

# Tualatin Valley Water District



Delivering the Best Water • Service • Value



## BOARD WORK SESSION AGENDA\*

August 4, 2020

President Bernice Bagnall

Treasurer Jim Duggan

Vice President Dick Schmidt

Secretary Todd Sanders

Acting Secretary Jim Doane

\*To slow the spread of COVID-19, this meeting is dial-in only. It will not be held at a physical location. If you wish to attend via conference call and need dial-in information, please email [debbie.carper@tvwd.org](mailto:debbie.carper@tvwd.org) or call 503-848-3014 by 4:30 p.m. on August 4, 2020.

The meeting is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the contact listed above.

For online meeting information, Commissioner bios and more, visit [www.tvwd.org](http://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 – ONLINE MEETING\***

**CALL TO ORDER**

**ANNOUNCEMENTS**

**1. DISCUSSION ITEMS**

- A. Willamette Water Supply System Commission Update. *Staff Report – Dave Kraska*
- B. Future Portland Regional Water Sales Agreement. *Staff Report – Paul Matthews*

**ADJOURNMENT**

## Tualatin Valley Water District



Delivering the Best Water 💧 Service 💧 Value

**To:** Board of Commissioners

**From:** David Kraska, PE, Willamette Water Supply System Commission General Manager

**Date:** August 4, 2020

**Subject:** Willamette Water Supply System Commission Update

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### Key Concepts:

At each monthly work session, we will provide the TVWD Board with an update on the current activities of the Willamette Water Supply System (WWSS) Commission. Since the TVWD Board has one representative on the WWSS Commission Board, these reports provide a means of keeping the other TVWD Board members current on relevant information. The topics of this month's update are:

- Review the August 2020 WWSS Commission Board Meeting agenda
- Review the Approvals and Procurements Forecast
- Update on Willamette Water Supply Program (WWSP) activities

### Background:

The next WWSS Commission Board meeting is scheduled for August 6, 2020. The agenda for that meeting is attached to this staff report. At the August meeting, there are five Business Agenda items for the Board to act on:

1. Adopt PLM\_5.3 Supplemental Resolution of Public Necessity
2. Adopt PLW\_2.0 Resolution of Public Necessity
3. Approve MPE\_1.0/COB\_1.0 Delivery Phasing and Design Contract Amendment
4. Approve COB\_1.0 Design IGA Amendment 1 to add a City of Beaverton Hall Boulevard 16-inch Pipeline
5. Acting as Local Contract Review Board: Approve Public Notice of Findings for the Use of Alternative Contracting Methods for Construction of a Phase of MPE\_1.0/COB\_1.0

There is one informational item on the August agenda: a discussion of the planned business agenda items for the September WWSS Commission Board meeting.

The Approvals and Procurements Forecast (Forecast) is a WWSP tool that summarizes recent decisions made and provides a look ahead to what decisions and approvals are coming up in the next few months. The Forecast is divided along the various types of approvals and procurements that occur on the WWSP and the different approval levels: Program Director, WWSS Committees and WWSS Board. This document is a companion to the Management Authority Matrix that was approved by the WWSS

Commission Board at its September 5, 2019 meeting. At the August TVWD work session, we will present a review of the current Forecast that covers the months of July through September 2020.

Activity on the WWSP will continue to increase over the next several years as more of our projects enter the construction phase. To enable this, we are working to complete our planning, permitting and real estate activities, though some of these are likely to continue for the next couple years. Active final design work will also continue for the next few years. We currently have five projects in construction, and a sixth is expected to begin construction in August. At the August TVWD work session, we will update the Board on our project delivery progress and on our current construction projects.

**Budget Impact:**

Informational item only. No budget impacts.



**Staff Contact Information:**

David Kraska, PE; WWSS Commission General Manager; 503-941-4561; [david.kraska@tvwd.org](mailto:david.kraska@tvwd.org)

**Attachments:**

WWSS Commission August Board Meeting Agenda  
WWSP Approvals and Procurements Forecast

**Management Staff Initials:**

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

**Willamette Water Supply System Commission  
Board Meeting Agenda  
Thursday, August 6, 2020 | 12:00 – 2:00 PM**

**Microsoft Teams Dial-in Conference**

To slow the spread of COVID-19, this meeting is dial-in only. It will not be held at a physical location.

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- If you wish to attend via conference call and need dial-in information, please contact [Faye.Branton@twwd.org](mailto:Faye.Branton@twwd.org) or call (971) 329-5523. • If you wish to address the Willamette Water Supply System Board, please request the Public Comment Form and return it 48 hours prior to the day of the meeting. • **All testimony is electronically recorded.**
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**EXECUTIVE SESSION – 11:30 AM**

An executive session of the Board is called under ORS 192.660(2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

**REGULAR SESSION – 12:00 PM**

**CALL TO ORDER**

**1. GENERAL MANAGER'S REPORT – Dave Kraska**

*(Brief presentation on current activities relative to the WWSS Commission)*

**2. PUBLIC COMMENT**

*(This time is set aside for persons wishing to address the Board on items on the Consent Agenda, as well as matters not on the agenda. Additional public comment will be invited on agenda items as they are presented. Each person is limited to five minutes, unless an extension is granted by the Board. Should three or more people testify on the same topic, each person will be limited to three minutes.)*

**3. CONSENT AGENDA**

*(The entire Consent Agenda is normally considered in a single motion. Any Commissioner may request that an item be removed for separate consideration.)*

- A. Approve the July 2, 2020 meeting minutes.

**4. BUSINESS AGENDA**

- A. Adopt PLM\_5.3 Supplemental Resolution of Public Necessity – *Joelle Bennett*
- B. Adopt PLW\_2.0 Resolution of Public Necessity – *Joelle Bennett*
- C. Approve MPE\_1.0/COB\_1.0 Delivery Phasing and Design Contract Amendment – *Dave Kraska*
- D. Approve COB\_1.0 Design IGA Amendment 1 to add a City of Beaverton Hall Boulevard 16-inch Pipeline – *Joelle Bennett*
- E. Acting as Local Contract Review Board: Approve Public Notice of Findings for the Use of Alternative Contracting Methods for Construction of a Phase of MPE\_1.0/COB\_1.0 – *Dave Kraska*

**5. INFORMATION ITEMS**

- A. Planned September Business Agenda Items – *Joelle Bennett*
- B. The next Board meeting is scheduled on September 3, 2020, via Dial-In Conference

**6. COMMUNICATIONS AND NON-AGENDA ITEMS**

- A. None scheduled.

**ADJOURNMENT**

## Approvals and Procurement Forecast: July 2020 through September 2020

This report provides a three-month projection of (1) forthcoming actions under the WWSS Management Authority Matrix and (2) ongoing and forthcoming procurements.

a = Actual date  
 e = Email approval  
 FC = Finance Committee  
 LCRB = Local Contract Review Board  
 MC = Management Committee  
 N/A = Not applicable  
 OC = Operations Committee

Rec. = Recommendation  
 t = Tentative date  
 TBD = To be determined; sufficient information not available to project a date  
 Note: Dates in **red text** indicate meetings needed outside the normal meeting schedule

Type	Description	Projecte d Action	Body/Position (projected action date)		
			Program Director	WWSS Committees	WWSS Board
<b>Program Baseline or Related Plans</b>	1. Delivery Strategy (Capital Improvement Plan) Change to Divide MPE_1.0/COB_1.0 into Work Packages <ul style="list-style-type: none"> <li>Establish work packages (phases) to coordinate design and construction timing with other area projects</li> </ul>		N/A	MC: 7/23/2020 t	8/6/2020 t
<b>Real Estate</b>	2. PLM_5.3 Resolution of Need	Approve	N/A	MC: 6/18/2020 a	7/2/2020 a
	3. PLM_4.3 Resolution of Need (supplemental approval)	Approve	N/A	MC: 7/23/2020 t	8/6/2020 t
	4. PLM_5.3 Resolution of Need (supplemental approval)	Approve	N/A	MC: 7/23/2020 t	8/6/2020 t
	5. PLW_2.0 Resolution of Need	Approve	N/A	MC: 7/23/2020 t	8/6/2020 t
<b>IGAs, MOUs, Permit Commitments, &amp; Similar Agreements</b>	6. PLW_1.2 WCLUT Design IGA Amendment 1	Approve	N/A	MC: 10/16/2019 a	12/5/2019 a
		Execute	7/21/2020 t	N/A	N/A
	7. WWSS IGA Exhibit 1 Amendment <ul style="list-style-type: none"> <li>Update Ownership on the North Transmission Line and South Transmission Line Emergency Connections</li> <li>Make other minor edits</li> </ul>	Approve	N/A	MC: 6/18/2020 a	7/2/2020 a
		Execute	7/3/2020 a	N/A	N/A
	8. MPE_1.0/COB_1.0 Design IGA Amendment 1 to add a City of Beaverton Hall Boulevard 16-inch pipeline to COB_1.0	Approve	N/A	MC: 7/23/2020 t	8/6/2020 t
		Execute	8/7/2020 t	N/A	N/A
	9. City of Wilsonville IGA for WRWTP Filtration Pilot Study Participation	Approve	N/A	MC: 8/20/2020 t	9/3/2020 t
		Execute	9/4/2020 t	N/A	N/A
	10. PLW_2.0 Metro Letter of Understanding	Approve	N/A	MC: 8/20/2020 t	9/3/2020 t
		Execute	9/4/2020 t	N/A	N/A
	11. MPE_1.0/COB Construction IGA for Construction of S.W. Nimbus/Scholl's Ferry to S.W. Beaverton-Hillsdale Highway	Approve	N/A	MC: 8/20/2020 t	9/3/2020 t
		Execute	9/4/2020 t	N/A	N/A
<b>Contracts</b>	12. RES_1.0 and PLM_5.3 Project Construction Manager/General Contractor (CM/GC) <ul style="list-style-type: none"> <li>Goal: CM/GC for RES_1.0 project</li> <li>Approximate value: \$134 M</li> <li>Contractor: TBD</li> <li>Publish Request for Proposals: 9/2/2020 t</li> <li>Proposal Due Date: 10/6/2020 t</li> <li>Rec. of Award: 11/3/2020 t</li> <li>Notice of Intent to Award: 11/5/2020 t</li> <li>Notice to Proceed: 12/4/2020 t</li> </ul>	Approve	N/A	MC: 11/19/2020 t	12/3/2020 t
		Execute	12/4/2020 t	N/A	N/A

Type	Description	Projecte d Action	Body/Position (projected action date)		
			Program Director	WWSS Committees	WWSS Board
<b>Contract Amendments and Change Orders</b> (above Program Director's Authority)	13. MPE_1.0/COB_1.0 Design Contract Amendment for Project Work Packages (phases) <ul style="list-style-type: none"> <li>Goal: Amend contract for design services and engineering services during construction to accommodate project delivery in three phases</li> <li>Value: \$1.998 million</li> <li>Engineer: Brown and Caldwell</li> </ul>	Approve	N/A	MC: 7/23/2020 t	8/6/2020 t
		Execute	8/7/2020 t	N/A	N/A
	14. PLM_1.0 Design Contract Amendment for Completing PLM_1.3 Design and PLM_1.1 Construction Services <ul style="list-style-type: none"> <li>Goal: Amend contract for design services and engineering services during construction to accommodate PLM_1.3 design changes and PLM_1.1 additional construction meetings</li> <li>Value: TBD</li> <li>Engineer: HDR</li> </ul>	Approve	N/A	MC: 8/20/2020 t	9/3/2020 t
		Execute	9/4/2020 t	N/A	N/A
	15. MPE_1.0/COB_1.0 Design Contract Amendment to add a City of Beaverton Hall Boulevard 16-inch pipeline to COB_1.0 <ul style="list-style-type: none"> <li>Goal: Amend contract for design services and engineering services during construction to accommodate additional pipeline</li> <li>Value: TBD</li> <li>Engineer: Brown and Caldwell</li> </ul>	Approve	N/A	MC: 8/20/2020 t	9/3/2020 t
		Execute	9/4/2020 t	N/A	N/A
<b>Local Contract Review Board (LCRB) Actions</b>	16. Findings for Exemption from Competitive Bidding for RES_1.0, PLM_5.3 <ul style="list-style-type: none"> <li>Board approval to initiate public comment 5/7/2020 a</li> </ul>	Approve	N/A	MC: 4/23/2020 a	7/2/2020 a
		Execute	N/A	N/A	N/A
	17. Findings for the Use of Alternative Contracting Methods for Construction of a Phase of MPE_1.0/COB_1.0 <ul style="list-style-type: none"> <li>Goal: Use of best value selection approach</li> <li>Board approval to initiate public comment 8/6/2020 t</li> </ul>	Approve	N/A	MC: 7/23/2020 t	10/1/2020 t
		Execute	N/A	N/A	N/A



## Tualatin Valley Water District



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**To:** Board of Commissioners

**From:** Paul L. Matthews, Chief Financial Officer

**Date:** August 4, 2020

**Subject:** Future Portland Regional Water Sales Agreement

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### Key Concepts:

- The District purchases wholesale water from the City of Portland (City) under a 10-year wholesale water agreement that had its first renewal in 2016.
- This agreement with the City is described as the “Regional Water Sales Agreement” and was the basis for the City’s agreement with its other wholesale customers.
- As the District prepares to replace its water supply from the City with water from the Willamette Water Supply System, the contractual relationship with the City will change.
- District staff has been working with the City and the City’s wholesale customers to develop concepts for a future Regional Water Sales Agreement.
- Staff will present the concepts of this potential future agreement to the Board.

### Background:

The District entered into a 10-year wholesale water agreement (Agreement) with the City of Portland (City) in 2006. This Agreement had an initial term of 10 years with an option to renew the Agreement for subsequent 10-year periods. In 2016 the District and the City renewed the Agreement through 2026.

The District’s investment in the Willamette Water Supply System (WWSS) will affect the City and its other wholesale customers once the District’s Agreement with the City lapses. This affect is primarily caused by the reallocation of costs currently funded by the District to the City and its other wholesale water customers.

In addition to the reallocation of costs, however, the District will be in a strategic position to deliver WWSS water to other water utilities within the region. The District has invested in capacity in the Washington County Supply Line (WCSL) and that regional asset will remain in service after the expiration of the District’s current agreement. The District’s capacity in the WCSL can be used on an emergency basis to either deliver water or via water exchanges, helping meet the needs of many other water providers.

The District has proactively engaged with the City and several of its wholesale customers in a process of examining the future of how the District will participate in the regional supply system. Considering the potential risk of a Cascadia subduction zone event, the District and its regional partners are working to build contractual arrangements that will provide incentives to strengthen the regional supply system and, if necessary, govern the allocation of costs within the regional supply system.

During this presentation, staff will discuss objectives for a new regional water supply agreement and ask the Board for direction on various potential provisions of future regional supply agreements.

**Budget Impact:**

None. The costs of preparing this information item and participating with the regional partners are appropriated in District's 2019-21 Biennial Budget.

**Staff Contact Information:**

Paul L. Matthews; Chief Financial Officer; 503-848-3017; [paul.matthews@tvwd.org](mailto:paul.matthews@tvwd.org)

**Attachments:**

None

**Management Staff Initials:**

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