

Tualatin Valley Water District



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

**JUNE 23, 2011
EXECUTIVE SESSION 6:00 PM
REGULAR MEETING & BUDGET HEARING
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
Broadcast by TVCTV (at a later date)**

AN EXECUTIVE SESSION WILL BE HELD BEFORE THE REGULAR MEETING
AT 6:00 PM, CALLED UNDER ORS 192.660 2 (f), AND ORS 192.502 (9)
TO CONSIDER INFORMATION OR RECORDS THAT ARE
EXEMPT BY LAW FROM PUBLIC INSPECTION

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 May 18, 2011

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. TUALATIN VALLEY WATER DISTRICT CUSTOMER ATTITUDE SURVEY RESULTS

7. PUBLIC HEARING FOR PROPOSED BIENNIAL BUDGET IN ACCORDANCE WITH ORS, CHAPTER 294 FOR THE BIENNIUM PERIOD 2011-2013

OPEN BUDGET HEARING

- 7.1 Written Testimony is read for the record
- 7.2 Public Testimony is heard

CLOSE BUDGET HEARING

8. RESOLUTION 06-11, ADOPTING BUDGET AND MAKING APPROPRIATIONS FOR TUALATIN VALLEY WATER) DISTRICT (TVWD) FOR THE BIENNIUM PERIOD 2011-2013 (MOTION TO ADOPT).....

9. CONSIDERATION OF WITHDRAWAL FROM TVWD SERVICE AREA BY THE CITY OF BEAVERTON (MOTION)

10. WATER SUPPLY DECISION PROCESS UPDATE

11. ADJOURNMENT

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

MEETING DATE: JUNE 23, 2011

TITLE: TVWD Customer Attitude Survey Results

ITEM: TVWD has conducted a survey of its customers every two to three years since 1992. This information is used to determine overall customer satisfaction and impressions of District programs and activities. The polling firm of Davis, Hibbitts and Midghall performed TVWD's customer attitude survey.

The survey consists of 400 phone interviews of TVWD customers, with representative samples from the Metzger and Wolf Creek areas. The survey questions include both closed (i.e. multiple choice) and open-ended questions.

The survey builds on previous research and includes questions regarding the District's performance, customer familiarity with TVWD and knowledge of water sources, opinions regarding fluoridation, and preference for methods of communication. This year's survey included new questions seeking input on the value customers place on various considerations associated with District projects.

Su Midghall will present the overall findings to the Board.

STAFF RECOMMENDATION: This is an informational item. No Board action is necessary.

BUDGET IMPACT: The cost of the survey is included in the TVWD Budget.

ADDITIONAL INFORMATION: Todd Heidgerken, 503-848-3013, toddh@tvwd.org or Frank Reed, 503-848-3058, frankr@tvwd.org

ATTACHMENTS: The TVWD survey annotated questionnaire

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 _____

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

MEETING DATE: JUNE 23, 2011

TITLE: RESOLUTION 06-11: ADOPTING THE BUDGET AND MAKING APPROPRIATIONS FOR THE TUALATIN VALLEY WATER DISTRICT FOR THE 2011-13 BIENNIAL PERIOD

ITEM: The District's Budget Committee conducted a public hearing on May 10, 2011, unanimously approved the Proposed Budget for the biennial period 2011-13, and recommended adoption of the budget to the Board. In accordance with Oregon Local Budget Law, this resolution accomplishes the following purposes: it adopts the biennial budget effective July 1, 2011, provides appropriation authority for making expenditures; and sets legal spending limits for each District fund.

This item will include a staff presentation at the Board meeting.

STAFF RECOMMENDATION: Recommends Board adoption of Resolution 06-11.

BUDGET IMPACT: This is the District's budget for the next two fiscal years.

ATTACHMENTS: Resolution 06-11
Exhibit A – Notice of Budget Hearing and Financial Summary
Approved Budget 2011-13 (separate document)

ADDITIONAL INFORMATION:

Bernice Bagnall, Chief Financial Officer, 503.848.3017, bernice@tvwd.org
or Tod Burton, Budget Officer 503.848.3040, todb@tvwd.org

APPROVING MANAGERS INITIAL:

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	N/A
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
RESOLUTION 06-11**

**A RESOLUTION ADOPTING THE BUDGET AND MAKING APPROPRIATIONS FOR
TUALATIN VALLEY WATER DISTRICT FOR THE 2011-2013 BIENNIUM**

Whereas, pursuant to the requirements of ORS Chapter 294, the Board of Commissioners of the Tualatin Valley Water District is required to adopt the budget and make appropriations for the District for the 2011-13 biennial period.

Whereas, on May 10, 2011, following public notice and hearing thereon, the duly appointed and authorized Budget Committee unanimously approved the biennial budget proposed for the 2011-13 period, now on file at the District office, and recommended adoption by the Board of Commissioners.

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TUALATIN VALLEY
WATER DISTRICT THAT:**

Section 1: The Board of Commissioners of the Tualatin Valley Water District hereby adopts the biennial budget of the District approved by the Budget Committee of Tualatin Valley Water District on May 10, 2011, now on file in the office of the District located at 1850 SW 170th Avenue, Beaverton, Oregon.

Section 2: That the amounts for the biennial period beginning July 1, 2011 and for the purposes shown are hereby appropriated as follows:

GENERAL FUND

Appropriations:

Personal Services	\$ 26,473,407
Materials and Services	29,819,075
Capital Outlay	1,724,800
General Operating Contingency	8,445,000
Rate Stabilization Account	33,000,000
Transfer to Other Funds	<u>14,827,125</u>
<u>Appropriations Total (General Fund)</u>	<u>\$114,289,407</u>

CONSTRUCTION FUND

Capital Outlay Appropriation\$ 33,567,052

BOND CONSTRUCTION FUND
Capital Outlay Appropriation \$ 0

REVENUE BOND DEBT SERVICE FUND
Debt Service Appropriation \$ 3,874,900

WILLAMETTE RIVER WATER COALITION FUND

Appropriations:

	Materials and Services Appropriation	\$ 199,200	
Operating Contingency		<u>29,800</u>	
	<u>Appropriations Total (Willamette River Water Coalition Fund)</u>		<u>\$ 229,000</u>

PARTNERS FOR A SUSTAINABLE WASHINGTON COUNTY COMMUNITY FUND

Appropriations:

	Personal Services	\$ 179,442	
	Materials and Services Appropriation	\$ 23,870	
Operating Contingency		<u>29,800</u>	
	<u>Appropriations Total (Partners For A Sustainable Washington County Community Fund)</u>		<u>\$ 233,112</u>

TOTAL APPROPRIATIONS: \$ 152,193,471

Section 3: That the Budget Officer, in accordance with ORS 294.555(2), shall file with the Oregon Department of Revenue a true copy of this resolution and the "Exhibit A" Notice of Budget Hearing attached hereto and by this reference incorporated herein.

INTRODUCED AND ADOPTED THIS 23rd DAY OF JUNE, 2011

TUALATIN VALLEY WATER DISTRICT

BY _____
Dick Schmidt, President

BY _____
James Duggan, Secretary

**EXHIBIT A
NOTICE OF BUDGET HEARING**

**FORM
LB-1**

A meeting of the BOARD OF COMMISSIONERS will be held on Thursday, June 23, 2011
(Governing Body) (Date)

at 7:00 p.m. at 1850 S.W. 170Th Avenue Beaverton OR. The purpose of this meeting is to discuss the budget for
(Location)

the biennium beginning July 1, 2011 as approved by the TUALATIN VALLEY WATER DISTRICT Budget Committee.
(Municipal Corporation)

A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the District Office

1850 S.W. 170th Ave., Beaverton, OR between the hours of 8:00 and 4:30. This budget was prepared on
(Street Address)

a basis of accounting that is consistent not consistent with the basis of accounting used during the preceding year. Major changes, if any, and their effect on the budget, are explained below. This Budget is for: Annual Period 2-Year Period.

County	City	Chairperson of Governing Body	Telephone Number
Washington	Beaverton	Dick Schmidt	(503) 642-1511

FINANCIAL SUMMARY

TOTAL OF ALL FUNDS		Adopted Budget This Biennium 2009-11	Approved Budget Next Biennium 2011-13
Anticipated Requirements	1 Total Personal Services	23,238,332	26,652,849
	2 Total Materials and Services	82,521,642	30,042,145
	3 Total Capital Outlay	56,679,660	35,291,852
	4 Total Debt Service	3,884,775	3,874,900
	5 Total Transfers	36,682,000	14,827,125
	6 Total Contingencies	10,621,700	8,504,600
	7 Total All Other Expenditures and Requirements	33,000,000	33,000,000
	8 Total Unappropriated Ending Fund Balance	3,664,026	21,401,182
	9 Total Requirements--add lines 1 through 8	250,292,135	173,594,653
Anticipated Resources	10 Total Resources Except Property Taxes	250,292,135	173,594,653
	11 Total Property Taxes Estimated to be Received	0	0
	12 Total Resources - add lines 10 and 11	250,292,135	173,594,653
Estimated Ad Valorem Property Taxes	13 Total Property Taxes Estimated to be received (line 11)	0	0
	14 Plus: Estimated Property Taxes Not to be Received		
	A. Loss Due to Constitutional Limits	0	0
	B. Discounts Allowed, Other Uncollected Amounts	0	0
15 Total Tax Levied - add lines 13 and 14	0	0	
Tax Levies By Type	16 Permanent Rate Limit Levy (rate limit)	Rate or Amount	Rate or Amount
	17 Local Option Taxes	0	0
	18 Levy for Bonded Debt or Obligations	0	0

STATEMENT OF INDEBTEDNESS

Debt Outstanding		Debt Authorized, Not Incurred	
<input type="checkbox"/> None	<input checked="" type="checkbox"/> As Summarized below	<input checked="" type="checkbox"/> None	<input type="checkbox"/> As Summarized below

PUBLISH BELOW ONLY IF COMPLETED

	Estimated Debt Outstanding at the Beginning of the Budget Year	Estimated Debt Authorized, Not Incurred at the Beginning of the Budget Year
	July 1, 2011 - 2013 Approved Budget Period	July 1, 2011 - 2013 Approved Budget Period
Long-Term Debt		
Bonds	10,170,000	0
Interest Bearing Warrants		
Other	0	0
Total Indebtedness	10,170,000	0

Short-Term Debt

This budget includes the intention to borrow in anticipation of revenue ("Short-Term Borrowing") as summarized below:

FUND LIABLE	Estimated Amount to be Borrowed	Estimated Interest Rate	Estimated Interest Cost

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

MEETING DATE: JUNE 23, 2011

TITLE: CONSIDERATION OF WITHDRAWAL FROM TVWD SERVICE AREA BY THE CITY OF BEAVERTON (MOTION)

ITEM: In 2002, TVWD entered into an Intergovernmental Agreement with the City of Beaverton defining the provision of domestic water service by area. The agreement had a term of 5 years, renewable every 5 years, unless either party gave notice of intent to reopen. The City of Beaverton has given such notice for 2012. However, in the interim they have asked that TVWD allow for an early withdrawal of the property located at NE corner of Jenkins Rd and Murray Blvd. This property, formerly a mobile home park, is currently being redeveloped and the developer wishes to take advantage of Beaverton's lower system development charges (SDC) and be served by the City. The City initially told the developer it would require a water line extension of the City system, thereby creating duplicate facilities with TVWD in Jenkins Rd.

That is not a wise use of resources. Following discussions with City staff and the developer, we have evolved to this concept. The new development would be a Beaverton customer and would pay City water rates and system development charges. The development would be served off TVWD facilities so no duplicative City facility would be built. Additionally Beaverton would pay a wheeling charge to TVWD. In exchange for early withdrawal of this property, we would require that the SDCs collected from this development would be dedicated to Beaverton's portion of capital expenditures on joint water projects such as the JWC ASR, the JWC treatment plant expansion or the TBWSP. All these conditions would be required in order to secure an early withdrawal.

STAFF RECOMMENDATION: Staff recommends that the Board move to approve the early withdrawal by the City of Beaverton of the property known as Murray Village prior to the expiration of the current Intergovernmental Agreement for Provision of Domestic Water Service, subject to negotiation of an Intergovernmental Agreement for service to this property. Upon conclusion of negotiations the proposed IGA will be returned for Board review and approval.

BUDGET IMPACT: It is estimated that \$1.4 million in SDCs would have been collected from this development through build out.

ADDITIONAL INFORMATION: Greg DiLoreto, (503) 848-3032, greg@tvwd.org or Mark Knudson, (503) 848-3027, markk@tvwd.org

ATTACHMENTS: None

APPROVING MANAGERS INITIAL:

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.	_____		

BOARD ACTION:

APPROVED _____
DENIED _____

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

MEETING DATE: JUNE 23, 2011

TITLE: WATER SUPPLY DECISION PROCESS UPDATE

ITEM: In December 2007, the TVWD Board adopted a future water supply strategy that included the District's commitment to the Tualatin Basin Water Supply Project (TBWSP) as the District's primary source of supply. Since that time, the estimated cost of the TBWSP has increased significantly and the schedule for the project has been delayed.

This agenda item will include brief updates on the status and schedule of the:

- The Tualatin Basin Water Supply Project, and
- The City of Hillsboro's Water Master Plan Update, including an evaluation of Hillsboro's future water supply options.

A suggested process and schedule for the TVWD Board's review of the findings of ongoing supply-related studies will be presented. In addition, the requirements for notice and renewal of TVWD's existing water supply agreement with the City of Portland will be outlined.

STAFF RECOMMENDATION: This item is presented for information only – no action is required at this time.

BUDGET IMPACT: No budget impact at this time

ADDITIONAL INFORMATION: Mark Knudson, P.E., Chief Engineer markk@tvwd.org, 503-848-3027 or Greg DiLoreto, P.E., CEO greg@tvwd.org 503-848-3032

ATTACHMENTS: A handout of the proposed process and schedule will be provided at the meeting.

APPROVING MANAGERS INITIAL:

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.	_____		

BOARD ACTION:

APPROVED _____
DENIED _____