

# Tualatin Valley Water District



**BOARD OF COMMISSIONERS  
1850 SW 170th AVENUE  
BEAVERTON, OR 97006**

**DECEMBER 21, 2011  
REGULAR MEETING - 7:00 PM**

**Listening devices are available upon request  
48 hours prior to the day of the meeting (503-642-1511)  
Streaming live at [www.tvwd.org](http://www.tvwd.org)  
Broadcast by TVCTV (at a later date)**

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**ALL VERBAL TESTIMONY IS ELECTRONICALLY RECORDED**

- 1. CALL TO ORDER – REGULAR MEETING
- 2. REPORTS BY THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF
- 3. COMMISSIONER COMMUNICATION
  - 3.1 -Reports of Meetings Attended
  - 3.2 -Topics to be raised by the Commissioners
- 4. PUBLIC COMMENT:
 

**This time is set aside for persons wishing to address the Board on items on the Consent Agenda, and matters not on the Agenda. Additional public comment will be invited on agenda items as they are presented. Each participant is limited to five minutes, unless an extension is granted by the Board.**

CONSENT AGENDA: These items are considered to be routine and may be enacted in one motion without separate discussion. Any Board member may request that an item be removed by motion for discussion and separate action.

ITEMS REMOVED FOR SEPARATE DISCUSSION: Any items requested to be removed from the consent agenda for separate discussion, will be considered immediately after the Board of Commissioners have approved those items which do not need discussion.

- 5. CONSENT AGENDA ITEMS
  - 5.1 - Regular Meeting Minutes of November 16, 2011 .....
  - [5.2 - Resolution 11-11 Establishing Regular Meeting Dates for 2012.....](#)

**BUSINESS AGENDA ITEMS:**

**Time will be set aside for public comment for each business item. Each participant is limited to five minutes unless the Board grants an extension, or the agenda item is noted for a specific amount of time for public comment.**

6. COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE YEAR ENDED JUNE 30, 2011 AND GFOA AWARD OF EXCELLENCE IN FINANCIAL REPORTING FOR THE PREVIOUS YEAR'S CAFR (MOTION).....
7. ELECTRONIC DEVICES POLICY (MOTION).....
8. MODIFICATION OF BOARD POLICY HANDBOOK, BOARD PROCESS (FIRST READING).....
9. RESOLUTION 12-11, LEASE OF METZGER OFFICE SPACE (MOTION).....
10. ADJOURNMENT

TUALATIN VALLEY WATER DISTRICT  
BOARD AGENDA ITEM

**MEETING DATE: DECEMBER 21, 2011**

**TITLE: RESOLUTION 11-11, ESTABLISHING REGULAR MEETINGS OF THE TUALATIN VALLEY WATER DISTRICT'S BOARD OF COMMISSIONERS FOR THE YEAR COMMENCING 2012**

**ITEM:** Resolution 11-11

**STAFF RECOMMENDATION:** Staff recommends that the Board move to approve Resolution 11-11, establishing Regular meeting dates be held the third Wednesday of each month, at 7:00 p.m., at the Tualatin Valley Water District Headquarters, 1850 SW 170<sup>th</sup> Avenue, Beaverton, Oregon.

**BUDGET IMPACT:** None

**ADDITIONAL INFORMATION:** Greg DiLoreto, Chief Executive Officer, 503-848-3032, [greg@tvwd.org](mailto:greg@tvwd.org) or Patty Rupp, Executive Assistant 503-848-3014, [patty@tvwd.org](mailto:patty@tvwd.org)

**ATTACHMENTS:** Resolution No. 11-11

APPROVING MANAGERS INITIALS

CHIEF EXECUTIVE OFFICER _____		HUMAN RESOURCES	N/A
FIELD OPERATIONS	N/A	INTERGOV. RELATIONS	N/A
FINANCIAL SERVICES	N/A	CUSTOMER SERVICES	N/A
ENGINEERING SERV.	N/A		

**BOARD ACTION:**

APPROVED \_\_\_\_\_  
DENIED \_\_\_\_\_



TUALATIN VALLEY WATER DISTRICT  
BOARD OF COMMISSIONERS

RESOLUTION 11-11

A RESOLUTION ESTABLISHING REGULAR MEETING DATES  
FOR THE BOARD OF COMMISSIONERS FOR THE YEAR 2012

THE BOARD OF COMMISSIONERS OF THE TUALATIN VALLEY WATER  
DISTRICT RESOLVES:

Section 1: That commencing with the month of January 2012, the Regular Meetings of the Board of Commissioners of the Tualatin Valley Water District shall be held on the third Wednesday of each month at 7:00 p.m. unless otherwise approved by motion by the Board of Commissioners to move a specific meeting to an alternate date.

The meetings are to be held at the Tualatin Valley Water District, Administrative Office located at 1850 SW 170th Avenue, Beaverton, Oregon.

Section 2: Meeting dates may be changed by a motion of the Board of Commissioners.

Section 3: In accordance with ORS 192.640, Public Notice Requirement, all meetings will be advertised as required.

INTRODUCED AND ADOPTED THIS 21<sup>st</sup> DAY OF DECEMBER 2011.

TUALATIN VALLEY WATER DISTRICT

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

**TUALATIN VALLEY WATER DISTRICT  
REGULAR BOARD MEETING AGENDA ITEM**

**MEETING DATE: DECEMBER 21, 2011**

**TITLE: COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE YEAR ENDED JUNE 30, 2011 AND GFOA AWARD OF EXCELLENCE IN FINANCIAL REPORTING FOR THE PREVIOUS YEAR'S CAFR.**

**ITEM:** Julie Desimone, CPA & Partner and Keith Simovic, CPA, will present the District's CAFR to the Board, explain the highlights, and be available for questions. Ms. Desimone and Mr. Simovic represent our auditing firm: Moss-Adams LLP. This is our third year of a three-year contract with this independent auditor. Although Moss-Adams has not completed all of its internal reviews, it has provided management with draft letters of its opinions indicating we should expect a "clean" audit and that the CAFR fairly represented the financial position of the District as of June 30, 2011 in all material respects, and in conformity with the generally accepted accounting principles. Moss-Adams draft letters also indicate that we have complied with Oregon budget law and other statutory and contractual provisions. Moss-Adams will provide its final opinions during the meeting.

We are pleased to report that the District has once again earned the Government Finance Officers Association (GFOA) Award of Excellence in Financial Reporting for the previous year's CAFR. This is the 21<sup>st</sup> consecutive award. We plan to submit the current year CAFR for the award, as well.

**STAFF RECOMMENDATION:** We recommend that the Board move to accept the Comprehensive Annual Financial Report for the Year Ended June 30, 2011, and accept the GFOA Award of Excellence in Financial Reporting for the previous year's CAFR.

**BUDGET IMPACT:** None

**ADDITIONAL INFORMATION:** Paul Matthews, [paulm@tvwd.org](mailto:paulm@tvwd.org), (503) 848-3017, Bob Shields, [bob@tvwd.org](mailto:bob@tvwd.org), (503) 848-3070

**ATTACHMENTS:** The FY 2010-11 Comprehensive Annual Financial Report will be provided separately.

**APPROVING MANAGERS INITIAL:**

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	NA
FIELD OPERATIONS	NA	INTERGOV. RELATIONS	NA
FINANCIAL SERVICES	_____	CUSTOMER SERVICES	NA

ENGINEERING SERV.            NA

BOARD ACTION:

APPROVED            \_\_\_\_\_

DENIED                \_\_\_\_\_

**TUALATIN VALLEY WATER DISTRICT  
REGULAR BOARD MEETING AGENDA ITEM**

**MEETING DATE: DECEMBER 21, 2011**

**TITLE: MOBILE ELECTRONIC DEVICES POLICY**

**ITEM:** The purpose of this policy is to define the support, usage, and responsibilities for communication devices used for District business and to comply with the Oregon Ethics, Public Records, and Wage and Hour Laws. This policy allows an employee, whose position requires the use of a mobile communication device, the choice of a District issued device or for the employee to receive a stipend for the business use of his/her personal device.

**STAFF RECOMMENDATION:** Staff recommends approval of the Mobile Electronic Devices Policy.

**BUDGET IMPACT:** The district is currently paying over \$15 a month for the use of a district owned cell phone and \$85 for the use of a district owned smartphone. Smartphones provide both cell and data services. If approved, there will be no impact to the current budget for employees who receive either a cell stipend of \$15 a month or a cell and data service stipend of \$65 a month for use of their personal phone for district business.

**ADDITIONAL INFORMATION:** Greg DiLoreto, CEO, 503-848-3032, [greg@tvwd.org](mailto:greg@tvwd.org), Todd Heidgerken, AIC, 503-848-3013, [toddh@tvwd.org](mailto:toddh@tvwd.org), Amy Heinlen, HR Director, 503-848-3015, [amy@tvwd.org](mailto:amy@tvwd.org).

**ATTACHMENTS:** Mobile Electronic Devices Policy and Request for Cell Phone Stipend Form

**APPROVING MANAGERS INITIAL:**

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	_____
FIELD OPERATIONS	N/A	INTERGOV. RELATIONS	N/A
FINANCIAL SERVICES	_____	CUSTOMER SERVICES	N/A
ENGINEERING SERV.	N/A		

**BOARD ACTION:**

APPROVED \_\_\_\_\_  
DENIED \_\_\_\_\_

**TUALATIN VALLEY WATER DISTRICT  
REGULAR BOARD MEETING AGENDA ITEM**

**MEETING DATE: DECEMBER 21, 2011**

**TITLE: AMENDMENT TO THE TUALATIN VALLEY WATER DISTRICT (TVWD) ADMINISTRATIVE RULES, ARTICLE 1.10.120, PROCEDURE DURING BOARD MEETINGS**

**ITEM:** The Board has adopted TVWD Administrative Rules Article 1.10.120, Procedure During Board Meetings. The Article has been in effect since 1999.

A portion of the Article states: “Except as otherwise provided by State Law and/or Board policy, the rules of parliamentary procedure comprised in “Roberts Rules of Order” (Revised) shall govern the Board in its deliberations. Rules may be amended at any meeting by a majority vote. The order of business may be suspended at any meeting by a majority vote of those present.”

During the December 6, 2011 Board Work Session, the Board expressed interest in modifying this portion of the Article to reflect what is believed a better practice for meeting conduct. The Board desires to adopt an order of precedence when conducting meetings, i.e. state law, provisions of the TVWD Administrative Rules, including modification or suspension of Rules depending upon circumstances and the discretion of the Board as presently reserved and Roberts Rules of Order (Revised). Proposed language to amend Article 1.10.120 is attached for discussion. This is informational and for discussion. Subject to further Board amendments, this will be placed on the Board’s January 2012 agenda for final Board action.

**STAFF RECOMMENDATION:** No action required. This is for review, discussion and further amendment as the Board wishes.

**BUDGET IMPACT:** None

**ADDITIONAL INFORMATION:** Greg DiLoreto, [greg@tvwd.org](mailto:greg@tvwd.org), 503-848-3032, Todd Heidgerken 503-848-3013, [toddh@tvwd.org](mailto:toddh@tvwd.org)

**ATTACHMENTS:** Article 1.10.120 (redlined)

**APPROVING MANAGERS INITIAL:**

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	N/A
FIELD OPERATIONS	N/A	INTERGOV. RELATIONS	_____
FINANCIAL SERVICES	N/A	CUSTOMER SERVICES	N/A
ENGINEERING SERV.	N/A		

**BOARD ACTION:**

APPROVED \_\_\_\_\_

DENIED

\_\_\_\_\_

Article 1.10.120

~~Except as otherwise provided by State Law, and/or Board policy, the rules of parliamentary procedure comprised in “Roberts Rules of Order” (Revised) shall govern the Board in its deliberations.~~ ~~provisions of the TVWD Administrative Rules, including modification or suspension of Rules depending upon the circumstances and the discretion of the Board, the rules of parliamentary procedure comprised in “Roberts Rules of Order” (Revised) shall govern the Board in its deliberations.~~ Rules may be amended at any meeting by majority vote. The order of business may be suspended at any meeting by a majority vote of those present.

In conducting the meeting, the Board President or presiding officer of the Board has the inherent authority to keep order and to impose any reasonable restrictions necessary for the efficient and orderly conduct of meetings.

When considering an agenda item, the Board shall use the following procedure unless the Board determines otherwise by majority vote.

1. Presentation of the Staff Report, if any
2. Request for Public Comment
3. Further Comments from Staff
4. Board Discussion
5. Motion
6. Vote

Minutes of the Board shall be kept in accordance with the requirements of ORS Chapter 92. The Secretary of the Board shall maintain the minutes and make them available for examination by the public at the District Office. Board meeting tapes will be kept for a minimum of six (6) years.

Votes will be recorded. Any member may request a vote be changed if such request is made prior to consideration of the next order of business.

Three members shall constitute a quorum. If only three members are present, a unanimous vote is required to approve a motion.

Members may request a roll call vote.

Members may append to the record, at the time of voting, a statement indicating the reason for the vote or the reason for abstaining.

Members shall declare a conflict of interest and may abstain from voting.

The meeting will be adjourned by a majority vote.

TUALATIN VALLEY WATER DISTRICT  
BOARD AGENDA ITEM

**MEETING DATE: DECEMBER 21, 2011**

**TITLE: RESOLUTION 12-11, IN THE MATTER OF THE RESOLUTION APPROVING A LEASE FOR STORAGE AT THE METZGER PREMISES**

**ITEM:** TVWD owns office space at 6501 SW Scholls Ferry Road, Portland, previously the Metzger Water District office. PNWS-AWWA previously used approximately 1000 square feet of this office space to house the Executive Director of PNWS. The PNWS has moved the Section office to Washington. The office space is currently vacant and TVWD has no need for the space at this time. PNWS would like to continue to use of approximately 140 square feet for storage. This agreement allows us to terminate the contract with thirty days notice.

**STAFF RECOMMENDATION:** It is recommended that the Board move to approve Resolution 12-11, approving PNWS to use this space for storage and authorizing the Chief Executive Officer or his designee to sign the lease.

**BUDGET IMPACT:** N/A

**ADDITIONAL INFORMATION:** Brenda Lennox, (503) 848-3039 [brenda@tvwd.org](mailto:brenda@tvwd.org)

**ATTACHMENTS:** Resolution 12-11, Exhibit 1

**APPROVING MANAGERS INITIALS:**

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	N/A
FIELD OPERATIONS	N/A	INTERGOV. RELATIONS	N/A
FINANCIAL SERVICES	N/A	SUPPORT SERVICES	_____
ENGINEERING SERVICES	N/A		

BOARD ACTION:  
APPROVED \_\_\_\_\_  
DENIED \_\_\_\_\_



IN THE MATTER OF THE RESOLUTION APPROVING A LEASE FOR  
STORAGE AT THE METZGER PREMISES

WHEREAS, the Tualatin Valley Water District (District) has been an active member and participant in the American Water Works Association (AWWA) and specifically, the Pacific Northwest Section (PNWS) of AWWA

WHEREAS, the Pacific Northwest Section is the regional contact point in the provision of services to members; and

WHEREAS, at previous times the District had leased a portion of its Metzger facility for office space prior to its' recent move of the Section office to Vancouver, Washington and the Board finding that it would be beneficial to the PNWS as well as the District to provide storage space according to the terms of the lease set forth as Exhibit 1, attached hereto and incorporated by reference, and being fully advised,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS  
OF THE TUALATIN VALLEY WATER DISTRICT AS FOLLOWS:

Section 1. The Lease Agreement attached hereto as Exhibit 1 and incorporated by reference between the Pacific Northwest Section of the American Water Works Association and the District is hereby approved.

Section 2. The Chief Executive Officer or his designee is authorized to execute the Lease on behalf of the District.

INTRODUCED AND ADOPTED THIS 21 DAY OF DECEMBER, 2011  
TUALATIN VALLEY WATER DISTRICT

By \_\_\_\_\_  
Dick Schmidt, President

By \_\_\_\_\_  
Jim Duggan, Secretary

**LEASE**  
**(Exhibit 1, Resolution No. 12-11)**

THIS LEASE made and entered into this 1st day of January, 2012, by and between Tualatin Valley Water District (TVWD), hereinafter referred to as “Lessor” and the Pacific Northwest Section of the American Water Works Association (PNWS), hereinafter referred to as “Lessee.”

**RECITALS**

A. Lessor owns, operates, and maintains public drinking water facilities and supplies domestic water supplies to retail customers. Lessor has office space available in a portion of its building located at 6501 SW Taylors Ferry Road, Portland, Oregon. Lessor is a member of the Pacific Northwest Section of the American Water Works Association.

B. Lessee provides services to its members, including Lessor, in accordance with the Charter and Bylaws of the American Water Works Association and as directed by its Board of Trustees. Lessee needs office space for its staff and is desirous of leasing a portion of Lessor’s building and being fully advised:

**W I T N E S S E T H:**

**Leased Premises**

Lessor does hereby lease to the Lessee and the Lessee does hereby lease from the Lessor, approximately 140 square feet of the office space area of the District’s building, located at 6501 SW Taylors Ferry Road, Portland, Oregon. The authorized use of the premises shall be for storage of PNWS materials.

**Term**

The term of this Lease shall begin on January 1, 2012 and end on December 31, 2017. Either party may terminate this agreement upon 30 days written notice or such shorter period for default.

**Lease Payments**

Lessees shall pay rental for the leased premises of \$1.00 per year. Rental payments shall be payable in advance on the first day of January, 2011, and on each January 1 for the term of the contract.

**Care of Premise**

Landlord shall make all structural, mechanical and other repairs and otherwise maintain the premises.

### **Insurance**

Lessee shall carry and pay for comprehensive liability insurance in amounts not less than combined single limit of \$1,000,000 for injury to one person, for injury to two or more persons in one occurrence and for property damage. Lessor shall be named as additional insured. Lessor shall carry fire insurance on its structure and contents and Lessee shall carry fire insurance on its contents, as they deem appropriate. Certificates evidencing such insurance and bearing endorsements requiring ten days' written notice to Lessor prior to any charge or cancellation shall be furnished to Lessor.

Subject to law, and unless insurance coverage is jeopardized, neither the Lessor nor the Lessee shall be liable to the other for loss arising out of damage to or destruction of the leased premises, or the buildings or improvements on the leased premises, or the contents of any thereof, when such loss is caused by any of the perils which are or could be included within or insured against by a standard form of fire insurance with extended coverage. All such claims for any and all loss, however caused, hereby are waived. Said absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either Lessor or Lessee or by any of their respective agents, servants or employees. Neither the Lessor nor the Lessee shall have any interest or claim in the other's insurance policy or policies, or the proceeds thereof, unless specifically covered therein as a joint insured.

### **Locks and Security System.**

Lessee may access the building by scheduling an appointment with TVWD staff during regular business hours and Lessor will reasonably cooperate to accommodate Lessee's requests.

### **Indemnity**

Each party, to the extent permitted by law, shall save, defend, and hold harmless the other from any claim for damages or injury regarding injury arising from or alleged to have arisen from the sole negligence or willful act of the party in the performance of the Agreement. Each party shall be solely liable for any fine or penalties attributed to its performance of its duties under this agreement and that are caused by its willful conduct or gross negligence.

### **Notice of Lessee of Delinquency of Payment of Rentals**

If at any time Lessor does not receive any payment called for on a due date, it shall immediately so notify Lessee in writing and Lessee shall have ten (10) days from the date of receipt of such notice to make the delinquent payment.

### **Notice**

Any notice or delivery required or permitted under this Lease shall be deemed sufficiently given or served if delivered personally or sent by first class mail, addressed as follows:

To Lessor: Chief Executive Officer  
Tualatin Valley Water District  
1850 SW 170th  
Beaverton, OR 97006

To Lessee: Executive Director  
Pacific Northwest Section AWWA  
PO Box 872467  
Vancouver, WA 98687

Notice sent by first class mail shall be deemed received on the second business day after the deposit of the same in the United States mail, property addressed and postage fully prepaid. Either party may change the address to which notices may be sent by giving written notice to the other in the manner provided in this paragraph.

### **Liens**

It is mutually agreed between the parties that if any legal or legitimate liens are filed against the leased premises subject to said lease for work, labor or materials delivered to or expended by the Lessee in connection with its approved improvements on the leased premises, Lessee shall promptly pay and discharge all such legitimate liens and shall hold the Lessor harmless from any liability therefore.

### **Utilities**

Lessor will pay for all water, gas, electricity, sewer, and other utilities and services provided to the leased premises as such costs become due and payable.

### **Attorney Fees and Costs**

If suit or action is filed by any party to enforce the provisions of this lease, or for the breach hereof, or if legal proceedings are otherwise commenced in respect to the subject matter of this lease, the prevailing party shall be entitled to recover reasonable attorneys' fees as fixed by the trial court and, if any appeal is taken from any decision of the trial court, reasonable attorneys' fees as fixed by the appellate court.

### **Succession**

This lease shall be binding upon and inure to the benefit of the parties, their heirs, legal representatives, successor and assigns.

**Governing Law**

This lease shall be governed by and construed according to the laws of the State of Oregon.

IN WITNESS WHEREOF, these presents are hereby signed in duplicate by the parties hereto on the 30th day of December 2011.

**LESSOR: TUALATIN VALLEY WATER DISTRICT**

By: \_\_\_\_\_  
Gregory E. DiLoreto,  
Chief Executive Officer

**LESSEE: PACIFIC NORTHWEST SECTION AMERICAN WATER  
WORKS ASSOCIATION**

By: \_\_\_\_\_  
Kyle Kihs  
Executive Director