

WES STRATEGIC PLANNING SUMMARY OF STAKEHOLDER INTERVIEWS

Prepared for:

Clackamas County Water Environment Services

By:



BARNEY & WORTH, INC.

1211 SW FIFTH AVE, STE 1140

PORTLAND, OR 97204-3732

503/222-0146 phone

503/274-7955 fax

www.barneyandworth.com

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I. EXECUTIVE SUMMARY

WES Strategic Planning

To address the pressing wastewater capacity issues in North Clackamas County there are several facilities plans underway charting the course for new and improved treatment facilities and expanded conveyance systems.

In July 2007, Clackamas County Water Environment Services (WES) retained Barney & Worth, Inc. to assist the agency with strategic planning services. The firm's role is to look beyond the current facilities planning, advising WES on the agency's long-term strategic direction and decision processes.

Stakeholder Interviews

Early in the project, a survey of community leaders and other key "stakeholders" was conducted to seek their views on many important issues linked to wastewater facilities in North Clackamas County. Interviews were set with 50 persons who are involved in community affairs or may be affected by wastewater issues. Among the broad cross-section interviewed were Clackamas County elected leaders and managers, top management of Water Environment Services, leaders of area cities and service districts, representatives of WES business and industrial customers, State / regional agency staff, environmental / clean water advocates, business / economic development interests, developers, and other community leaders and area residents.

In the interviews, the consultants posed a series of questions on the following topics:

- The current wastewater situation
- Priority issues
- Facilities options
- Values to guide decisions
- Decisionmaking and implementation
- Public involvement

Results of the interviews contribute to a better understanding of wastewater issues and opportunities in North Clackamas County for the strategic planning underway at Water Environment Services.

This report reflects the advice, feelings, and attitudes of the individuals interviewed. It is not intended to provide a scientifically valid profile of community opinion as a whole.

Summary of Findings

A summary of key points offered by 50 community leaders regarding WES strategic planning:

1. **Déjà vu – all over again.**

Community leaders and others are not anxious to resume the intense discussions and regional decision processes needed to resolve North Clackamas County wastewater service issues. Weary from prior attempts and busy with other pressing service questions, stakeholders are hesitant to get involved once more – even though they generally acknowledge the critical need. “We’re dancing around the same bush.” “It’s like Groundhog’s Day.” “History”, “personalities”, “nasty politics”, “baggage” and “bad blood” impede solutions and are identified as the most formidable hurdles to overcome.

2. **Is growth the real problem?**

There is heated community debate about the causes of North Clackamas County’s wastewater crunch. One group blames population growth due to new development in the Happy Valley / Damascus area. If this area wasn’t growing, they reason, there would be no reason to plan for costly improvements. Others place the blame on chronic under-investment in the area’s wastewater facilities, accumulating over many years, which now requires “catching up” to replace aging infrastructure, meet more stringent environmental standards, and accommodate even modest growth.

3. **No solution in sight.**

There is nothing close to consensus among community leaders on the best facility and service options to meet the region’s wastewater needs. A significant number of participants, including most of the technical experts, favor the Clearwater regional option – expanding the Tri-City facility to create a larger plant that serves CCSD#1 as well as the Tri-City Service District. Others want to see the existing plants at Kellogg Creek and Oak Lodge retained for at least the interim, to take maximum advantage of the existing investments.

4. **First, let’s address the immediate capacity crunch.**

Stakeholders agree the immediate priority should be taking steps to alleviate the CCSD#1 / Kellogg Creek basin’s wastewater capacity deficit: “Technically, we’re doing an adequate job – but not for long.” Even those whose top priority is to reconfigure governance are willing to wait until the most urgent capacity issues are addressed. Observers are concerned that the current planning effort to site a new treatment facility distracts from solving the immediate problem.

5. **Cost and how to pay for wastewater improvements is the overriding decision factor.**

“Huge” is the word that many observers use when weighing the importance of cost in wastewater decisions. Recent cost estimates are described as “eye-popping” and “staggering” – or even “unattainable”. The very high price tag for interim and long-term wastewater system improvements is leading many participants to call now for a financial plan that determines just how these costs can be paid. A contrarian view is that the

increases will merely bring Clackamas County into line with other modernized systems in other regions.

6. If regional solutions aren't achievable, some jurisdictions are ready to act on their own.

Cities, the business community and others are growing impatient with the slow, meandering and uncertain decision process. A number of these community leaders say they are poised to consider "Plan B" options that address their own needs – but may leave others to fend for themselves.

7. Keep other service needs in mind.

While the region's wastewater crunch is currently given top policy billing, stakeholders point out weighty infrastructure challenges needing to be addressed for transportation, drinking water supply, stormwater management and other services. Policymakers simply can't afford to spend any more time on wastewater, say local observers.

8. Tougher environmental requirements may limit Clackamas County's options.

While there's some disagreement about the mandate to meet future permit standards, most observers expect state / federal requirements will become more stringent, with some additional parameters being regulated. Some participants foresee new standards – for ammonia, nitrogen and temperature – that will speed up the deadlines for hefty investments in new technology, making it difficult for the smaller treatment plants to comply.

9. Proactive public education is essential – but is it enough?

The pending decisions for the region's wastewater systems will affect every home and business. Yet most customers are said to be only generally aware of the issues, problems and possible solutions. No formula is offered to engage the public, but three priorities are often repeated. First, planning for new facilities must be done in public, through a fully transparent process that invites interested citizens to participate. Second, there is also a need to implement an ongoing public education effort, perhaps modeled on successful programs in place at Clean Water Services and other peer agencies. Making the case for substantial improvements in wastewater facilities, stakeholders say, will take time. Finally, observers say it is important to reach beyond special interests and activists to engage "real citizens" in the process. Even with effective public outreach, however, most observers expect it will be a "hard sell" to convince customers to invest much more in wastewater.

10. Time for a decision!

The overwhelming message from community leaders and others regarding wastewater issues in North Clackamas County is "*Make a decision!*" Enough information is available to answer the tough questions, technical experts generally agree on solutions, and the needs have reached near-crisis point. Clackamas County's elected leaders are encouraged to take the next step without further delay.

The results of the stakeholder interviews are detailed in the accompanying report prepared by Barney & Worth, Inc. The report also includes a list of the interview participants, along with a copy of the discussion guide and questions used in conducting the interviews.

II. THE CURRENT WASTEWATER SITUATION

At the outset of each interview, participants were asked to describe their prior involvement in wastewater issues and Water Environment Services, and their impression of the current situation.

Prior Involvement with Wastewater Issues

Have you been involved in Clackamas County area wastewater issues? (Explain)

Most of the participants have been exposed to and involved for many years, directly or as observers, in wastewater issues in North Clackamas County. In one case, “I bought a house here in 1973 and hand dug a trench for the sewer line.” Nearly all date their involvement to the Clearwater planning process or earlier. The group’s collective experience covers every drainage basin, every treatment plant, and every jurisdiction in the area over a span of three decades.

A number of participants say they are actively involved in current wastewater planning for the Tri-City plant or another facility, through the CCSD#1, CAC, Community Solutions group, or their local community.

Impressions of the Current Situation

What’s your impression of the current wastewater situation and what we should be doing?

When asked about the current wastewater situation, most stakeholders mention one or both of these issues:

- North Clackamas County, in particular CCSD#1 and the Kellogg Creek treatment plant, is running out of capacity to collect, convey and treat wastewater. “Kellogg is up to its eyeballs in sewage.” The situation is rapidly approaching a crisis point and the area may be facing a development moratorium: “We’re out of capacity and there’s no more time.” “DEQ told us in 1996 that Kellogg was out of capacity.” “A series of decisions delayed – now, we can’t wait any longer.”
- The decision process to remedy the wastewater problem is not clear. Many community leaders express anxiety and frustration that decisions won’t be made in time to stave off a moratorium and/or avoid permit violations: “This is not heading toward resolution. We’re almost back to ground zero.”

Other aspects of the current situation noted in the interviews:

- The conditions faced by the two County service districts present a striking contrast. Stakeholders say the Tri-City District is “not broken”. The District is well run, with few controversies. The Tri-City plant must be expanded and upgraded for the future – but there’s plenty of time. For CCSD#1, the situation couldn’t be more different. Planning is

at an impasse: “No one is negotiating – they’re all afraid of undesirable outcomes, so they make counterproductive statements.”

- The current situation threatens future development. With “no solution in sight”, the uncertainty means there’s no industrial development on the horizon, and residential growth is also being affected.
- The governance system is fragmented – “a confusing stew.” Many observers conclude progress will be slow until this factor changes. “The service is too fragmented. We need to look at regional solutions, efficiency, rates and the future.” “There’s an opportunity to look regionally, merge the districts into one, drawing on nearby successes (e.g., Clean Water Services).”
- Projected future costs make it more difficult to find solutions. “This is a very costly service.”
- Public debate swirls around the CCSD#1 Citizen Advisory Committee, which is not seen as representative of the community and has been “getting its comeuppance”

Issues / Concerns

Do you have any issues or concerns about the future of wastewater services in Clackamas County?

Interview participants have no trouble naming a plethora of issues / concerns. A sampling:

- Magnitude of problem: 75-year old infrastructure, huge expansion needs.
- Kellogg treatment plant beyond capacity. “This problem has gotten very serious – out of capacity, mounting construction costs, no decisions – crazy.”
- Cost / ratepayer impacts: \$109 million for interim capacity improvements.
- Growth: need to get a better handle on location, amount, timing.
- Moratorium: “Is this the only short-term option left?”
- New permit standards on the horizon.
- Turf: County / Tri-City / CCSD#1 / cities – future roles and arrangements, IGAs
- Governance: “It’s the only issue.” The County Board will not yield control.
- Delay: drives up costs for construction, land; may foreclose some options.
- Disparity of situation between districts: CCSD#1, Oak Lodge, Tri-City.
- History: difficulty initiating and conducting regional planning process in the aftermath of Clearwater and previous efforts.
- Equity: allocation of costs; who pays / doesn’t pay.
- Equity: “The County is spending \$65 million at the Tri-City plant vs. \$5 million at Kellogg Creek.”
- Long-term goal: riverfront development of Kellogg Creek plant site as a “Clackamas River gateway.”

- Public involvement: Clackamas County has an uneven record.
- High costs to decommission existing plants.
- CCSD#1 CAC fiasco: “They don’t represent anyone.” “The County is listening to a few loud voices from people who are stalling to avoid or postpone paying more for sewers.”
- Infiltration / inflow (I/I) in the collection system.
- Lack of objective information on key topics.
- Milwaukie needs a stable agreement with CCSD#1 – more than a month-to-month arrangement.

Some stakeholders indicate that wastewater has become a critical service issue that must be addressed. “This is the top priority for my organization.”

III. WASTEWATER ISSUES AND OPTIONS

Clackamas County Growth

Clackamas County is growing. How does that factor into decisions on future wastewater services?

Most observers say growth issues are “huge”. North Clackamas County – Happy Valley and Damascus in particular – are slated to become a nexus for the region’s “managed growth” over the coming decades. While most of the planned growth still lies ahead, CCSD#1 is already gaining 1,000 EDUs (equivalent dwelling units) per year. With the area’s wastewater systems already at capacity, or nearly so, this population growth creates an urgency for finding solutions: “Our backs are against the wall.” Participants note the growth pressure, ironically, seems to add to the uncertainty and indecision, creating “brainlock.”

Another aspect of the growth issue consistently raised by stakeholders is how to pay for the added wastewater capacity. Many community leaders believe that growth is not paying a fair share of these costs. Systems development charges (SDCs), the “buy-in” fees charged to new development, haven’t been increased for many years. Some of the older communities are highly skeptical that new development can cover the high costs demanded for wastewater system expansion.

“Growth is driving it all”, conclude many stakeholders, “the tail that’s wagging the dog.” Metro’s plan allocating a significant share of regional growth to North Clackamas County has created a “Bermuda Triangle” where there is no clear designation of service providers and no solutions on the horizon.

As the driving force for change, does the area’s growth point toward a regional solution? “Growth affects all infrastructure, but wastewater is on the critical path.” North Clackamas County needs access to capacity; the Tri-City plant has capacity and is willing to talk – “open for business.” “You can argue for or against growth – but you need to handle it with proper infrastructure.”

Reportedly, there are strong anti-growth attitudes in some communities. But stakeholders say there is also good news / bad news potential. Growth can help pay for new system improvements – a win / win – these observers suggest.

Cost and Monthly Rates

Expanding and upgrading wastewater systems in Clackamas County will potentially cost hundreds of millions of dollars and will increase monthly sewer rates. How important is cost and keeping rates low in comparison with other issues?

There is near-consensus agreement among community leaders that cost and the consequent impact on rates is the number one issue to be addressed in finding viable wastewater solutions for North Clackamas County: “Ultimately, cost will drive decisions.” “This is the issue. Ratepayers will scream like scalded cats.”

Observers note these communities have traditionally been very cost-conscious, often voting down public service funding measures. To further complicate the problem, sewer rates in this area have been held down to unrealistically low levels – only about \$25 per month – creating the certainty of steep rate hikes in the future. The existing treatment facilities were built with 75% federal funds. Now, local ratepayers will be forced to pay their own way.

The fear of unaffordable costs influences many stakeholders to seek the fastest, cheapest solution. “We can’t have an outlandish plan – that will thwart solving the problem. Rate hikes must be manageable,” one area mayor states. The governance situation, with multiple districts, is thought to drive up costs: “The engineers have the cheapest solution, but it is undermined by the decision structure.”

Several participants point out the lowest capital cost may not yield the lowest rate impacts, due to the effects of financing. One community leader thinks this makes wastewater easier to finance than most other services. The required funds can be borrowed (through revenue bonds), repaid over time, and there is an identified funding source already in place (sewer rates).

The area’s growth also pops up in discussions on cost. Gladstone and other older cities are said to be tight-fisted and hyper-sensitive to avoid any subsidy for growth. Stakeholders agree that wastewater costs should be allocated equitably among service beneficiaries. But systems development charges have been stuck at \$2,000 for many years, leading many community leaders to perceive that growth is receiving a deep subsidy. The service districts are not created equal. With only modest growth, Tri-City customers are looking forward to manageable rate hikes of 5% per year. Other districts are facing much steeper cost increases.

Some observers suggest that wastewater costs should be weighed against the economic benefits – currently none – and also against the costs for inaction. Several participants estimate the cost for needed system improvements has risen as much as \$20 million since the demise of the Clearwater plan.

A few participants are looking for someone else to pick up the tab. “Metro? Legislature? Help!” For others, there are no alternatives. The costs “are what they have to be.” “Users will need to pay what it costs to have the service.”

The concern about cost leads many stakeholders to conclude that regional wastewater decisions will require a public education process: “We need to make the case this is good for the environment and the economy.” “Ratepayers have been screened from cost issues, and don’t appreciate how much less they pay than other regions, and the impacts of underfunding our wastewater systems.”

Environmental Protection

Wastewater treatment facilities are designed to protect the environment. Is the environment an important factor in decisions about our future systems? (Explain)

Stakeholders acknowledge that protecting public health and the environment are important goals for wastewater systems. However, these observers say state and federal standards will apply to any combination of future wastewater facilities, so environmental protection may not be a decisive factor in choosing from among the various facilities options.

A countervailing view is that environmental issues are “huge”. “We’re still dumping sewage into the Willamette,” some observers believe. Tougher standards for ammonia and temperature will make it hard for the older plants to comply: “What will rates look like when we have to meet new requirements?”

The variety of additional views on environmental protection offered by interview participants includes:

- The treatment facilities have done an excellent job, but each faces challenges – growth, tighter regulations, modernization.
- EPA rules can’t be blamed for deferred investments in Clackamas County plants.
- There is substantial uncertainty about how future regulations will evolve.
- Regulations are important, but cost will dampen the enthusiasm for doing more than the minimum needed to meet the standards: “Our goal is to be a leader – but not go overboard.”
- The number one priority is safeguarding public health (i.e., prevent cholera), not protecting the environment.
- Citizens are willing to invest more to protect the environment. “Think of PGE’s green power. Information about the environmental benefits made people choose a more expensive form of energy.”
- An emerging environmental issue: Clackamas River water rights.
- Open space around the treatment plants is another environmental issue.
- The Tri-City District wants as green a plant as possible: green buildings, very high quality effluent, and no impact on neighbors.
- The existing plants need a retrofit to more sensitively handle their contaminated on-site stormwater flows.

Centralized vs. De-centralized Treatment

Treatment options might include a large regional plant, or several smaller plants. Do you have any preference?

Interview participants are split into two groups. Through the recent Clearwater planning process, many have become convinced the best long-term solution involves centralizing wastewater treatment at the site of the current Tri-City plant. These observers cite economies of scale and long-term cost savings as the primary advantages for this option: “It’s a matter of dollars and sense.” “Clearwater didn’t die because of technical flaws.”

Technical feasibility is another factor cited by those who favor one state-of-art regional plant. “Kellogg repairs are difficult – like open heart surgery. Flows must be diverted during a plant upgrade,” explains one engineer. “Remove politics. Think pure service delivery,” another participant recommends.

The other large group isn’t convinced that centralized treatment is the best option. The issues have been muddied by “dueling consultants”, some say. Some of these participants want to keep open the smaller Oak Lodge and/or Kellogg Creek plants, at least in the interim, to draw full advantage from the substantial investments made there over the years. Other observers insist on retaining these plants, to provide redundant capacity, and so that each service district continues to have its own treatment facility. A few participants offer yet another rationale in support of de-centralized treatment. New technology such as membrane treatment, they predict, will reduce the cost advantages of centralization and may provide other benefits for decentralization, including reclaimed water. One contrarian opines, “Central plants are history. The benefits take a long time to pay off. New technology allows small, decentralized plants.”

A handful of community leaders are frustrated and ready to accept any option: “Whatever it takes.” “I’m open to negotiation.”

Siting a New Treatment Facility

Another option involves building a new treatment facility to serve North Clackamas County. What’s your view on this option?

Most stakeholders hold serious doubts about this option – “a fool’s errand.” “Frankly, I’m surprised this is being considered.” A new treatment plant, they reason, would be very costly (said to be \$200 million to \$300 million – or more). The siting process would be difficult, time consuming, maybe even impossible, and would ultimately remove a needed industrial site from the region’s portfolio. Also, a new treatment plant would necessarily rely on an existing outfall, probably at Kellogg Creek – further limiting the range of candidate sites. Many participants conclude this is the single most costly option being considered: “Extraordinarily expensive,” “Ratepayers will rebel.” “Technically and operationally, this can make sense. But there’s no way in ___ you can pay for it.”

A new plant would take at least a decade to develop. As a result, this is seen by most as a hypothetical option only – one that diverts attention and delays decisions. “Ridiculous,” scoffs one participant.

Those who say this option is worth considering mention as benefits:

- Freeing up the Kellogg plant site on the Milwaukie riverfront for redevelopment
- Enabling CCSD#1 to become self-reliant: a “divested system”, with each area paying its own way
- Improving opportunities to produce / use reclaimed water
- Creating a redundant facility in case of flood
- Can utilize the existing Kellogg Creek outfall

Reclamation

In some regions, treated wastewater is reclaimed and used for irrigation and other beneficial purposes. What’s the potential for reclamation here?

There’s little agreement on whether water reclamation offers immediate and/or long-term potential in the North Clackamas area. Some observers, including several technical experts, see it as impractical: too costly to gain support from ratepayers. In their view, the seasonal nature of water demand and lack of major industrial users in North Clackamas County mean this option will be too costly to pursue.

Other voices are more optimistic about the long-term potential: “We should take a look at this option.” New technology, they say, can improve cost-effectiveness and provide other environmental benefits. A number of participants point out that Sunrise Water Authority is counting on reclaimed water to meet a portion of its long-term supply needs, and is already installing a dual piping system (“purple pipe”) so they can eventually serve new customers with reclaimed water. Other observers predict that more stringent discharge limits will eventually favor reclamation.

Further views on the prospects for wastewater reclamation:

- Reclamation should include all treatment by-products: water, solids and methane.
- Good response to future limits on Clackamas River withdrawals
- Already standard practice in other regions
- Hinges on location of treatment plant(s) in proximity to users
- Promoted by Oregon DEQ
- With new membrane technology, this can be feasible at a small scale. Already in use at many casinos.
- Improve quality of biosolids to allow reuse, create a marketable product.

Contentious Issues to be Resolved

Are there any contentious issues about wastewater that must be resolved before people and agencies in the region can work together to solve the wastewater problem? (How would you suggest these issues be resolved?)

There is no shortage of contentious issues raised by stakeholders who participated in the interviews. The most troublesome issue is the history of wastewater planning in North Clackamas County. Revisiting well-worn issues, with strong personalities on all sides who are still involved, won't be easy: "These people are addicted to conflict and self-righteousness. Don't underestimate their willingness to continue working in this self-destructive manner."

At the heart of the conflict, in the minds of many observers, is the CCSD#1 Citizen Advisory Committee: "An activist group that issues inflammatory statements, doing a disservice to the County and others who are trying to solve the problem." "The CAC is conducting an ongoing misinformation campaign that sustains the myth that we can continue our present low rates."

Other troublesome issues confronting Clackamas County wastewater services:

- The current impasse on decisions, and lack of a clear decision process: "The County is letting the process fester."
- Costs, rate impacts, cost-effectiveness, equity (who pays?). "Clackamas County is veering toward more costly solutions."
- Environmentally sensitive solutions balanced against costs.
- Governance: "Turf, turf, and turf." Citizen / district interest in self-determination; uncertainty about long-term roles for County, cities, districts.
- Growth, and who pays for it.
- Worries about "secret deals" that leave out some parties.
- Future for the smaller plants: can the small plants / districts afford to stay independent? Who will pay closure costs?
- Local construction impacts
- Host fee for Oregon City

Several observers point out that divisive issues affect other services, too. "There are many contentious issues in the area – not only wastewater. The cities and County are constantly at odds."

IV. VALUES TO GUIDE DECISIONS

Benefits / Challenges of Solving Wastewater Problems

What benefits could be gained from solving wastewater problems in Clackamas County? (e.g., economic, environmental, other)

The primary benefit identified by stakeholders is economic development, stable environment for business, business retention, removing limits on job growth in "Oregon's leading community": "We have no new industry – only new homes." "Our competitors all have well managed systems and good plans."

Additional benefits:

- Certainty of service, reliable system, avoid crisis management.
- Environmental protection, moving to modern treatment processes. Reuse of wastewater resources, keeping water in the Clackamas River.
- Accommodate growth, avoid a building moratorium. Provide capacity in time for light rail extension.
- Integrate Clackamas County with the rest of the region.
- Long-term cost savings; lower slope of rate increases; affordable service.
- Economic benefits, enhanced aesthetics and quality of life by relocating Kellogg plant from its riverfront site.
- Streamlined decisionmaking through consolidation. Smoother expansion, cheaper financing at larger scale. Promote regional thinking on other services; move on to resolve other problems.
- Move on to other pressing issues – “fewer meetings.”

Several observers worry that ratepayers won't perceive any benefits: “As long as the toilet flushes, most folks don't give a rip.”

What are some of the challenges we might confront in addressing the wastewater issues?

The formidable challenges named in the interviews include:

- History of failed wastewater planning processes: “A hundred scenarios have been considered over the years – with little progress.” The results have produced distrust and mistrust, clashing personalities, and decades of underinvestment in local infrastructure. A few vocal, negative people have created a firestorm and held Clackamas County and the wastewater planning process hostage.
- Governance, political issues, turf, unclear future service roles, conservative anti-government sentiment.
- Cost and the difficulty of financing needed wastewater improvements.
- Lack of political will: no dollars allocated to this problem by federal / state governments.
- Old infrastructure; infiltration / inflow problems.
- Lack of decisions; slow decision process, unclear decision roles.
- Anti-growth attitudes in some corners of community hinder economic development, undermine ability to accommodate planned growth.
- Challenge of managing multi-plant scenarios; technical difficulty / impossibility of expanding the smaller treatment plants.
- Prevalent anti-government sentiment in the North Clackamas area.

Values / Principles to Guide Decisions

What values or principles would you suggest to guide decisions about future wastewater systems?

A variety of guiding principles or values are suggested. The value recommended most often is “*cost-effective*.” Stakeholders underscore the imperative for decisions on wastewater to reflect the prevailing cost-conscious sentiment of long-time North Clackamas County residents: “Least cost is best.” Rate impacts should be determined by customer class, participants indicate. The overriding goal is long-term rate stability and equity to ensure that everyone pays their fair share.

Additional values / principles identified by stakeholders:

- Open public process: involve everyone; ratepayers have a say; transparency.
- Timely solutions: solve the immediate capacity problem.
- Economic benefits.
- Long-term thinking: foster long-range planning, smart growth; investigate new treatment technologies; think outside the box. “We need a 20-25 year plan or everyone will remain uncomfortable.”
- Growth pay for growth
- Environmentally sound; green solutions; sustainability
- Current best practices / best technology available
- Efficient service
- Economies of scale: for capital investments and O&M – “size matters”.
- Greatest good for greatest number of people
- Explore potential for wastewater reuse (reclamation); reduce flows to treatment plants; exploit treatment by-products for sustainable reuse
- Mitigate facility impacts; meet community design goals
- Provide redundancy
- Maintain existing outfalls
- Promote collaborations / partnerships
- Look holistically: coordinate wastewater with other services.

One participant suggests reviewing the results of a recent web survey conducted by Clackamas County, which drew 365 citizen responses. This observer notes the survey results show engineering costs are not the main driver in citizens’ decisions on wastewater systems.

Questions to be Answered

Are there any questions that need to be answered to help reach decisions on wastewater issues?

The most frequent answer to this question is “**no**”. Stakeholders point to the history of “study after study” addressing wastewater systems in Clackamas County. In the view of many participants, these issues have been “studied to death.” “All studies come back to the same technical solutions.” “We can’t always expect consensus.” One policymaker’s statement echoes many others: “I have all the information I need to make a decision.”

For those stakeholders seeking more information, they are most often looking for additional details on costs, timing of future investments, financing options (i.e., how to pay the costs), and impact on sewer rates: “There are no questions left except how to pay the bill.”

Additional questions / information needs identified in the interviews:

- Plans for handling growth in Happy Valley / Damascus area
- Governance structure: workable models from other regions
- Technical issues: bio-solids handling at Kellogg Creek, feasibility of new plant
- Contingency planning: what if CCSD#1 implodes? What if growth speeds up or stops? What if the Tri-City plant floods?

V. DECISIONMAKING AND IMPLEMENTATION

Credible Sources of Implementation

What are the most credible sources of information on these matters?

Most observers acknowledge that distrust and mistrust permeate consideration of wastewater further issues in North Clackamas County: “*I doubt it* is the CAC attitude.” The existence of so many studies / reports over the years clouds the issues. Divisions among the entities fuels suspicions about “hidden agendas.” Finding a credible information source is a challenge. “Credible to whom?”, participants ask.

While there is no agreement on credible information sources, several possible entities are mentioned:

- Peer organizations in other regions; “best practices”
- Independent technical consultants: “For technical issues, we look to professional studies and experts.” “I really like the technical people. They have no agendas – just want us to be able to keep flushing our toilets.” “The engineers – but they need help talking to people.”
- City managers: no official power, but very capable and stay in touch with each other and their electeds.
- Neutral parties: academics, peer review panels, seasoned city managers, *Oregonian*

- WES professionals: who are acknowledged by many participants to be the leading authorities on this subject – “exceptional”.

Other stakeholders stress the importance of developing credible information, step-by-step, through an open process that promotes better public understanding.

Another participant who isn’t concerned about the credibility gap advises, “There is no solution to this problem, so don’t obsess about anything – including the multitude of engineering studies.”

Early Decision Priorities

Solving Clackamas County’s wastewater problem may take some time. Is there any aspect of the wastewater problem that you think demands early attention?

Stakeholders stress, nearly unanimously, that solving the immediate capacity issue in North Clackamas County must be the top priority: “The interim capacity need is here!” “The Kellogg plant is facing permit violations. We must have additional capacity.”

Additional suggestions for early priorities:

- “Make a decision.” Set a timeline / deadlines for decisions: “Even some activists agree.”
- Develop a plan for the growth areas: Happy Valley and Damascus.
- Adopt a financial plan for immediate capacity improvements.
- “Educate the public about the crisis we’re facing.”
- Update the IGAs.
- Resolve longstanding governance issues.

Only one North Clackamas area leader sees “no burning issue.”

Leadership

A variety of organizations provide wastewater services in Clackamas County. Which organization(s) should take the lead in planning how to address our future wastewater challenges?

Most observers say that Clackamas County’s elected leaders on the Board of Commissioners have the authority and responsibility to lead planning that finally addresses wastewater issues in the North County. Further, Clackamas County owns the Tri-City and Kellogg sites and treatment facilities.

Many people urge the County to take action: “The County needs to make a decision and stick to it, even if threatened with lawsuits.” “This time the County needs to take a hard-line position and let the chips fall where they may.” “They need backbone – and a modicum of community support.” “Tough decisions need to be made, and that’s called ‘leadership’.”

There’s nothing inherently unworkable about this decision structure. The Tri-City Service District functions very well under County leadership, many observers note. Yet CCSD#1 can’t

seem to get its act together. Both districts have the same staff (WES) and the same Board. What's the problem?

Some stakeholders think the current decision structure needs to be improved or replaced. The County has been unable to reach timely decisions, these critics say: "There's a lack of decisionmaking from the County Board on down. They have historically been unable to take the necessary steps." "They are leading from behind." The models mentioned most often are Clean Water Services and the Joint Water Commission in nearby Washington County. A few participants prefer to see the current service delivery and decision structure replaced completely, with a special service district or regional sanitary authority substituted.

Another prevalent view is the need for the emergence of community leaders who champion wastewater solutions. Where are these leaders, they ask. One observer points out that wastewater isn't unique in this regard. Many other issues are looking for community leaders, but these are considered to be "hot potatoes": "Clackamas County is not fertile ground to nurture citizen leaders."

What do you see as the appropriate role(s) in wastewater for these groups?

Clackamas County Board of Commissioners

Clackamas County Water Environment Services

Tri-City Service District

Clackamas County Service District #1

Oak Lodge Service District

Clackamas County cities

CCSD #1 Citizen Advisory Council

Community Wastewater Solutions Committee

Other organizations

Stakeholders see future roles continuing in wastewater for most of these entities. Most participants believe the long-term trend, however, is toward consolidation. Over time, fewer agencies are expected to be involved. Also, if the County retains its leadership role, "the bottom line is that the actions of the others must serve to support the Board's decisions."

VI. PUBLIC INFORMATION / INVOLVEMENT

Public Outreach Methods

What are the best ways to inform and involve interested stakeholders and citizens in future decisions on wastewater issues?

Consensus among stakeholders is that citizen participation in wastewater issues is a must: "Citizens must be comfortable about solutions." But for many observers, how to involve the public in wastewater decisions continues to be a puzzle. With many distractions and time demands, there is little ongoing civic interest. The issues are "80% technical, 20% policy." Few

citizens really want to know the details: “How many people really pay attention?” As a result, public discussions are dominated by a few loud voices: “Only the vocal minority shows up.”

Some participants believe an ongoing public education effort is needed. “We need to start an information campaign on WES – yesterday!”, emphasizes one elected leader. WES is advised to build a long-term public education process modeled on other regions (e.g., Clean Water Services). Several observers think a broad public process will, over time, help subdue the criticism.

While there are no agreed-upon “best practices” for public outreach, the collective advice of stakeholders includes these suggestions:

- Channel public input to / through the elected leaders who are the ultimate decisionmakers: “Good public process takes their careful, hands-on involvement.”
- Target outreach to the “interesteds and influentials” – the citizens and stakeholders showing most interest.
- Start the dialogue with the issues – not the solutions. Narrow the options first, then take them to the public.
- Speak in simple plain English. Don’t expect citizens to master the scientific – technical – financial – legal gobbledygook.
- Utilize highly efficient, contemporary electronic communications.
- Employ a variety of outreach methods and tools: district newsletters, website with downloadable studies, community meetings / open houses, surveys, cable television, community briefings, information booths and portable displays, utility bill inserts, targeted mailings and e-mail updates, door-to-door campaign.

Many observers contrast what is needed for public outreach with the earlier Clearwater process. “Public involvement was mishandled in the Clearwater process. That empowered some intractable people in unproductive ways.” “Last time, we let city managers and technical experts communicate the needs to the public.” “Clearwater followed a bad engineering model: Decide; Announce; Defend. This time, let’s use alternatives. Use neutral third parties to run meetings – not engineers or planners.”

Information to Address Citizens’ Questions

What information will be of most interest to citizens?

Citizens will be most interested in learning more about costs, stakeholders predict. As sewer utility customers, they will want to know:

- How much will system improvements cost?
- Who will pay?
- How much will monthly rates increase, and when?
- How will Clackamas County sewer rates compare with other regions?

It is important to help citizens understand the region’s wastewater choices and options, for the interim and long-term: plusses and minuses, timing and decision process.

There is also a need to explain more about “why”. Stakeholders surmise that most area residents are generally aware of chronic wastewater problems in the area. But, as the price tag jumps for interim and long-term system improvements, customers will insist on finding out more about the reasons.

Other information said to interest citizens:

- Environmental and public health benefits / impacts
- Relationship between growth and the region’s wastewater facility needs
- Information that confirms the various jurisdictions are working together
- Successful models for wastewater agencies in other regions

Interested Parties

Are there any other people or organizations you would recommend we contact to get their views on wastewater issues?

Stakeholders most often suggest involving the same types of organizations and individuals who participated in the interviews: representatives of cities, County government and Water Environment Services, Tri-City Service District and CCSD #1, water districts, neighborhood associations and CPOs, business groups, environmental organizations, consulting engineers.

Many participants yearn for a return to the decisionmaking arena of some key parties who may have become frustrated and dropped out: in particular, business organizations, environmentalists and blue ribbon community leaders.

Additional organizations / individuals that interviewees recommend to be contacted include:

- Wastewater agencies in other regions
- Area legislators, who might help emphasize the need, and reinforce the urgency
- Community Solutions Committee
- City planning staff
- Metro staff and elected officials
- Local water boards
- Area business / development community: “The Highway 212/224 corridor is full of water-reliant businesses.”
- Retired County officials
- League of Women Voters
- Community planning organizations (CPOs) and neighborhood associations
- Association of Clean Water Agencies (ACWA)
- American Water Works Association (AWWA)

Another suggestion is to gauge grassroots public sentiment on wastewater issues by conducting focus groups and public opinion surveys: “We do surveys all the time – why not for wastewater?”

VII. WRAPUP

Most Important Advice

If you were asked to provide your single most important piece of advice on wastewater issues in Clackamas County, what would it be?

The collective advice of 50 stakeholders urges the County Board to finally reach a decision on North Clackamas County’s wastewater future. “Make the decision and do something!”, in the brief summary of one participant reflecting the views of many others. “The bottom line is something needs to happen now – we’re out of time. Decision time is here.” “We’ve spent years playing Hamlet.” “The clock is ticking and everyone is watching. Don’t be afraid to do the right thing.”

Stakeholders say it is also important to have a clear and open decision process, one that maintains strong lines of communication, disseminates good public information, and prepares citizens for long-term decisions: “Be as objective and transparent as possible.” The best plan will be well prepared and defensible, with good reasons for decisions. The community should be involved in understanding and solving the problem. “Keep it simple, stupid”: don’t use an overly technical message.

Additional advice offered by the persons interviewed:

- Broaden the public outreach process.
- Think long-term. Forget about the past.
- Articulate the problem clearly.
- Be open-minded and creative.
- Acknowledge and respect system investments already made.
- Think and act strategically: “We’ve had enough engineering – we need strategic thinking.”

Final Comments

Any further comments or suggestions?

A sampling of final thoughts from interview participants:

- “Make good decisions with good value for ratepayers.”
- Understand the urgency. “Get’er done quickly.”
- “We want to be part of the solution. The more interagency partnerships that can be established, the better the long-term solution.”

- Don't repeat Clearwater.
- "Some of us are tired of going to meetings – we have other things to do."
- "Don't waste our time."
- "CCSD#1 may need to collapse to get us past the current stalemate."
- Start at the end point. Develop a relationship / agreement between CCSD#1 and Tri-City under an IGA.
- What's needed is a County-sponsored, objective look at timely issues:
 - Pros / cons of a merger
 - Ability of cities to leave CCSD#1
 - CCSD#1 legal standing, ownership of facilities
 - Environmental benefits of various discharge options
- Promote annexation and cities: "Take a gouge out of the unincorporated problem areas."
- Fix longstanding problems and gripes: e.g., low SDCs.
- Be careful this process doesn't get out of hand.
- "WES professionals are doing a good job, but get a raw deal."
- "I'm optimistic things will improve."
- "Clackamas County is Oregon's future."
- "Good luck!"
- "I'll be glad when this is done."

VII. Appendix

Clackamas County Water Environment Services Stakeholder Interviews (Rev. 8/22/07)

Cities

Dan Bartlett, City of Damascus
Scott Burgess, City of West Linn
Wade Byers, City of Gladstone
Carlotta Colette, City of Milwaukie, Clackamas Coordinating Committee
Kathy Daw, City of Happy Valley
Ray Jerren, City of Gladstone
Chris Jordan, City of West Linn
Alice Norris, City of Oregon City
Ron Partch, City of Gladstone
Larry Patterson, City of Oregon City
Randy Shannon, City of Damascus
Mike Swanson, City of Milwaukie
Rob Wheeler, City of Happy Valley

Clackamas County

Norm Andreen, Clackamas County Planning Commission
Commissioner Bill Kennemer
Commissioner Lynn Peterson
Commissioner Martha Schrader
Jon Mantay, County Administrator

State / Regional Agencies

Michael Jordan, Metro
Neil Mullane, Oregon Department of Environmental Quality

Business / Economic Development

Gary Barth, Clackamas County Business & Community Services
Greg DeGrazia, North Clackamas Chamber of Commerce, CCSD #1 Site Steering Committee
Matt Grady, Gramor Development
Wilda Parks, North Clackamas Chamber of Commerce
Ernie Platt, Homebuilders Association of Metropolitan Portland
Burton Weast, Clackamas County Business Alliance
Gregg Weston, OTAK, Clackamas County Business Alliance

Environmental / Clean Water Advocates

Dick Shook, Friends of Kellogg and Mt. Scott Creek

Wastewater / Water Agencies

Kim Anderson, Sunrise Water Authority
Jay Bacon, Clackamas County Water Environment Services
Dan Bradley, Oak Lodge Water District
Mike Grimm, Sunrise Water Authority
Eric Hofeld, CCSD #1 Citizen Advisory Council
Jim Knapp, CCSD #1 Citizen Advisory Council
Joel Komarek, City of Lake Oswego
Mike Kuenzi, Clackamas County Water Environment Services
Steve Simonson, City of Portland Bureau of Environmental Services
Kent Squires, Oak Lodge Sanitary District

Consulting Engineers

Carie Fox, Fox Mediation
Terry Gould, Brown and Caldwell
Dave Green, CH2M Hill
Wade Hathorn, HDR
John Lang
Dale Richwine, Montgomery Watson Harza
Brett Teel, HDR

Interested Citizens

Ken Black, Oregon City
Lynn Chicoine, West Linn
Charmain Coleman, Milwaukie
Matt Green-Hite, Gladstone Planning Commission, Tri-City Finance Committee

Clackamas County Water Environment Services
Stakeholder Interviews

DISCUSSION GUIDE (Rev. 7/10/07)

Name: _____ Phone: _____

Organization: _____ E-mail: _____

Address: _____

Introduction

Clackamas County is growing, and several of its key wastewater facilities are approaching full capacity. We are speaking with community leaders, and other stakeholders and citizens, to gain their views on what should be done.

1. Have you been involved in Clackamas County area wastewater issues? (Explain)

2. What's your impression of the current wastewater situation and what we should be doing?

3. Do you have any issues or concerns about the future of wastewater services in Clackamas County?

Issues and Options

4. Clackamas County is growing. How does that factor into decisions on future wastewater services?

5. Expanding and upgrading wastewater systems in Clackamas County will potentially cost hundreds of millions of dollars and will increase monthly sewer rates. How important is cost and keeping rates low in comparison with other issues?

6. Wastewater treatment facilities are designed to protect the environment. Is the environment an important factor in decisions about our future systems? (Explain)

7. Treatment options might include a large regional plant, or several smaller plants. Do you have any preference?

8. Another option involves building a new treatment facility to serve North Clackamas County. What's your view on this option?

9. In some regions, treated wastewater is reclaimed and used for irrigation and other beneficial purposes. What's the potential for reclamation here?

10. Are there any contentious issues about wastewater that must be resolved before people and agencies in the region can work together to solve the wastewater problem? (How would you suggest these issues be resolved?)

Values to Guide Decisions

11. What benefits could be gained from solving wastewater problems in Clackamas County? (e.g., economic, environmental, other)

12. What are some of the challenges we might confront in addressing the wastewater issues?

13. What values or principles would you suggest to guide decisions about future wastewater systems?

14. Are there any questions that need to be answered to help reach decisions on wastewater issues?

Decisionmaking and Implementation

15. What are the most credible sources of information on these matters?

16. Solving Clackamas County's wastewater problem may take some time. Is there any aspect of the wastewater problem that you think demands early attention?

17. A variety of organizations provide wastewater services in Clackamas County. Which organization(s) should take the lead in planning how to address our future wastewater challenges?

18. What do you see as the appropriate role(s) in wastewater for these groups:

Clackamas County Board of Commissioners: _____

Clackamas County Water Environment Services: _____

Tri-City Service District: _____

Clackamas County Service District #1: _____

Oak Lodge Service District: _____

Clackamas County cities: _____

CCSD #1 Citizen Advisory Council: _____

Community Wastewater Solutions Committee: _____

Other organizations: _____

Public Information / Involvement

19. What are the best ways to inform and involve interested stakeholders and citizens in future decisions on wastewater issues?

20. What information will be of most interest to citizens?

21. Are there any other people or organizations you would recommend we contact to get their views on wastewater issues?

Wrap-up

22. If you were asked to provide your single most important piece of advice on wastewater issues in Clackamas County, what would it be?

23. Any further comments or suggestions?

Thank you for your participation!



BARNEY & WORTH, INC.

1211 SW FIFTH AVE, STE 1140
PORTLAND, OREGON 97204-3732
503/222-0146 phone 503/274-7955 fax

247 COMMERCIAL ST NE, STE 204
SALEM, OREGON 97301-3411
503/585-4043 phone 503/589-4165 fax

606 COLUMBIA ST NW, STE 217
OLYMPIA, WASHINGTON 98501-1093
360/753-1023 phone 360/943-7513 fax

www.barneyandworth.com