

UTILITY ADVISORY BOARD

SUMMARY NOTES

November 19, 2008

MEMBERS PRESENT: Chairman Ernest Delmazzo, Bill Bennett, John Goodrich, Gretchen Katko, Edward Keonjian, Raymond Kindley, Alice Richmond

MEMBERS ABSENT: None

GUESTS: None

STAFF: Jim Whynot, Water Operations Supervisor

Chairman Delmazzo called the meeting to order at 6:00 pm. Role was taken, all members were in attendance.

Alice commented on the poor attendance at the recent Liquid Assets documentary showing at four different locations. Members commented that many people had viewed at home on OPB and some will view the documentary on the web.

Agenda Item 1. Approve October 15th meeting minutes

Chairman Delmazzo motioned to approve the October, 15 2008 draft UAB meeting minutes. A vote was taken. All were in favor.

Agenda Item 2. Discuss City Council approval of water system master plan at November 10th council meeting.

Ernest noted that this is the meeting he attended.

Agenda Item 3. Discuss status of water system master plan and SDCs.

Jim said he is waiting for the Master Plan to be signed and then get some completed documents out. The Transportation System Master Plan and the Water System Master Plan SDCs are being done at same time. Waiting for TSP to be adopted. The cost is \$38,000 for both. He said the plan is to get the water rate study out after the first of the year and we're working on the RFP now.

Part of the master plan was talking about immediate needs for water telemetry. Recently the master control unit at the office had to be rebooted and some work done on it. We found that the master control unit, the brains of it, had crashed. We're pushing work

through now to replace the 20 year old control unit. We're looking to replace telemetry equipment at the office, Rosemont reservoir and Bland reservoir. Everything else is under 10 years old.

There is no budget for the telemetry replacement; the budget will need to be found upstairs. We're saving about \$19,000 by doing all three, the master and two pump stations together. The quote is a little over \$77, 000 for the three - the master and two reservoir sites - a real good price. The master plan estimate was \$150,000.

When the system was put in place in 1990 a telemetry system integrator was not named. With the new telemetry we are trying to get the sole source system integrator accomplished at the same time because when you have proprietary software on this hardware, you can end up with problems like software not talking, or failing, when you have to bring in different outfits to work on it. There are state rules that allow you to name the sole supplier. The system integrator that we have been using already knows the system and we got a good price quote from them.

The beauty of the system that we want to install is that it is very similar to the system we have. It should go to council next Monday, then three to four months before installation. It takes a while to install, run the simulation, work out the bugs.

Agenda Item 4. Board and Commission Reports: December 15th Board and Commission Chairperson meeting with City Council and completion of Annual Goal Report.

Ernest will present the annual goal report to the council on December 15, 2008. He requested that members send him an email with comments they would like him to report about what the UAB accomplished this year, and how they would like to see the board move forward as far as goal setting, what they believe are priorities.

Ernest noted that today's Oregonian reported that Verizon is coming into Gresham. Ernest asked Ray if he knows whether the UAB have any involvement in cable TV, telephone, etc.

Ray said he believes the board's purview is water rates and anything assigned by the City Council. There was discussion at one time that the UAB would take all utility issues, which would include probably telephone issues but probably the City Council is the only one that addresses franchise issues.

Ed said he believes there was language when the board was set up originally that seemed to include utilities, but actually mentioned water, so he believes that is why the previous administration limited this committee to water about three years ago.

Ernest proposed approaching the city council to ask if they want the UAB to look into competition in that regard. Possibly where the city can tell Verizon and other companies out there that we would like to see you move to our area. Is this something that the UAB could contribute to as far as advisory to the city council?

Ernest called for a vote: Those in favor of going to the City Council and asking if this is an issue they would like us to look into. Looking into other providers coming to this area. Perhaps recommendations from the council as to how to approach companies to say yes you are welcome in West Linn. Discussion continued.

John Goodrich commented that the UAB relies on city staff to work with and educate the board and he questioned whether there is available staff with this expertise. Also, he believes this would involve the UAB expanding to NW Natural, West Linn Recycling, and all of the providers of utility service in the city.

Ernest noted that UAB involvement could be limited to TV, telephone and internet.

Ray commented that a broader issue is how to bring competition in. One way is to create a municipal system. He said we do have the authority to do that, but don't know if the city is willing to do that. There may be merit in discussing what is out there.

Alice recommend Steve Arndt, city IT Director for staff support for this type communications utilities.

Ernest called for a vote: Would the City Council like the UAB to look into competition, including a municipal utility, in the areas of television, internet and telephone services? All were in favor.

Ray commented that for annual goals, he would like to have a better integration of communication between the recommendations of the UAB to the council regarding water rates, and the budget process that occurs. He recommended improvement to the process for comments from the UAB regarding water rate increases before the budget considerations. In the past a decisions have been made, then the UAB gets asked afterward. The UAB needs the information when the budget committee gets it or earlier, the overall requirements that are needed for water rates, the projects being proposed, what are the revenue streams that are expected, and justification for any increases or decreased in rates. We just need to have information before decisions are made so that our advice can be incorporated into their decisions.

Ernest said he will bring this to the council at the December presentation.

John recommend that the new Finance Director, Richard Seals, come to the next meeting and make recommendations before the budget process, and to hear about rates, projections, a five year plan for each utility. He also recommended that supervisors of each division or the Public Works Director should come in and talk about specific utilities and give the board an overview, possibly toward the end of their budget process, to tell the board what they are doing in putting together their budgets, projects or capital improvements, O & M, what they need to focus on.

Ed noted that there is an expectation that the board contribute something, not that we just soak up information when the supervisors or public works director bring information to the board, but maybe make recommendations.

Ernest suggested continuing this discussion at a later meeting, maybe in January if there is a new chairperson.

Agenda Item 4. Agenda items for next month UAB meeting.

Ray proposed that the December UAB meeting be skipped. A vote was taken. All were in favor.

John suggested inviting Richard Seals to come in to the January meeting; a chance for Richard to talk about his goals, objectives and plan.

Ernest requested that a city council member, maybe a new one, attend the January meeting as well. He understands the council had rotated the liaison. Alice believes it was discussed at council and they dissolved the liaison to the UAB. Ernest recommended asking the council to bring back the liaison, at least once each quarter.

Alice's and Ernest's UAB terms are up at the end of December. Ernest has not decided whether to return for another term. Jim said that Kirsten sent out cards to everyone whose terms are up.

Ernest suggested calling city staff if members are not sure of their term length or dates.

Meeting adjourned 7:50pm