisory Committee. She noted the terms were three years; however, the first set of terms were staggered from one to three years (randomly selected) so not all terms had the same expiration date going forward.

Ms. Parini noted not to send proxies if members cannot attend WES Advisory Committee meetings. She stated the committee will meet on a quarterly basis. If a member misses two or more meetings per year it may be grounds for replacement.

Director Geist went over the annual schedule and meeting topics. Brief discussions and previews occurred regarding future meeting topics. Discussion of providing the committee members with tours of the Carli Project occurred.

Ms. Parini opened the floor for nominations of the one-year term of the WES Advisory Committee Chair position.

[[[Motion was made to elect Diana Helm as WES Advisory Committee Chair – none opposed.]]]

Ms. Parini opened the floor for nominations of the one-year term of WES Advisory Committee Vice Chair position.

[[[Motion was made to elect Greg DiLoreto as WES Advisory Committee Vice Chair – none opposed.]]]

Mr. Waugh reviewed the roles and responsibilities, and time commitment for the WES Budget Committee.

Ms. Parini opened the floor for nominations of the WES Budget Committee.

[[[Motion was made to appoint Chris Bowker, Markley Drake, William Gifford, Brenda Perry, and Ron Wiegel as WES Budget Committee Members – none opposed.]]]

Discussion occurred regarding the proposed annual WES Advisory Committee meeting schedule. Consensus to meet according to the schedule with the option for additional meetings as necessary. There was also consensus to adjust the meeting times to begin at 6:30 p.m. and to schedule meetings on Thursday evenings, if possible (refer to PowerPoint slide – 2018 Annual Schedule and Topics).

The meeting adjourned at 7:34 p.m.