

# Tualatin Valley Water District



BOARD OF COMMISSIONERS  
1850 SW 170th AVENUE  
REGULAR MEETING MINUTES  
OCTOBER 27, 2011

Present: Commissioners: President Dick Schmidt, Richard Burke, Jim Doane, Jim Duggan, Marilyn McWilliams

Management

Staff: Greg DiLoreto, Clark Balfour, Patty Rupp, Bernice Bagnall, Todd Heidgerken, Mark Knudson, Brenda Lennox

Public: Paul Matthews, Amy Heinlen

Note: Unless otherwise indicated the words “Motion carried” mean the action of the Board of Commissioners was unanimous.

An Executive Session took place before the Regular meeting at 6:00 p.m., called under ORS 192.660 2 (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions; ORS 192.660 2 (h) to consult with legal counsel concerning the legal right and duties of a public body with regard to current litigation or litigation likely to be filed; ORS 192.660 2 (f) and 192.502 (9) to discuss information or records that are exempt by law from public inspection.

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President Schmidt called the Regular Meeting to order at 7:00 p.m.

## REPORTS BY CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF

CEO, DiLoreto reported that Paul Matthews and Amy Heinlen were in the audience. Mr. Matthews is the District’s new Chief Financial Officer who will replace Bernice Bagnall when she retires at the end of November. Ms. Heinlen is the new Human Resources Manager replacing Debbie Erickson who will also retire at the end of November. Both will begin work the week of November 14.

The District has been selected by Oregon Business Magazine as one of the top non-profit businesses to work for in Oregon. The District placed 9<sup>th</sup>.

For the second year in a row, the District was selected as a Healthiest Employer of Oregon for companies with 100-499 employees. The District placed 4<sup>th</sup>.

The annual joint meeting with the City of Beaverton will take place on Tuesday, November 1 at the City of Beaverton beginning at 6:00 P.M.

CEO, DiLoreto provided an update to the Rate Study. He explained that with the recent hiring of Paul Matthews, the work has slowed, therefore having the study completed before Ms. Bagnall retires is not as critical as was originally thought. As a result, the November 8 Work Session has been cancelled.

With respect to the Tualatin Basin Water Supply Project (TBWSP), the partners have received an update on the intake and pump station. They discussed the work that has been completed on sediment removal and fish screens. Items to be addressed include permitting, land acquisition, and fish screen refinement. Various review agencies have commented. Preliminary drawings will be updated. This phase is expected to be complete in December. An update was also received on the dam. The Bureau of Reclamation has extended their schedule once again for the final Corrective Action Study. The study is now not expected to be complete until August 2012, which is nearly one year behind schedule.

Departmental Report:

Chief Engineer, Mark Knudson provided the department report.

REPORTS OF MEETINGS ATTENDED AND COMMISSIONER TOPICS

A report was given by each Board member of meetings they attended for the month.

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None.

CONSENT AGENDA

It was moved by Commissioner Duggan and seconded by Commissioner McWilliams approving the Consent Agenda consisting of the Work Session minutes of September 6 and the Regular meeting minutes of September 21, 2011. The motion carried.

RESOLUTION 08-11, AMENDING THE INVESTMENT POLICY FOR TVWD

CEO, DiLoreto indicated that he had recently discovered during a conversation with another entity in the area, that they were receiving higher yields on their investments than that of TVWD. After consulting with investment advisor, Davidson Fixed Income Management, staff is recommending amendments to the Investment Policy, which was adopted by Resolution 03-11 in January 2011.

Ms. Bagnall explained that the current Investment Policy provides a maximum maturity of three years for any single issue without express approval from the Board of Commissioners. Staff is recommending that the Board adopt Resolution 08-11 amending the Investment Policy in order to allow TVWD the option of purchasing individual securities having a maximum maturity of five years. This would make it possible to increase the yield of the portfolio if funds are committed for a longer period. Delays with the TBWSP have left fund balances that will not need to be accessed in the near term. Staff is not proposing to invest entire balance of funds in longer term investments, only a portion. Staff recommends the weighted average maturity of the District's portfolio be amended for a maximum of 18 to 24 months. Ms. Bagnall indicated that District staff has been informed that the proposed amendment falls within the Oregon Short Term Fund Board guidelines; therefore the District is not required to submit the policy for further review.

It was moved by Commissioner Burke and seconded by Commissioner Doane to adopt Resolution 08-11 amending the Investment Policy as described by Ms. Bagnall. The motion carried.

ADJOURNMENT

There being no further business, it was moved by Commissioner Burke and seconded by Commissioner Doane to adjourn the Regular Meeting at 7:33 p.m. The motion carried.

BOARD OF COMMISSIONERS  
TUALATIN VALLEY WATER DISTRICT

BY \_\_\_\_\_ BY \_\_\_\_\_  
President, Dick Schmidt Secretary, James Duggan

Date Approved: November 16, 2011