

Tualatin Valley Water District



BOARD OF COMMISSIONERS
1850 SW 170th AVENUE
BOARD WORK SESSION MINUTES

NOVEMBER 5, 2013
6:00 PM

Present

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

Management

Staff: Mark Knudson, Paul Matthews, Todd Heidgerken, Patty Rupp, Mike Britch

Legal Counsel: Clark Balfour

Staff: Tod Burton

President Burke called the Tualatin Valley Water District (TVWD) work session to order at 6:08 p.m.

Chief Executive Officer (CEO), Mark Knudson, provided opening comments, background information, and then gave the floor to Chief Financial Officer (CFO), Paul Matthews.

AFFORDABILITY OF WATER RATES (PowerPoint attached)

Mr. Matthews provided an overview of the presentation.

A brief discussion took place between the Board and staff regarding affordability of water and the many ways this could be defined in the best interest of TVWD customers.

Mr. Matthews provided an overview of his presentation:

- Defining “Affordability”
- Brief insight into our customers
- Legal authority to address affordability issues
- Key Policy decisions for addressing affordability issues

Open discussion:

Commissioner Schmidt inquired about the financial health of “Care to Share”. CEO, Knudson, pointed out that their situation has recently changed in terms of personnel. They have hired a new director who is in the training process; therefore, the organization is not as efficient as it has been. He explained that there are other agencies that could provide a similar service.

A general conversation ensued regarding the topic of Care to Share. Board members expressed their disappointment with Clean Water Services (CWS) for not participating in donations to the program, as does TVWD. Commissioner Duggan mentioned that in the past, each time TVWD or staff had approached CWS, they had declined to participate giving political reasons.

Commissioners Duggan and Doane communicated their opinions regarding Clean Water Services (CWS) and their lack of consideration in the past. Charges for sanitary and storm-water are clearly the larger part of a customers' combined bill. Commissioner Duggan pointed out the fact that there is no way to reduce the amount of the bill from CWS for the large sanitary fixed charge and storm-water, as there is for water consumption from TVWD. Commissioner Duggan suggested opening dialog with CWS asking that they participate. The Board members agreed. CEO, Knudson, agreed that this could be arranged.

CEO, Knudson, indicated that the information and discussion of the Board had been helpful. He explained that he planned to put together "white paper" on the subject, present this to the Board for their consideration at a future work session, and work with the Board pursuant to their direction regarding "Affordability".

PROPOSED AMENDMENTS TO THE LOCAL CONTRACT REVIEW BOARD RULES REGARDING BIDDER/PROPOSER RESPONSIBILITY

CEO, Knudson, reviewed proposed minor changes to the bidder integrity rule, as briefly discussed at the October work session. Based on comments by the Board at that meeting, staff prepared an alternate that would amend the LCRB rules to address bidder integrity in terms of how those rules affect the evaluation of solicitations from firms with questionable practices.

Chief Financial Officer, Paul Matthews, explained the Matrix on page 4 of the work session agenda.

Legal Counsel, Clark Balfour, pointed out that with the Board's guidance, staff will present an optional bidder integrity rule agenda item for consideration at the November 20, 2013 Board meeting that would apply solicitations for professional services that exceed \$250,000.

CEO COMMUNICATIONS AND WORK PLAN Phase 1 (PowerPoint presentation attached)

CEO, Knudson, provided an update to his 100-day plan. A process is in place to track the Ten High Priority District Initiatives. He reviewed the key findings from the employee one-on-one interviews.

He described how the Organizational Chart for the District would change as well as adjustments to work processes, adjustments to staffing and resources, and clarification of norms and expectations. CEO, Knudson, described the next steps and future direction.

A general discussion took place. Board members asked general questions regarding changes to the organizational chart. CEO, Knudson, described the purpose behind each change.

ADJOURNMENT

Without objection, President Burke adjourned the meeting at 8:10 p.m.

BOARD OF COMMISSIONERS
TUALATIN VALLEY WATER DISTRICT

BY: _____
Richard Burke, President

BY: _____
James Duggan, Secretary

Date Approved: December 18, 2013