

Tualatin Valley Water District



BOARD OF COMMISSIONERS
1850 SW 170th AVENUE
REGULAR MEETING MINUTES

DECEMBER 18, 2013

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

Management

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

Staff: Bob Shields

Legal Counsel: Clark Balfour

Public: Roger Dawes with Washington County, and Keith Simovic, CPA with Moss Adams LLP

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

President Burke 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 (CEO) AND MANAGEMENT STAFF *(Report attached)*

Chief Executive Officer (CEO), Mark Knudson, provided the following information and updates to the Board:

- Arranmore Backflow Protection Update
- Winter Weather
- Westside Economic Alliance Presentation by Intel

Without objection, the Department Report was moved to the conclusion of the meeting:

BOARD REPORTS OF MEETINGS ATTENDED REPRESENTING TVWD AND COMMISSIONER TOPICS

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

Commissioner McWilliams indicated that she had attended a Metro Policy Advisory Committee meeting on December 11, and one of the topics was committing to the reduction of Green House Gases (GHG). She mentioned that this would be an interesting "Commissioner Topic" for a future work session.

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None.

CONSENT AGENDA

Commissioner Duggan asked that the consent agenda items be divided, as he was not able to attend the Regular Board meeting of November 20, 2013, item 5.2. Without objection, President Burke divided the consent agenda items, as requested.

It was moved and seconded approving item 5.2. The motion passed with four votes in favor, and one abstention by Commissioner Duggan.

It was moved and seconded to approve items 5.1, work session minutes of November 5, 2013 and 5.3, Resolution 12-13, establishing Regular meeting dates for the calendar year of 2014. The motion carried.

BUSINESS AGENDA ITEMS:

ACCEPTANCE OF THE AWARD OF EXCELLENCE IN FINANCIAL REPORTING FOR FISCAL YEAR 2012, AND PRESENTATION OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE PREVIOUS YEAR ENDED JUNE 30, 2013

Chief Financial Officer, Paul Matthews, reported that TVWD has once again earned the Government Finance Officers Association (GFOA) "Award of Excellence in Financial Reporting" for the previous years' CAFR. He reported that this is the 23rd consecutive award.

Mr. Matthews introduced Roger Dawes, President of the GFOA, who then presented the CAFR to Bob Shields.

Mr. Keith Simovic, a CPA with the auditing firm of Moss Adams LLP, contracted by TVWD to perform the audit, came before the Board and described the audit process. He mentioned that the District has received a clean opinion for the CAFR that represents the financial position of the District as of June 30, 2013, in all material aspects and in conformity with the generally accepted accounting principles. The District has conformed to Oregon budget law as well as other statutory and contractual provisions.

It was moved by Commissioner Duggan and seconded by Commissioner Doane to accept the CAFR as presented. The motion carried.

RESOLUTION 13-13, ENDORSEMENT OF AREA 93 ANNEXATION AS PROPOSED BY WASHINGTON COUNTY

Legal Counsel, Clark Balfour provided the staff report. This item consists of TVWD Board endorsement of the proposed annexation of properties within Area 93 into the TVWD service area. This proposed annexation includes multiple parcels of Area 93 as defined by Washington County. Area 93 will become part of Washington County on January 1, 2014.

Washington County Planning staff has proposed that TVWD adopt this general annexation endorsement for Area 93 in anticipation of the County boundary change and the County receiving future requests for annexation and development of specific properties within Area 93. TVWD is currently not aware of specific requests for future development. If approved by the TVWD Board, this resolution will be forwarded to the Washington County Board of Commissioners for their consideration of future specific annexation requests within Area 93.

It was moved by Commissioner Schmidt and seconded by Commissioner Duggan to adopt Resolution 13-13, as described by Mr. Balfour. The motion carried.

ORDINANCE 01-14, AMENDING AND ADOPTING RULES AND REGULATIONS FOR THE USE OF THE DISTRICT'S WATER SYSTEM

Manager of Customer and Support Services, Brenda Lennox, and Mr. Balfour provided the staff report.

Ms. Lennox explained that the District's Rules and Regulations establish the conditions by which the District will serve its system users and how users may lawfully receive service. Periodically, District Staff and Board review the Rules and Regulations for modifications. The last major revision of the District Rules and Regulations occurred in September 2008. Since that time, staff has identified the need for several revisions and updates.

The Rules and Regulations are adopted by Board Ordinance. This is the first reading and opportunity for public comment and Board direction. There was no public testimony.

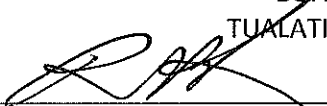
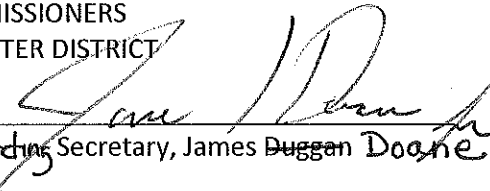
A second reading and consideration of adoption of Ordinance 01-14 will be scheduled for the January 15, 2014 Board meeting.

Department Report

Mr. Matthews provided the report for the Finance Department. *(PowerPoint slides attached)*

It was moved by Commissioner McWilliams and seconded by Commissioner Duggan to adjourn the Regular meeting at 7:53 PM. The motion carried.

BOARD OF COMMISSIONERS
TUALATIN VALLEY WATER DISTRICT

BY  BY 
President, Richard Burke Acting Secretary, James Duggan Doane

Date Approved: January 15, 2014



Vendor: 700-703 - Commissioner Richard Burke

Account # 1-10-01-7370

CHECK HERE IF REQUESTING COMPENSATION for services performed on behalf of the District as authorized under ORS 198.190. See below for additional information.

DATE	MEETING OR FUNCTION	PURPOSE	\$
12/10/13	DICK SCHMIDT/MARK K.	ST/CONF AGENDA	50 ⁰⁰
12/18/13	BOARD MTS.	DIST BUSINESS	50 ⁰⁰
12/18/13	TUWO WORKSESSION	MTG. W/ FOREST OFFICIALS	50 ⁰⁰
			50
			\$150

Date 12/18/13

Requested by _____
Commissioner

Date 12/18/13

Approved by _____
President

ORS 198.190 "A member of the governing body of a district may receive, not to exceed \$50.00 for each day or portion thereof as compensation for services performed as a member of the governing body. Such compensation shall not be deemed lucrative. The governing body may provide for reimbursement of a member for actual and reasonable traveling and other expenses necessarily incurred by a member in performing official duties." Please note that in accordance with ORS 294.331 (3) members of the budget committee shall receive no compensation for their services as members of such committee.



Vendor: 700-704 - Commissioner Jim Doane

Account # 1-10-01-7370

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DATE	MEETING OR FUNCTION	PURPOSE	\$
18 Dec	Regular Mtg		50
4 Dec	WR WC		50
3 Dec	Work Session		50

Date 18 Dec 2013

Requested by Commissioner

Date 12/18/13

Approved by _____
President

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Vendor: 700-702 - Commissioner Jim Duggan

Account # 1-10-01-7370

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DATE	MEETING OR FUNCTION	PURPOSE	\$
5 NOV 13	TVWD BOARD WORKSHOP	AFFORDABILITY RATES CEO 100 DAY PLAN	50.00
17 DEC 13	RIDGEWOOD VIEW RES. A PUMP	NEIGHBORHOOD & IMPROV. MTG.	50.00
18 DEC 13	TVWD BOARD MTG.	EXEC. SESSION & REG. MONTHLY MTG.	50.00
			150.00

Date 18 DEC 2013

Requested by [Signature]
Commissioner

Date 12/18/13

Approved by [Signature]
President

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Vendor: 700-705 - Marilyn McWilliams

Account # 01-10-01-7370

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DATE	MEETING OR FUNCTION	PURPOSE	\$
12/3/13	TVWD Work Session	Met with Hillsboro Commissioners	50
12/4/13	SDAO Quarterly Meeting with Metro Chair Tom Hughes	2015 UGB report, reduce GHG by 2035, Infrastructure	0
12/4/13	Willamette River Water Coalition meeting	IGA progress, commitment to process	50
12/11/13	Metro Policy Advisory Committee Meeting	2014 officers, commit to GHG reductions	50
12/18/13	TVWD Board Meeting	Regular business	50
12/16/13	Washington County Public Affairs Forum	Brad Avakian on tech classes in K-12	0
			200

Date December 18, 2013

Requested by Marilyn McWilliams
Commissioner

Date 12/18/13

Approved by _____
President

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Vendor: 700-701 Commissioner Dick Schmidt

Account # 1-10-01-7370

X CHECK HERE IF REQUESTING COMPENSATION for services performed on behalf of the District as authorized under ORS 198.190. See below for additional information.

DATE	MEETING OR FUNCTION	PURPOSE	\$
120413	SDAO/Metro	Updates on what Metro is doing	50
120313	Work session	Various	50
121013	Meeting with Mark	Agenda/ board meeting	50
121813	Regular Board		50
			200.00

Date 12/18/13

Requested by [Signature]
Commissioner

Date 12/18/13

Approved by [Signature]
President

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Tualatin Valley Water District



Chief Executive's Report

To: Tualatin Valley Water District Board of Commissioners

From: Mark Knudson, CEO

Date: December 18, 2013

The following topics will be covered during the CEO's report at the board meeting this evening:

- 1. Arranmore Backflow Protection Update.** To date, 134 of the 144 homes in Arranmore have completed required improvements. In addition, six homes have chosen to disconnect from the auxiliary supply. All six of those homeowners are in communication with TVWD about their progress. Work was slowed by the weather last week but we anticipate the disconnect work will be complete by the December 31 deadline.

That leaves four homes that still need to complete installation of a double check valve assembly. Of those four homeowners, three had recently moved into the neighborhood and the fourth was a rental home where the owner hadn't been receiving the information from the District.

Staff has provided these homeowners with clear direction to complete the needed improvements by the December 31, 2013 deadline. In one case last month, a homeowner had not responded to staff's repeated phone calls and letters so we mailed a letter of intent to terminate water service. The homeowner promptly scheduled installation of a backflow and it was not necessary to terminate water service.

All four owners are now in the process of either accepting bids for the necessary work or completing the work themselves.

In summary, we anticipate at least 140 of the 144 homes (97%) will achieve compliance by December 31. Staff continues to work with the last four homeowners to achieve 100% compliance as soon as possible.

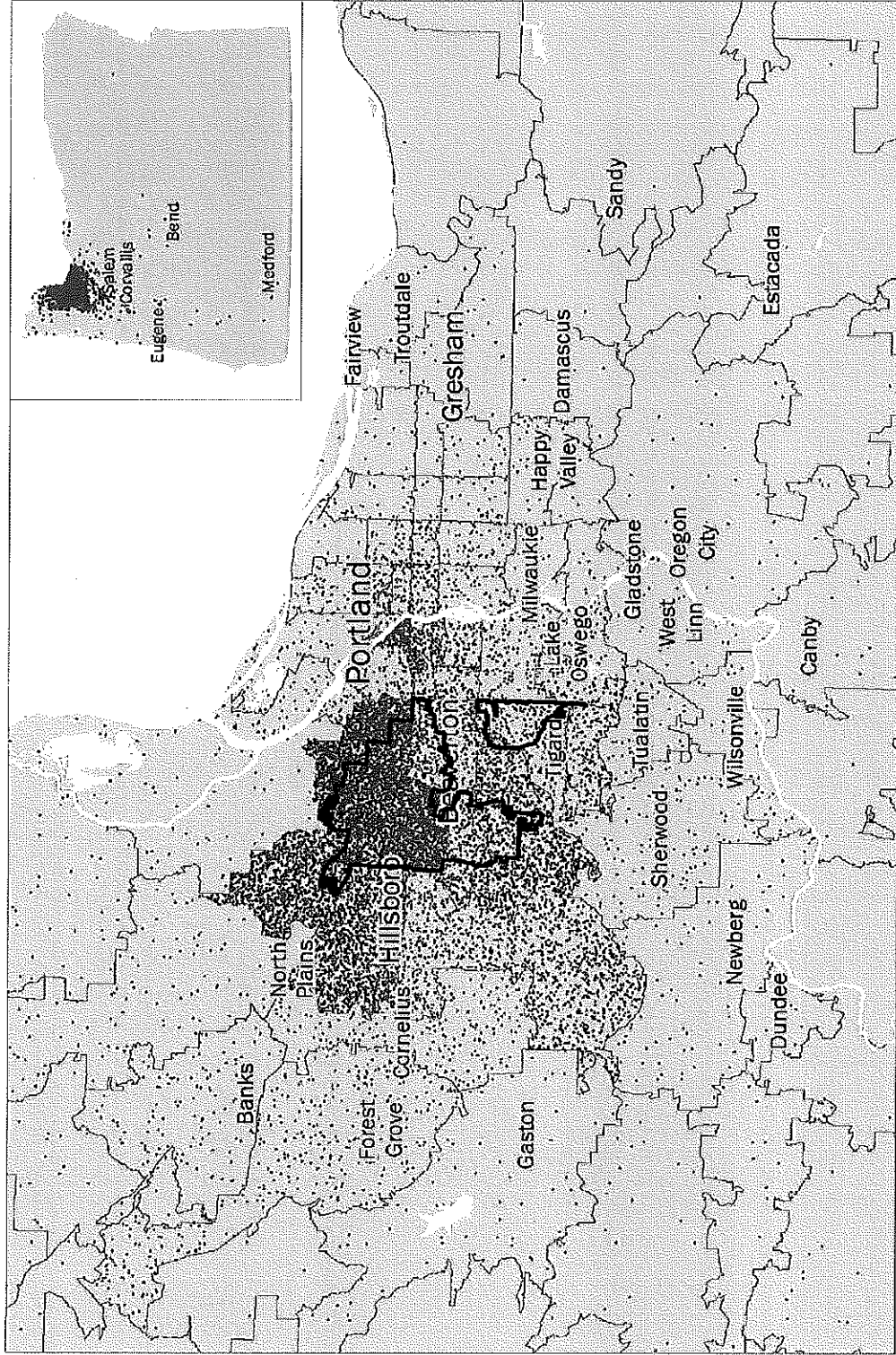
- 2. Winter Weather.** You may recall that during my report last month I provided a reminder for home and business owners to winterize water systems. Apparently, the message was less than compelling because the District was inundated with emergency shutoff and no water calls. In the week between December 5 and December 12 we received over 250 emergency calls from customers; we had six two-person crews working 11-hour days to keep up with the customer calls; and in two cases we had operators that worked the equivalent of a 24-hour shift. The District's facilities were not immune from the cold – we suffered two broken pipes and one frozen pipe at our facilities. In summary, it was a very challenging week but I am remarkably proud of the District's staff for responding promptly, professionally and safely to provide quality water and customer service to our community.

3. **Westside Economic Alliance Presentation by Intel.** Last week, Commissioner McWilliams, Todd Heidgerken and I attended a meeting of the Westside Economic Alliance where a representative of Intel and their consultant, EcoNorthwest, presented findings of a recent study on the financial affect that Intel has on Oregon. The numbers were notable – here are some of the highlights (these are Intel’s numbers – they haven’t been verified by TVWD):
 - a. On average, Intel employees earn about \$168,000 per year.
 - b. Intel now has over 17,000 employees in Oregon, making Intel Oregon’s largest private employer.
 - c. Intel estimates that their investment in the region results in 3.1 additional jobs for each Intel job – including contractors, suppliers, and “induced” positions.
 - d. Intel’s direct, indirect and induced impact on Oregon’s economy is equivalent to about \$26.8 billion dollars per year or about 8.7% of Oregon’s gross domestic product.
 - e. Intel’s financial commitment to Washington County – including Hillsboro and Aloha – make it Intel’s largest investment site anywhere in the world.
 - f. The research and development focus of the Ronler Acres facility in Hillsboro makes it the epicenter for some of Intel’s best talent and they are currently moving people from other facilities to Washington County.
 - g. Intel employees mostly live within a relatively short drive of Hillsboro and Aloha.

Again, the numbers were staggering and it’s clear that Intel is making a huge commitment to Washington County – now and into the future.

4. **Department Report** will be by Finance & IT Department ... moved to the conclusion of the meeting.

Intel Employee Residences in Oregon



Finance and IT Department Report

Paul Matthews
Chief Financial Officer

Tualatin Valley Water District



Oregon Senate Bill 839 Economic Task Force

Fund Water Supply Development Projects

- Creates a permanent account to fund projects
- Account funded from lottery proceeds and bond funds

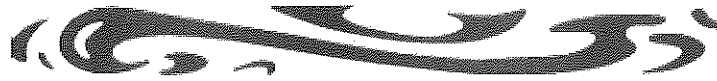
Directs the Creation of Task Forces

- Governance issues
- Seasonally Varying Flows
 - Science Sub-Task Force
 - Economic Sub Task Force
- Reports due February 1, 2014

Tualatin Valley Water District



Tualatin Valley Water District



BOARD OF COMMISSIONERS MEETING

REGULAR BOARD MEETING

DECEMBER 18, 2013

Please Sign Here

For Record of Attendance

(By signing this form, your information becomes part of the public record.)

Thank you!

<i>Name</i>	<i>Address</i>	<i>Phone Number & Email Address</i>
Roger Dawes	Washington County	
Keith Simovic	Moss Adams	