

# Tualatin Valley Water District



BOARD OF COMMISSIONERS  
1850 SW 170th AVENUE  
REGULAR MEETING MINUTES  
JANUARY 16, 2013

Present:

Commissioners: Dick Schmidt, Richard Burke, Jim Doane, and Marilyn McWilliams  
(Commissioner Jim Duggan was absent)

Management

Staff: Mark Knudson, Patty Rupp, Todd Heidgerken, Dale Fishback, Brenda Lennox,  
and Paul Matthews

Staff: Tod Burton

Legal Counsel: Clark Balfour

Public: No Public Present

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

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President Schmidt called the Regular meeting of the Tualatin Valley Water District (TVWD)  
Board of Commissioners to order at 7:00 p.m.

REPORTS BY CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF

Mark Knudson, Chief Engineer and Acting in Capacity for Chief Executive Officer (CEO), Greg  
DiLoreto provided the report.

*Chief Executive Officer, Greg DiLoreto, Travels with ASCE*

Mr. Knudson reported that CEO, DiLoreto was in Washington DC as part of his ongoing duties as  
President of the American Society of Civil Engineers (ASCE). He is scheduled to present  
ASCE’s latest findings on failing infrastructure. Mr. Knudson pointed out that Mr. DiLoreto is  
expected to be seen and heard in various national news stories in the coming weeks as the topic  
hits the mainstream media.

*Tualatin Basin Water Supply Project (TBWSP)*

Clean Water Services (CWS) held a strategic planning session on January 11 to identify a general  
strategy for next steps in working with the US Bureau of Reclamation (BOR) regarding upgrades  
to Scoggins dam. The meeting included TBWSP partners as well as retired BOR managers who  
had previously worked on project. CWS will summarize the results prior to an additional meeting  
scheduled the week of January 21 with BOR’s Regional Director where a discussion will take  
place to address local objectives and BOR’s constraints for upgrading the existing dam.

Recycle at Work Award

TVWD has received notice that once again the District has been awarded for excellence in Waste Prevention, Recycling, and Environmental Purchasing. This will be for two years, at which time the District will be reviewed again.

Comprehensive Annual Financial Report (CAFR)

Mr. Knudson pointed out that each Board member had a copy of the final report, for the year ended June 30, 2012.

Long Term Water Supply Open House

Mr. Knudson pointed out that the first open house for TVWD's Long-Term Water Supply planning project is scheduled Wednesday, January 23 at 5:30 p.m. at TVWD Headquarters. He indicated that a second Open House is scheduled for Saturday, March 2 at noon.

April Board Meeting Schedule

Due to a conflict of the April 17 Board meeting date, staff would like to propose delaying the meeting one week to April 24. Consensus of the Board was positive. Staff will bring this topic before the Board for formal action at the February 20 Board meeting.

Thompson Road Closure

Mr. Knudson reported that installation of an 18" transmission main is part of TVWD's Thompson Pump Station project. Thompson Road will be closed east of Saltzman Road from February 11 through March 8. There will also be a closure on Thompson Road west of Saltzman from February 28 to until March 29. He pointed out that details will be available on the District's website.

Department Report (PowerPoint Slides Attached)

Mr. Knudson provided the department report for the Engineering Department. The topic was "The Oregon Resiliency Plan for Water & Wastewater Systems" (Cascadia Subduction).

REPORTS OF MEETINGS ATTENDED AND COMMISSIONER TOPICS

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

Commissioner Burke brought forth a Commissioner Topic regarding climate change based on a presentation he attended January 11 presented by Chuck Weiss. He suggested to the Board that this could become a work session topic, as some Board policy decisions relate somewhat to climate change. A brief discussion was held amongst the Board members. They agreed this might be worthwhile, although they requested to hear more than just one side. Mr. Knudson indicated that staff would look further into the possibility and inform the Board of a possible date.

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

There was no public present.

CONSENT AGENDA

It was moved by Commissioner McWilliams and seconded by Commissioner Doane to approve the consent agenda consisting of the Work Session minutes of December 4, 2012 and the Regular meeting minutes of December 19, 2012. The motion carried.

RESOLUTION 01-13, ADOPTING THE INVESTMENT POLICY FOR THE TUALATIN VALLEY WATER DISTRICT

Chief Financial Officer, Paul Matthews, explained that the District's Investment Policy is reviewed annually to confirm it meets current portfolio management needs and complies with statutory requirements. ORS 294.135 requires the District's Investment Policy be adopted annually as it allows for the purchase of securities with maturities exceeding 18 months. Mr. Matthews pointed out that these investments are reported in the monthly Agenda report to the Board.

Periodically, the Oregon Short-Term Fund Board (OSTF) provides updated recommendations and guidance to local governments on their investment policies. Although, these are not significant to the current investment practices of the District, Resolution 01-13 incorporates a number of changes to the policy in accordance with OSTF guidelines.

Mr. Matthews indicated that staff recommends that the Board adopt Resolution 01-13, adopting the Investment Policy. Approval provides compliance with the statutory requirements of annual adoption, and incorporates recent OSTF guidelines in the policy.

It was moved by Commissioner Burke and seconded by Commissioner Doane adopting Resolution 01-13, as described by Mr. Matthews. The motion carried.

INFORMATION ITEM FOR THE PROPOSED UPDATE TO THE DISTRICT'S SYSTEM DEVELOPMENT CHARGES

Mr. Matthews indicated that District staff completes an annual comprehensive study of System Development Charges (SDC's). This is in accordance with Section 9 B of the District's Ordinance 01-12, in relation to the Engineering News Record (ENR) Seattle Construction Cost Index (CCI). The last review was in July 2012. He explained that the December 2011 to December 2012 ENR CCI increased by 3.9 percent. Consistent with Section 9 B as described above, staff prepared a draft resolution that would implement the 3.9 percent change to the cost index. Staff also evaluated a potential update to the administrative cost. This fee would recover the cost for administering the SDC's rather than the cost for new infrastructure. This is authorized under Oregon law.

Mr. Matthews explained a proposed change to the administrative fee that was last adjusted by \$4 in September 2009. This was a first step in recovering the merchant fee associated with accepting credit cards for payment of SDC's. A more recent analysis indicates the cost for merchant fees is approximately \$89. The draft resolution and additional information is available in the agenda packet on page 42.

The draft Resolution 02-13 will be presented to the Board at the February 20 Board meeting for consideration and adoption.

RIDGEWOOD VIEW PREFERRED ALTERNATIVE (PowerPoint Slides Attached)

Senior Engineer, Mike Britch, provided a PowerPoint presentation.

Background:

In October of 2011, structural cracking of the roof of the Hyde Park Reservoir was identified and the reservoir was taken out of service. Other deficiencies associated with the Inglewood Reservoir and Pump Station requires future improvements. In the summer of 2012, the District began work to develop various replacement options for the Hyde Park and Inglewood Reservoirs and the Inglewood Pump Station. The District's Hyde Park Reservoir is located at the Tualatin Hills Park & Recreation District (THPRD) Ridgewood View Park. Working closely with THPRD, the District with its consultant has developed five replacement options. Using criteria established for the project, the District's Engineering staff has completed an evaluation process to select a preferred replacement alternative. As part of the selection process, the two open house public meetings have been completed as well as a meeting with the THPRD Management Team and with the THPRD Board. All parties involved have expressed support of the District's proposed preferred alternative for replacement of its failing infrastructure.

Mr. Britch covered:

- Early Project Activities
- Project Nomenclature
- Geotechnical Profile
- Reservoir Replacement Options
- Public Meetings/Open House (October & December 2012, March & May 2013)
- Evaluation Criteria
- Comparison by Pairs Evaluation Process Used
- Alternative Views and Options
- Next Steps – Park Master Planning Process

Mr. Britch described the preferred alternative as Option 2B (page 17, slide 2).

A brief discussion took place amongst the Board and staff.

It was moved by Commissioner Doane and seconded by Commissioner Burke to accept the proposed alternative as described by Mr. Britch. The motion carried.

ADJOURNMENT

There being no further business, and without objection, President Schmidt adjourned the meeting at 8:15 p.m.

BOARD OF COMMISSIONERS  
TUALATIN VALLEY WATER DISTRICT

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

Date Approved: February 20, 2013