

Tualatin Valley Water District



Delivering the Best Water 💧 Service 💧 Value

Board Meeting Minutes

February 19, 2020

REGULAR SESSION – 7:00 PM

CALL TO ORDER

Commissioners Present: Bernice Bagnall; Jim Doane, PE; Jim Duggan, PE; Todd Sanders; Dick Schmidt

Staff Present: Tom Hickmann, PE, Chief Executive Officer; Clark Balfour, General Counsel; Paul Matthews, Chief Financial Officer; Carrie Pak, PE, Chief Engineer; Dave Kraska, PE, Water Supply Program Director; Andrea Watson, Communications and Public Affairs Supervisor; Collin Fleming, Facilities Supervisor; Katherine Lipari DeSau, Executive Assistant

Other Attendees: David Schmidt

REPORTS BY THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF

Mr. Hickmann reported on the *Cryptosporidium* detections in Bull Run water over the past month as well as House Bill 4043 legislation. He announced that TVWD is a recent recipient of the Government Finance Officers Association Distinguished Budget Presentation Award and the American Water Works Association – Pacific Northwest Section Excellence in Communications Award for TVWD's new website (see attached memo).

Mr. Matthews provided the safety minute on spring outdoor hazard reminders.

Mr. Matthews provided a Finance Department update on the District's revenue and operating expenditures. He reported that revenue and expenditures will continue to be carefully monitored, and an updated Financial Plan will be presented to the Board in May (see attached presentation).

In response to a question, staff confirmed that the District lobby redesign will be complete by mid-April.

COMMISSIONER COMMUNICATIONS

A. Reports of meetings attended

Commissioners described and submitted a list of recently attended meetings (see attached forms).

B. Topics to be raised by the Commissioners

There were none.

PUBLIC COMMENT

There was none.

1. CONSENT AGENDA

- A. Approve the January 15, 2020 regular meeting minutes.
- B. Approve the February 4, 2020 work session minutes.

Motion was made by Duggan, seconded by Schmidt, to approve the Consent Agenda as presented. The motion passed unanimously with Bagnall, Doane, Duggan, Sanders and Schmidt voting in favor.

2. BUSINESS AGENDA

There were no Business Agenda items.

3. INFORMATIONAL PRESENTATION

- A. Proposed Update to Other Service Charges and Penalties. *Staff Report – Paul Matthews*

Mr. Matthews reviewed the District's fee schedule and a proposed update to the District's hydrant permit fees. Consideration for approval of the revision is scheduled for the March 18, 2020 regular meeting (see attached presentation).

In response to questions, staff indicated that the proposed updates clarify the 12-month hydrant permit duration, and hydrant program customers were notified about the proposed fee changes as part of the outreach process.

ADJOURNMENT

There being no further business, President Bagnall adjourned the meeting at 7:33 p.m.

Bernice Bagnall, President

Todd Sanders, Secretary



MEMO

Date: February 19, 2020

To: Tualatin Valley Water District Board of Commissioners

From: Tom Hickmann, CEO

Re: Chief Executive Officer and Management Staff Report

The following items will be covered during the report by the CEO:

- 1. Portland *Cryptosporidium* Results** – Portland Water Bureau reported that a total of eleven *Cryptosporidium* oocysts were detected in select water samples collected from the Bull Run Headworks between January 12 and February 12. The State has determined that the public does not need to take additional protections at this time. Portland Water Bureau will continue increased sampling four times per week until we have at least three weeks without any detections. Complete results of Portland’s *Cryptosporidium* monitoring are posted on the Water Bureau’s website.
- 2. HB4043** – As announced last week in the Thursday Memo, HB4043 has been pulled from any further action this legislative session. This week we have been informed that a work group will be formed to discuss this issue further. We have let Mark Landauer, from SDAO, know that TVWD is interested in participating in this work group.
- 3. GFOA Budget Award** – Tualatin Valley Water District (TVWD) recently received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. The prestigious national honor was earned for TVWD’s outstanding presentation of its 2019-2021 biennial budget.

The award reflects TVWD’s commitment to meeting the highest standards of governmental budgeting and the desire to make the budget understandable to all customers. It is based on how well the budget document serves as:

- A policy document,
- A financial plan,
- An operations guide, and
- A communications device.

- 4. AWWA-PNWS Communications Award** – TVWD earned an AWWA-PNWS Excellence in Communications Award for the new TVWD website. There will be

CEO & Management Staff Report to the TVWD Board of Commissioners

February 19, 2020

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an opportunity to present on the award at the Section Conference, in Spokane, this spring.

- 5. Safety Minute and Department Report** – Paul Matthews, Chief Financial Officer, will present the safety minute and department report this evening.

Department Report

Finance Department

Paul L. Matthews

Chief Financial Officer



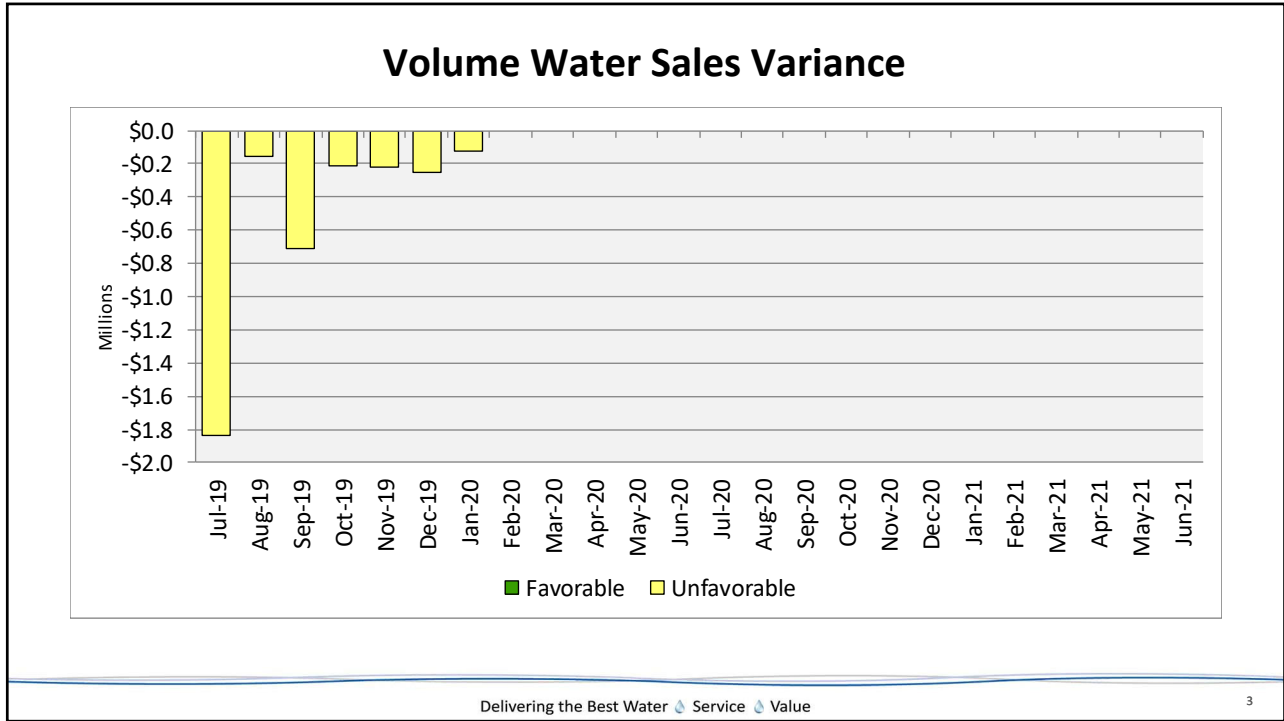
1

Update on District Revenue

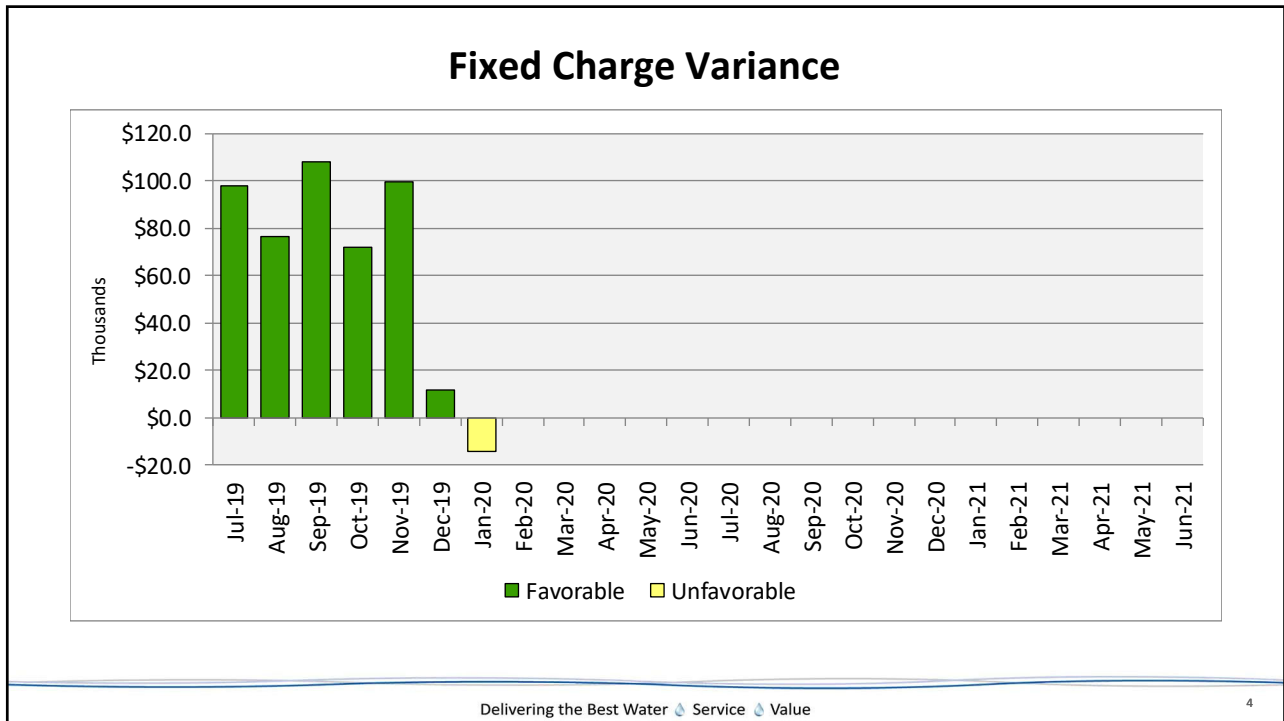
Water Sales Revenue

- Current forecast of an unfavorable variance for the fiscal year of \$4.0 to \$4.5 million or about 5.7%
- Forecast of unfavorable variance lacks certainty
 - Weak performance in July (18.7% below forecast)
 - Bimonthly billing cycles
 - Beaverton withdrawals
- Weather-driven demands can be cyclical and run 3 to 5 years
- May require adjustment to the District's Financial Plan

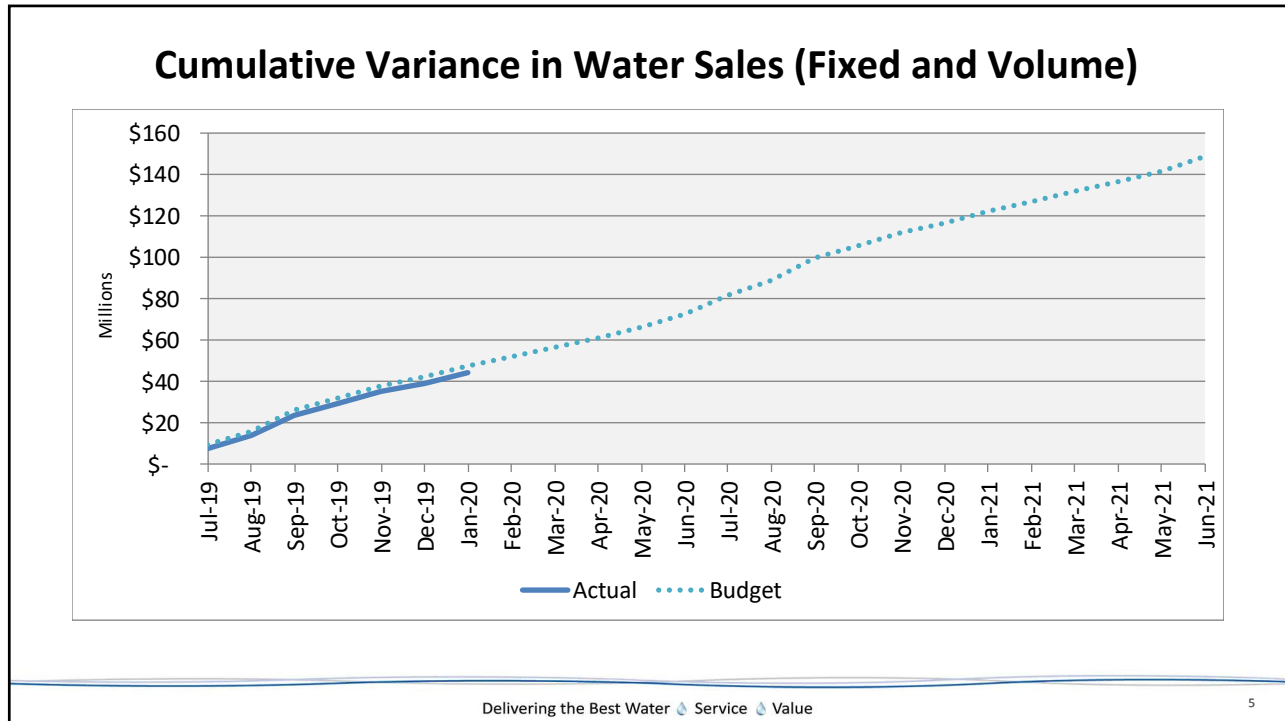
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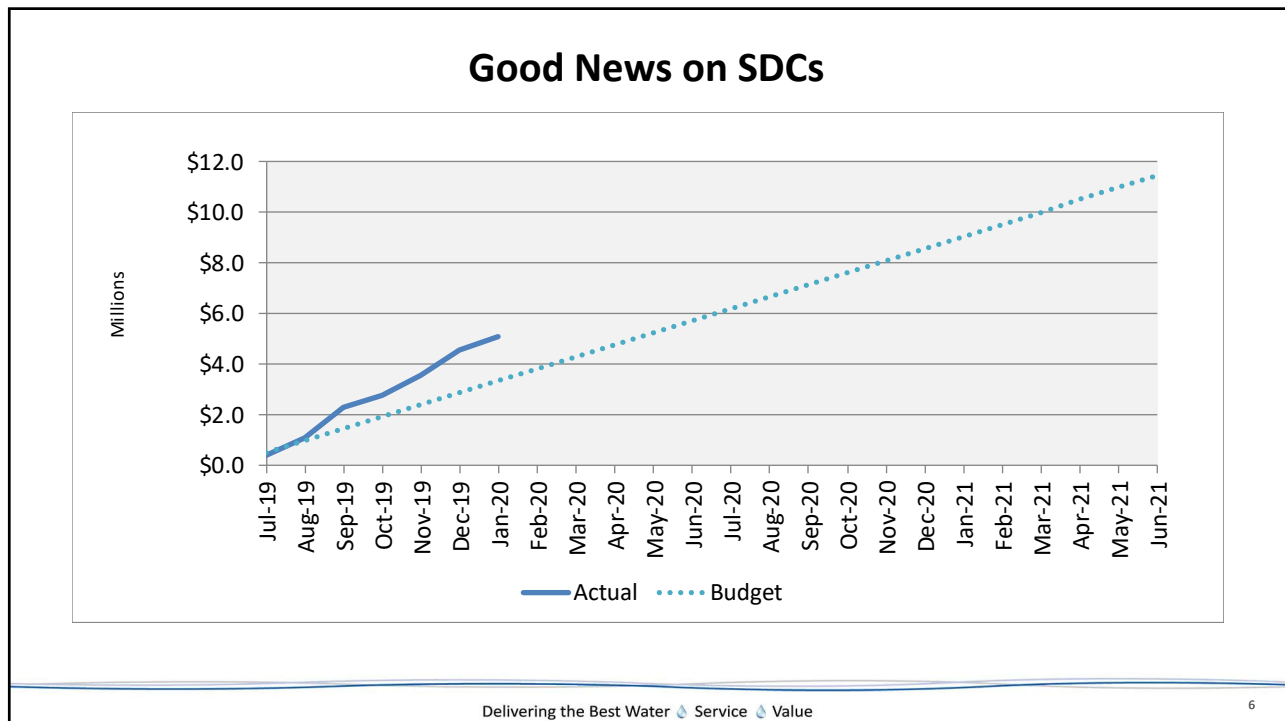
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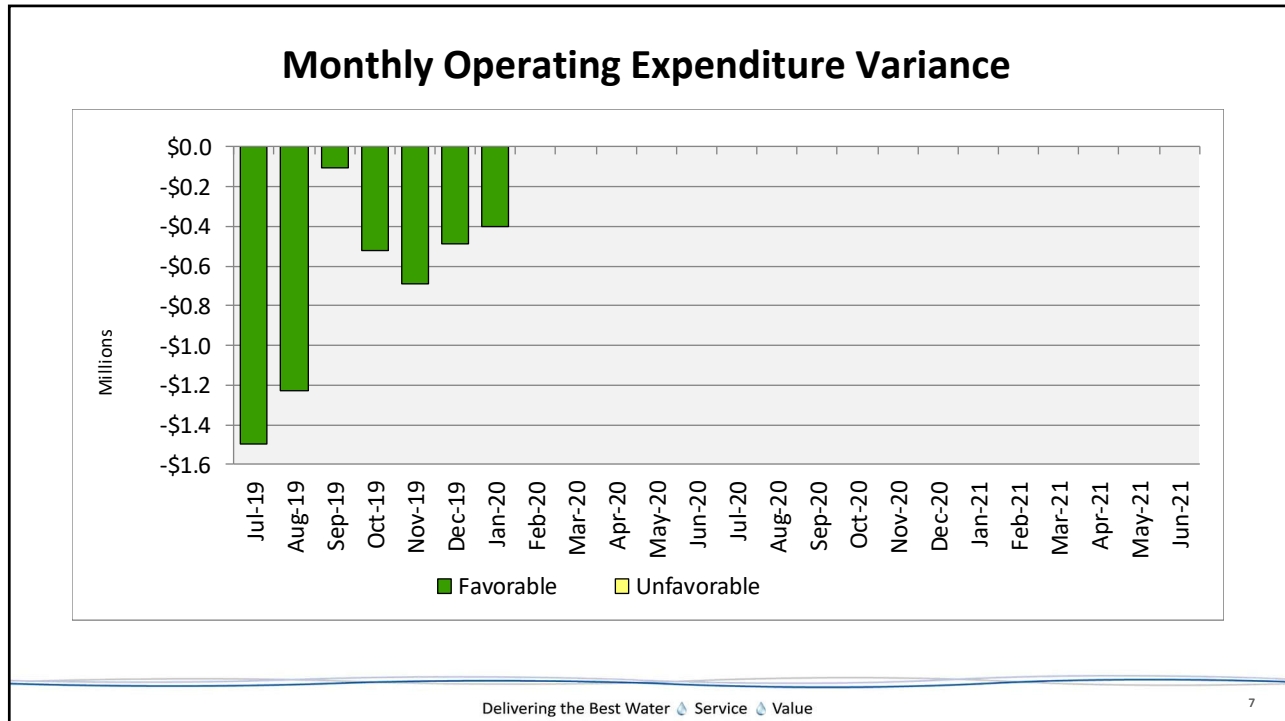
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Findings and Recommendations




Findings	Recommendation
<ul style="list-style-type: none"> Water sales revenue are below plan Favorable variance in fixed charges may not reduce the unfavorable variance in volume sales Favorable variance in operating budget have offset revenue losses to date No immediate action is required 	<ul style="list-style-type: none"> Monitor revenue and operating expenditures carefully Update Financial Forecast and present an updated <i>Financial Plan</i> to the Board in May No immediate action is recommended

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Questions and Answers
Finance Department Report




Paul L. Matthews
Chief Financial Officer

Tualatin Valley Water District

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Proposed Update to Other Service Charges and Penalties
February 19, 2020 Regular Board Meeting

Paul Matthews
Chief Financial Officer

Tualatin Valley Water District

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District's Rates, Fees, and Charges

Generally adopted by the Board in first September of the biennium

- Effective November 1 of each year of the biennium

Adopted by Resolution

- Exhibit A contains the *Water Rates*
- Exhibit B contains the *Other Service Charges and Penalties*
- Exhibits A & B were separated after Rate Advisory Committee recommended biennial rate adjustments

Proposed Schedule

- Overview of hydrant permit fees presented tonight
- Consider adopting at the March Regular Board Meeting with effective date of May 1, 2020.

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Fees Under Consideration Tonight

Hydrant Permit Fees

- Revising truck sizes to better reflect usage
- Outreach plan included open house on January 30, 2020
- Overview of proposal at tonight's meeting
- Proposed adoption at March regular meeting
- Effective date May 1, 2020

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Staff Proposal

Proposal Includes Revising

- Fire hydrant fees to accommodate larger truck sizes in the fire-hydrant permit program
- Adjust the 12-month fire hydrant permit fees per the revised truck size delineations
- Add a 12-month permit and usage clause for Clean Water Services
- Make other minor changes to item labels and/or descriptions

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Proposed Revisions to Exhibit B

Current

Fire hydrant permits -- mandatory for fire hydrant usage:

b. Hydrant permit (tanks ≤1000 gallons)	\$360
c. Hydrant permit (tanks 1001-2000 gallons)	\$1,085

Proposed

12-month fire hydrant permits -- mandatory for fire hydrant usage:

b. Hydrant permit (tanks ≤500 gallons)	\$225
c. Hydrant permit (tanks 501-1499 gallons)	\$675
d. Hydrant permit (tanks 1500-2999 gallons)	\$1,220
e. Hydrant permit (tanks ≥3000 gallons)	\$2,410

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Arrangement for Clean Water Services

Fire hydrant fees for Clean Water Services:

n. 12-month fire hydrant permit
(plus water usage billed at current Block 1 rate)

\$135

Clean Water Services Exception

- CWS prefers to track its loads
- Excellent history of regular reporting

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Questions or Direction from Board

Proposed Update to Other Service Charges and Penalties

Paul Matthews
Chief Financial Officer

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Tualatin Valley Water District



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Report of Meetings Attended

Commissioner Bernice Bagnall

Date	Meeting or Function	Purpose	\$	Claimed
1/28/2020	TWC EXEC committee	ASR Agreement Fernhill Root repair	50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2/4/2020	Worksession	paperless notes WLSP Budget	50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2/7-9/2020	SDAO conference	training	---	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2/14/2020	CEO + Board VP	Agenda planning	50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2/19/2020	Board meeting	District business	50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			\$ 200 OK to pay Dcarper	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date 2/19/2020

Signed and approved

Date _____

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.*

By Board Resolution 02-14, an amount equal to the unclaimed funds for services will be transferred to the District's Customer Emergency Assistance Program.

Tualatin Valley Water District



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Report of Meetings Attended

Commissioner Jim Doane

Date	Meeting or Function	Purpose	\$	Claimed
Feb 19	Reg Mtg			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Feb 13	ALOMA Business Assoc			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Feb 12	Mtg with Tom			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Feb 4	Work Session			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
			\$500K to pay	<input type="checkbox"/> Yes <input type="checkbox"/> No
			\$150 to CEAP	<input type="checkbox"/> Yes <input type="checkbox"/> No
			Dcarper	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date 19 Feb 2020

Signed and approved

Date 2/19/2020

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Report of Meetings Attended

Commissioner Jim Duggan

Date	Meeting or Function	Purpose	\$	Claimed
4 FEB 20	TVWD BOARD ^{WORK} SESSION	WWSS UPDATE PAPERLESS MTG.	50-	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5 FEB 20	RWPC BOARD MTG.	REG. 1/3YR MTG. APPROVE BUDGET	50-	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6 FEB 20	WWSS BOARD MTG.	RES. I/O DESIGN FINANCIAL REC. OR NEED, 5.0 STATES	50-	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6 FEB - 9 FEB	SDAO CONF.	ANNUAL EVENT	—	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
19 FEB 20	TVWD BOARD MTG.	EXEC SESSION REC, MONTHLY MTG.	50-	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			\$200 OK to pay DCarper	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
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				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date 19 FEB 2020

Signed and approved

Date 2/19/2020

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Report of Meetings Attended

Commissioner Todd Sanders

Date	Meeting or Function	Purpose	\$	Claimed
2/4/20	WORK Session	WWSS updates	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2/11/20	WRWC MTG	Willamette Allocation update	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2/13/20 - 2/16/20	SDAO Conference	Special District Annual Conference	0	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2/19/20	Board Meeting	Monthly Board Mtg	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			<u>\$150</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
			OK to pay	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
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				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date 2/19/20

Signed and approved

Date 2/19/2020

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Report of Meetings Attended

Commissioner Dick Schmidt

Date	Meeting or Function	Purpose	\$	Claimed
01272020	WIF	Various updates	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
02042020	Work Session	WWSS updates, paperless work. session material	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
02142020	Meeting/Tom/Bernice	Board agenda	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
02192020	Regular Board		50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			\$200	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

OK to pay D. Carper

Date 0219 2020

Date 2/19/2020

Signed and approved

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