

Tualatin Valley Water District



Delivering the Best Water • Service • Value



BOARD WORK SESSION AGENDA

August 7, 2018

Vice President Bernice Bagnall

Treasurer Jim Duggan

Secretary Dick Schmidt

Acting Secretary Jim Doane

Todd Sanders

Assistive listening devices are available upon request 48 hours prior to the day of the meeting by calling (503) 848-3000. For additional questions or assistance, see the District Recorder seated near the windows.

For online meeting information, Commissioner bios and more, visit www.tvwd.org.

VISION

Delivering the best water • service • value

MISSION STATEMENT

To provide our community quality water and customer service

VALUES

Reliability • Integrity • Stewardship • Excellence • Safety

WORK SESSION – 6:00 PM

CALL TO ORDER

ANNOUNCEMENTS

1. DISCUSSION ITEMS

- A. Drug Free Workplace Program and Chief Executive Officer's Authority to Execute Personnel/Risk Policies
- B. Update on Beaverton Water Services Intergovernmental Agreement Implementation
- C. Board Officer and Committee Appointments

ADJOURNMENT

Tualatin Valley Water District



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To: Board of Commissioners

From: Amy Heinlen, HR Director
Mike Jacobs, Risk Management Coordinator

Date: August 7, 2018

Subject: Drug Free Workplace Program and Chief Executive Officer's Authority to Execute Personnel/Risk Policies

Key Concepts:

- Staff recommends that the Drug Free Workplace Policy and any other personnel/risk policy decisions or changes are delegated to the CEO as defined in the CEO's employment agreement, consistent with state law.

Background:

The District's existing Drug Free Workplace Program prohibits the use of illegal drugs and addresses the use of legal drugs and alcohol that adversely affects an employee's performance and safety, as well as the safety of coworkers. Currently, the policy accommodates the use of medical marijuana by employees that do not hold safety sensitive positions.

This policy to accommodate use of medical marijuana was originally adopted by the TVWD Board in 1999. Since that time, significant changes have been made in laws related to marijuana use and possession; however, marijuana remains illegal at the federal level. In researching this issue, the following additional concerns related to the District's existing policy have been identified:

1. Not all positions are treated the same when it comes to accommodating medical marijuana. There is currently a disparity in the policy and rules that apply to safety sensitive positions and non-safety sensitive positions.
2. TVWD is one of the few districts in Oregon that accommodates medical use of marijuana through policy. TVWD should consider revisions to the existing policy in consultation with Special Districts Association of Oregon (SDAO).
3. A policy/practice of accommodating medical marijuana may jeopardize the District's ability to qualify for federal grants. Currently, all federal grantees are required to implement and adhere to the requirements in the Drug-Free Workplace Act. Since marijuana remains illegal at the federal level, recipients of federal grants must follow the terms and conditions of their awards and ensure employees do not use illegal drugs in the workplace.
4. In the absence of the District's existing policy, the District has no obligation to accommodate the use of medical marijuana.

Ron Downs, SDAO General Counsel, will provide the Board with an informational presentation that will cover the District's legal responsibility and best practices related to managing medical marijuana in the workplace at the August 7 work session. This presentation will support staff's concerns about accommodating medical marijuana.

The goal is to provide clear and consistent rules for employees and align the District's policy with the federal Drug-Free Workplace Act. Achieving this goal would require amending the existing policy to explicitly state that marijuana is an illegal drug under federal law, and the conduct prohibited in the policy applies to marijuana even if the use of marijuana is lawful under state law.

This policy is the District's only personnel policy in the risk manual with no budget impact that has been adopted by the Board of Commissioners. All other personnel policies are established administratively by the TVWD Chief Executive Officer.

Staff recommends that this policy and any other personnel/risk policy decisions or changes are delegated to the Chief Executive Officer (CEO) as defined in the CEO's employment agreement. The authority of the CEO, consistent with state law, shall include the execution and administration of District policies within budget appropriations.

At the August work session, staff will summarize the concerns related to the existing policy and explore possible actions with the Board. Subject to further guidance provided by the Board at the August work session, staff suggests the Board consider taking formal action at the August regular meeting on August 15, granting authority to the CEO, as per his employment agreement, to create personnel/risk policies or make any necessary changes to personnel/risk policies without formal Board approval.

Budget Impact:

There is no budget impact.

Staff Contact Information:

Amy Blue; HR Director; 503-848-3015; amy.blue@tvwd.org

Mike Jacobs; Risk Management Coordinator; 503-848-3048; mike.jacobs@tvwd.org

Mark Knudson, PE; CEO; 503-848-3027; mark.knudson@tvwd.org

Attachments:

None

Management Staff Initials:

Chief Executive Officer	<i>mk</i>	Customer Service Manager	N/A
Chief Engineer	N/A	IT Services Director	N/A
Chief Financial Officer	N/A	Human Resources Director	<i>AB</i>
General Counsel	<i>CB</i>	Water Supply Program Director	N/A

Tualatin Valley Water District



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To: Board of Commissioners

From: Carrie Pak, PE, Chief Engineer

Date: August 7, 2018

Subject: Update on Beaverton Water Services Intergovernmental Agreement Implementation

Key Concepts:

Staff will provide an overview of progress on implementing the Water Services intergovernmental agreement (IGA) with the City of Beaverton. Highlights will include:

- Significant progress has been made but there have also been challenges.
- Work is underway by staff from both organizations on developing operational guidelines.
- TVWD has performed all required tasks and provided all required information as per the IGA as well as provided leadership and structure for the development of the operational guidelines.
- Recently, the City has hired RH2 as a Program Manager to lead its IGA implementation efforts.

Background:

Since February when the District and the City executed the Water Services IGA, staff from both agencies have been working to implement the IGA and develop operational guidelines. These guidelines will provide a playbook for staff of both agencies to use when performing work related to the IGA. The guidelines will also prescribe the process for transitioning customers between different phases of service (interim service, wheeling, separation).

The District has provided leadership to develop a process for creating the operational guidelines. Work groups of subject matter experts have been assembled for the following categories:

- Communications
- Customer Service
- Field Customer Service
- Engineering
- Operations
- Finance
- IT and Data
- Mapping
- Water Quality

Team leads and team members for each of these work groups have been designated for both the District and the City. These teams have met individually over the past several months to develop work plans. These work plans will help guide efforts for determining the operational guidelines. Team leads from each agency meet twice a month to report on progress, although scheduling and workload challenges have caused some of these meetings to be cancelled. Some work groups have made good

progress in developing operational guidelines within their subject areas and others have faced challenges. We expect to complete a draft of the operational guidelines by August 23.

District staff have led the development of a decision-making process to help identify important issues that may affect other work groups and to bring these issues to the larger group for consideration. There are also provisions for escalating issues to the management and executive levels as needed.

As required by the IGA, on March 28, the District provided a list of assets (pipes, valves, hydrants, etc.) that will be transferred to the City as well as a list of assets within the withdrawal areas that must be retained by the District to continue to serve the District's remaining customers. There have been several subsequent meetings and other communications between the District and City regarding these assets because the City has questioned the District's list. Based on additional analysis and discussions, no changes to the original list of assets provided in April 2018 is anticipated.

The City has provided a Withdrawal Plan that effectively withdrew the customers from the District boundary and transferred them to interim service on July 1. The District has provided customer information including historical consumption records for all accounts in the withdrawal areas. The City has indicated that it wishes to transfer some customers to wheeling service starting November 2018, and the District has requested that the City provide additional information regarding the transfer schedule. The District has also requested more information on the level of services that the City wants the District to provide for wheeled customers. Once the parties agree on which services will be provided and the number of customers to be transferred are known, the wheeling rates can be calculated.

Discussions with the City, the District and the Joint Water Commission regarding water supply have been ongoing. The parties have worked to develop a process for allocating the quantity of City water supply that will be delivered to the District and then passed through the District's water distribution and delivered to the City's customers. This process is near completion but must be finalized and approved prior to wheeling in November 2018.

Recently, the City hired RH2 as a Program Manager to lead the City's IGA implementation efforts. District staff is optimistic this will result in improved coordination between TVWD and the City and will support the City's efforts to adhere with the IGA requirements.

Budget Impact:

IGA implementation efforts have consumed a considerable amount of staff time. The District is tracking costs and taking reasonable measures to prioritize this work with all other demands on staff resources.

Staff Contact Information:

Carrie Pak, PE; Chief Engineer; 503-848-3045; carrie.pak@tvwd.org

Pete Boone, PE, PLS; Water Operations Division Manager; 503-848-3054; peter.boone@tvwd.org

Attachments:

N/A

Management Staff Initials:

Chief Executive Officer	<i>ME</i>	Customer Service Manager	<i>AC</i>
Chief Engineer	<i>CEP</i>	IT Services Director	<i>(TB)</i>
Chief Financial Officer	<i>POW</i>	Human Resources Director	N/A
General Counsel	<i>CS</i>	Water Supply Program Director	N/A

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To: Board of Commissioners

From: Mark Knudson, PE, Chief Executive Officer

Date: August 7, 2018

Subject: Board Officer and Committee Appointments

Key Concepts:

- The Board typically updates Board officer and committee appointments annually, at the start of the fiscal year. In addition, recent changes in Board membership have created an opportunity to consider reassigning roles for officer and Board committee appointments.
- This discussion will lead to Board action to approve appointments at the August 15 Board meeting.

Background:

Internal and external committee appointments are made by the Board President with approval by the full Board per Board Policy Chapter 3, Subsection 1(b).

Attached is a summary of Board officers and committee assignments for Fiscal Year 2017-18. Prior to stepping down from the Board, Commissioner Burke was the Board President in FY 2017-18 and had the following committee assignments: Budget Committee, Policy and Board Development Committee, Strategic Planning Committee, Willamette River Water Coalition Board, Aloha Business Association alternate and Washington County Public Affairs Forum Commissioner alternate. Commissioner Sanders, having just joined the Board in July, is shown as having no assignments.

Officers: The officers of the Board shall consist of President, Vice President, Treasurer, Secretary and Acting Secretary. Terms of office are for one year, and no member may serve more than three consecutive terms as President.

The duties of the President include presiding at meetings (with the right to make motions, discuss and vote on any issue), signing documents, serving as Board representative in speaking to other governmental bodies (unless another Commissioner is so designated), having authority over committee appointments and calling special meetings. The Vice President performs these duties in the absence of the President.

The Treasurer serves as liaison between Board and staff regarding financial policies. In the absence of both the President and Vice President, the Treasurer performs the duties of the President.

The Secretary countersigns official documents that the President signs. The Acting Secretary performs this duty in the absence of the Secretary.

Internal Committees: Commissioners serve on various special interest committees, including the Budget Committee, Finance Committee, Policy and Board Development Committee, Strategic Planning Committee and Water Supply Committee. A description of each committee can be found in the attached document. In addition, at the Board retreat last month the Board has expressed interest in establishing a temporary committee of two Board members and the CEO to further consider issues related to District leadership planning.

External Committees: Commissioners represent the District on various committees within the community. Former Commissioner Burke indicated the Oregon Taxpayer Coalition meetings have changed to an invitation-only format; no Commissioner needs to be designated to attend these meetings at this time.

Budget Impact:

None.

Staff Contact Information:

Mark Knudson, PE; Chief Executive Officer; 503-848-3027; mark.knudson@twwd.org

Attachment:

Board Appointments and Assignments Fiscal Year 2017-18

Management Staff Initials:

Chief Executive Officer		Customer Service Manager	N/A
Chief Engineer	N/A	IT Services Director	N/A
Chief Financial Officer	N/A	Human Resources Director	N/A
General Counsel	N/A	Water Supply Program Director	N/A

BOARD APPOINTMENTS AND ASSIGNMENTS
Effective July 20, 2017 for Fiscal Year 2017-18

Board Officers	Commissioner				
	Sanders	Bagnall	Schmidt	Duggan	Doane
President					
Vice President		First Term*			
Treasurer				First Term*	
Secretary			First Term*		
Acting Secretary					First Term*
Internal Committees					
Budget Committee		Member	Member	Member	Member
Policy and Board Development Committee				Member	
Water Supply Committee			Member		Member
Strategic Planning Committee			Member		
Finance Committee		Member		Member	
External Committees					
Willamette River Water Coalition Board (includes the Will. Water Supply Council)		Alternate			
Willamette Intake Facilities Commission Board			Alternate		Primary
Joint Water Commission		Alternate	Chair**		Alternate
Barney Joint Ownership Commission		Alternate			Vice Chair
Regional Water Providers Consortium Board/Executive Committee			Alternate	Primary	
Aloha Business Association					Primary
Washington County Public Affairs Forum (event attendance)		Primary			
Westside Economic Alliance (event attendance)		Primary	Alternate		

Policy and Board Development Committee – This committee will provide input and review of proposed updates to the District’s Board and Administrative Policy Manual, which includes about 30 Board policies that have not been updated in several years. In reviewing and updating the Board policies, this committee will also identify effective board processes, structures and roles. Other roles for this committee may include Board retreat planning, Board performance evaluation planning and orientation of new Commissioners.

Water Supply Committee – This committee will provide input to the CEO on strategic and policy matters related to continued implementation of the Willamette Water Supply Program, including issues such as system capacity, levels of service, expectations for seismic resiliency, public outreach strategies and partnership agreements.

Strategic Planning Committee – Members of this committee will participate in the biennial District strategic planning process to identify and prioritize District Initiatives for the coming biennium. The committee will also conduct periodic progress reviews of District Initiatives and track progress toward completing the initiatives.

Finance Committee – This committee will work with the CEO and CFO to track the District’s financial performance and will participate in development of draft financial policies and strategies such as debt planning and long-term rate planning.