

SOUTH FORK WATER BOARD
MINUTES OF BOARD MEETING
January 26, 2022

Board Members Present: Rachel Lyles Smith, Oregon City Mayor, Chair/Vice Chair
Jules Walters, West Linn Mayor, Vice Chair/Chair
Rocky Smith, Oregon City Commissioner
Bill Relyea, West Linn Councilor
Frank O'Donnell, Oregon City Commissioner
Rory Bialostosky, West Linn Councilor

Board Members Excused: None.

Staff Present: Wyatt Parno, CEO
Christopher Crean, SFWB Legal Counsel

Others Present: William Becker, SFWB Citizens Advisory Board
Alice Richmond, SFWB Citizens Advisory Board

General Board Meeting

(1) **Call to Order**
Chair Lyles Smith called the meeting of the South Fork Water Board to order at 7:03 pm.

(2) **Roll Call**

(3) **Public Comments**
Alice Richmond, SFWB Citizens Advisory Board, said she had spoken about cyber-attacks at the September meeting. Despite CEO Parno's careful precautions, she was still concerned about cyber-attacks. She follows the news from London and believed that cyber-attacks were being planned against resources in the United States. She continued to bring this issue up with elected officials because the attacks are not new, and they are imminent. She had not heard anything about what the elected officials plan to do, but she did believe that CEO Parno was being very vigilant about this. She was also concerned about the construction of the water pipeline from Wilsonville, and the huge intake the City is building for a new subdivision. She asked elected officials to police the water supply, follow the issues, and be more cautious and attentive, because water is essential to survival. Residents should be educated about how to conserve water. Elected officials also need to listen to CEO Parno because he knows what needs to be done to prevent and protect water sources.

Wyatt Parno, CEO, said to the Board that he appreciated Ms. Richmond's commitment to South Fork's water resource. Regarding cyber security, he believed the Board understood the importance of protecting the water supply system. The Board approved the updated Cyber Security Policy in September, which follows industry best practices for water district systems. He provided a detailed explanation of how the firewall worked and the security measures in place that prevented unauthorized access to the SCADA and IT systems. Additionally, all systems were backed up nightly and could be restored if ransomware caused problems.

Regarding the Wilsonville pipeline and intake, Mr. Parno noted that those systems were part of the Willamette Water Supply Project. He agreed that water supplies were limited, and humans needed to be mindful of water usage, and then explained that the project is a different water supply than used by South Fork. The Willamette Water Supply System was being built for Hillsboro and the Tualatin Valley and uses the Willamette River, with headwaters that originate south of Eugene. South Fork uses the Clackamas River, which is a separate water source that originates at Olallie Butte. The Willamette project would not impact the Clackamas River. Additionally, South Fork has senior water rights to the Clackamas River, so if anyone wanted to tap into the river, South Fork would have the strongest position for use of the water.

(4) **Consent Agenda**

(A) Approval of the Minutes of the September 22, 2021 Board Meeting.

Vice Chair Walters moved to approve the Consent Agenda. Board Member Smith seconded the motion, which passed 5 to 0 to 1 with Chair Lyles Smith abstaining.

(5) **Election of Chair and Vice Chair for 2022**

Wyatt Parno, CEO, explained that the intergovernmental agreement (IGA) between Oregon City and West Linn requires that the Chair and Vice Chair positions be rotated annually between the two cities. In 2021, Oregon City held the Chair position and West Linn held the Vice Chair position.

Board Member Relyea nominated Mayor Jules Walters as SFWB Chair for 2022. Board Member Bialostosky seconded the nomination. Mayor Jules Walters was unanimously elected as the 2022 SFWB Chair.

Chair Walters nominated Mayor Rachel Lyles Smith as SFWB Vice Chair for 2022. Board Member O'Donnell seconded the nomination. Mayor Rachel Lyles Smith was unanimously elected as the 2022 SFWB Vice Chair.

Mayor Walters assumed the responsibilities of the Chair.

(6) **Declaration of Surplus Property**

Wyatt Parno, CEO, said that in preparation for the chemical feed building project, the crew has been cleaning up the yard and found a valve that had been taken out of service in 2019 during the 30-inch line repairs. He requested that the valve be declared surplus property so that Staff could update asset records. The valve will be recycled by a local vendor and South Fork will receive some compensation, which will be deposited into the Operating Fund.

Vice Chair Lyles Smith moved to declare the DeZurik 30-inch valve as surplus property and authorize the CEO to arrange for proper recycling and disposal. The motion was seconded by Board Member Smith and passed unanimously.

(7) **Business from the CEO**

Wyatt Parno, CEO, reported that he would be onboarding and meeting with Board Members and staff over the next few months. He was also assessing any risks in the

organization and looking for ways to support Staff. He would also be speaking to the Board about the capital plans, risk and resiliency, and issues that need to be tackled in the months to come. He encouraged Board members to contact him anytime.

1) Chemical feed building update

Wyatt Parno, CEO, reported that the project was still on track. The final land use application would be submitted to Oregon City soon. He recently met with Murray Smith to request a thorough cost estimate update, and the newest update came in a bit lower and under budget. As the project progressed, the estimate would continue to become more accurate, from general estimates to specific contractor estimates. Suppliers were expecting costs to level out in the spring, and he hoped contingency funds would not be necessary. He would continue to provide updates as the project moved forward. He planned to invite Murray Smith to present a formal update to the Board at the next meeting.

2) Electrical generators update

Wyatt Parno, CEO, reported that generators were included on the Project Ready list, which was approved by the Board last May. Staff would continue to pursue special funding opportunities for generators. He thanked Chair Walters for representing the Board on the Regional Water Providers Consortium and advocating for a meeting with PGE's CEO to talk about generators. He provided general information on generator sizes, costs, and locations of the generators that South Fork requires. The generator at the intake would be located within the flood plain and the generator at the pump station was surrounded by residences. Those issues would need to be considered when new generators are installed. The generator at the plant did not have any location issues. Redundancies have been built into the system. And we would need to be aware of multiple priorities for limited resources since generators of that size would cost millions of dollars. It was necessary to be as prepared as possible, even though the system had been resilient through many weather events over the years. He was working with PGE to schedule a tour of the electrical facilities and pursuing funding opportunities. As the Board discusses capital plan priorities over the next year, he would continue to share information.

Board Member Relyea stated he would email his questions and comments to CEO Parno, so the Board could review them at a future meeting.

Chair Walters said the federal funding coming in right now was important. She noted that Lake Oswego did not have a generator during the recent ice storm, but may have been able to bring one in.

CEO Parno said he was trying to partner with PGE for funding. PGE is always looking for ways to supplement their power grid in high power usage times, so, if South Fork allowed PGE to put their generator at the plant, PGE would use that energy when the plant was not using it during peak demand times. However, he was not aware of PGE providing generators recently, but instead agreeing to help service existing generators. He was also keeping an eye on federal funding.

Vice Chair Lyles Smith thanked CEO Parno for responding to her questions during his update. She had asked questions about what was being planned. Generators are like insurance: you pay for them hoping to never have to use them, but they are nice to have when you need them. Many

people went without power for seven or eight days during the ice storm, which impacted the community and started everyone thinking about generators. People were not aware of the issues drawing down water in the reservoirs. She asked CEO Parno to consider the longevity of equipment when making decisions.

Chair Walters expressed the importance of being as prepared as possible given that other storm events could occur because of climate changes and so forth.

CEO Parno appreciated the two Mayors' comments and responded that if funding became available, he would capitalize on it. He would also keep the Board informed of priorities. The Board's project list would be used to show the federal government South Fork's funding needs.

3) AWWA ACE 2022 in San Antonio, Texas, June 12-15, 2022

Wyatt Parno, CEO, reported that the American Water Works Association's annual conference had been scheduled for the first time in two years. He provided details about the conference and encouraged Board members to attend. Funding for eight people to attend the conference was included in the budget, and hotel rooms had already been booked.

Board Members Relyea, Smith and O'Donnell indicated they were interested in attending. Chair Walters, Vice Chair Smith, and Board Member Bialostosky said they would decide at the next meeting. There was discussion about inviting former Chair Axelrod and former CEO John Collins as well, and Mr. Parno said he would follow up with them.

4) Winter operations update

Wyatt Parno, CEO, reported there were no issues at the plant over the winter and everything went well.

5) Employee retirement and interim direct responsible charge (DRC) appointment

Wyatt Parno, CEO, reported on former CEO John Collins retirement and noted that a barbeque would be planned for him in the spring. He also reported on the recently appointed interim DRC, Mark Cage, Senior Plant Operator, adding that Kate Niece, SFWB Regulatory Compliance, has recently taken a lead role in maintenance as well.

6) SFWB Financial Report distribution of the fiscal year ended June 30, 2021

Wyatt Parno, CEO, said he had received the financial report for FYE June 30, 2021 and would email the report to Board members tomorrow. At the next meeting, the Oregon City Finance Director would present the financial report. He noted there were no audit findings.

(8) **Business from the Board**

Board Member Relyea said the attorneys for the City of West Linn and SFWB had been looking into the rights-of-way and easements associated with water rights, how they cross the Willamette River to get water to the pumping station, and whether the right-of-way or easement crossing the Oregon City Bridge was still valid. He explained that if anything happened to the Abernathy Bridge water line, SFBW would need a second water line to feed the city for emergency purposes. He asked if Staff had any history of the water lines that leave Oregon City and their original route into West Linn.

CEO Parno responded that Counselor Crean had spoken with West Linn’s attorney and South Fork had done some research but did not find such records. He did not want to over promise but did want to help and would give thought to other options. He has implemented regular meetings with Oregon City and West Linn Staff to share information on the entire system, and he could inquire of Oregon City staff. However, he was concerned that there were no internal records on easement purchases that the cities made outside of South Fork boundaries.

Counselor Crean noted that hardware records likely do not exist. However, real property records could be found with the County’s deed records. He confirmed that he had already investigated the easements for the Abernathy Bridge in relation to the State bridge project and related water line. However, that had nothing to do with where the water line came down off the bridge or what hardware, facilities, or property interests may have accommodated the line as it went on or came off the bridge. The Oregon Department of Transportation (ODOT) or U.S. Department of Transportation might have some records, but this research project would require substantial effort.

Board Member O’Donnell said he believed it would be challenging to recover records from 50 years ago on equipment and delivery methodology, and he was not sure what the real value of such an effort would be.

Board Member Relyea said he had done some research on the West Linn side and found some ordinances dating back to the 1900s that refer to a water board. He would share that information with Staff.

Chair Walters asked CEO Parno to provide an update at a future meeting on lead in the Bull Run watershed. Portland recently reported findings, and she wondered how West Linn and Oregon City might be impacted.

CEO Parno responded that Oregon City and West Linn are required to test their systems regularly for lead and copper. He overviewed the history of why levels are low for the two cities, adding that because the levels are low, both cities are required to test less often. There has been new legislation at the Federal level however, resulting in a heightened sense of awareness. He would follow up with Portland on the Bull Run watershed and report back to the Board.

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

- A. To consider the employment of a public officer, employee, staff member or individual agent pursuant to ORS 192.660 (2)(a).
- B. To consider information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f).

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

Chair Walters adjourned the regular meeting at 8:13 pm.

Respectfully Submitted,

By Paula Pinyerd, ABC Transcription Services, LLC.
for Wyatt Parno, SFWB CEO