BOARD WORK SESSION AGENDA*
May 4, 2021

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 only available via phone or the web. It will not be held at a physical location. If you wish to attend, please email debbie.carper@tvwd.org or call 503-848-3014 by 4:30 p.m. on May 4, 2021.

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.

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. Collections Update. Staff Report – Andrew Carlstrom
   C. Discussion of Transfer of Appropriations to the Willamette Intake Facilities Fund. Staff Report – Paul Matthews

ADJOURNMENT
To: Board of Commissioners

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

Date: May 4, 2021

Subject: Willamette Water Supply System Commission Update

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**Key Concepts:**
The purpose of this presentation is to 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:

A. Review the May 2021 WWSS Commission Board Meeting agenda
B. Review the Approvals and Procurements Forecast
C. Update on Willamette Water Supply Program (WWSP) activities

**Background:**
The next WWSS Commission Board meeting is scheduled for May 6, 2021. The draft agenda for that meeting is attached to this staff report. There are five Business Agenda items currently planned for the March meeting:

A. Adopt MPE_1.2 Supplemental Resolution of Need
B. Adopt PLM_1.3 Resolution of Need
C. Adopt PLW_2.0 Settlement Agreement with Metro and Hillsboro for Orenco Woods Nature Park
D. Adopt PLM_4.1 WCLUT Design IGA Amendment
E. Adopt PLM_4.1 WCLUT Construction IGA
F. Approve MPE_1.2/COB_1.2 Construction Contract

There is one informational item on the draft May agenda: a preview of the planned Business Agenda items for the June 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 two 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 May TVWD Board work session, we will present a review of the current Forecast that covers the months of April through June 2021.
Willamette Water Supply System Commission Update

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, design, permitting and real estate activities – most of which will be complete by the end of this calendar year. Additionally, we currently have six projects in construction. At the May TVWD Board work session, we will provide an update on our project delivery progress and on our active 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

**Attachments:**
WWSS Commission May Board Meeting Agenda
WWSP Approvals and Procurements Forecast

**Management Staff Initials:**

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Willamette Water Supply System Commission
Board Meeting Agenda
Thursday, May 6, 2021 | 12:00 – 2:00 PM

Microsoft Teams Meeting

Continuing COVID-19 guidelines, this meeting is a virtual only meeting. It will not be held at a physical location.

If you wish to attend via conference call and need dial-in information, please contact annette.rehms@tvwd.org or call 971-222-5957 by 10:00 a.m. on May 6, 2021. If you wish to address the WWSS Board, please request the Public Comment Form and return it 48 hours prior to the day of the meeting. All testimony is electronically recorded.

EXECUTIVE SESSION – 11:30 AM
An executive session of the Board is called under ORS 12.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

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
   These items are considered to be routine and may be approved in one motion without separate discussion. Any Board member may request that an item be removed by motion for discussion and separate action. Any items requested to be removed from the Consent Agenda for separate discussion will be considered immediately after the Board has approved those items which do not require discussion.
   
   A. Approve the April 1, 2021 meeting minutes

4. BUSINESS AGENDA
   
   A. Adopt MPE_1.2 Supplemental Resolution of Need – Joelle Bennett
   B. Adopt PLM_1.3 Resolution of Need – Joelle Bennett
   C. Adopt PLW_2.0 Settlement Agreement with Metro and Hillsboro for Orenco Woods Nature Park (OWNP) – Christina Walter
   D. Adopt PLM_4.1 WCLUT Design IGA Amendment – Mike Britch
   E. Adopt PLM_4.1 WCLUT Construction IGA – Mike Britch
   F. Approve MPE_1.2/COB_1.2 Construction Contract – Mike Britch

5. INFORMATION ITEMS
A. Planned June Business Agenda Items – Joelle Bennett

B. The next Board meeting is scheduled on June 3, 2021, via Microsoft Teams

6. COMMUNICATIONS AND NON-AGENDA ITEMS

A. None scheduled

ADJOURNMENT
Appraisals and Procurement Forecast: April 2021 through June 2021

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.

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<td>IGAs, MOUs, Permit Commitments, &amp; Similar Agreements continued</td>
<td>16. PLM_1.3 BPA Reimbursement Agreement</td>
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<td>Contracts (above Program Director’s Authority)</td>
<td>17. MPE_1.2/COB_1.2 Construction Contract • Goal: Construct MPE_1.2 and COB_1.2 pipeline project • Value: $56M (estimated) • Contractor: TBD</td>
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<td>Contract Amendments and Change Orders (above Program Director’s Authority)</td>
<td>18. Permitting Services Contract Amendment for Next One-year Period • Goal: Extend DEA’s contract through February 2022 and add budget to cover continued services during this period • Value: $2.2M</td>
<td>Approve</td>
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<td>19. WWSP Program and Construction Management Services FY 2022 Annual Work Plan • Goal: Approve scope, staffing, and fee for program and construction management services for FY 2022 • Value: $18.6M • Contractor: Stantec</td>
<td>Approve</td>
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To: Board of Commissioners

From: Andrew Carlstrom, Customer Service Department Manager

Date: May 4, 2021

Subject: Collections Update

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**Key Concepts:**
- District collections efforts are progressing in a systematic and strategic manner.

**Background:**
Due to COVID-19, in 2020, water shutoff policies were suspended to protect public health. Since then, customer arrearages have been growing.

**Completed Activities**
- Outreach to irrigation class customers, resulting in decreased arrearages of about $60,000.
- Outreach to current resident accounts. Changed current business practice to eliminate use of current resident status and preserve District’s ability to collect balances from property owners.
- Distributed current TVWD Customer Emergency Assistance Program funds to over 80 customers in April.
- Attended webinar regarding federal Low Income Household Water Emergency Assistance Program to learn program requirements and expected distribution dates.
- Coordinated with executive, finance and communications teams at Clean Water Services.

**Active Activities**
- Generating an updated general past due account letter for all residential past due accounts. Letter urges customers to contact TVWD regarding account balance. Customers can: pay balance; enter into payment arrangements; be placed on Customer Assistance waiting list for future federal/state assistance programs; and participate in TVWD’s Customer Emergency Assistance Program.
- Revising recommendations for TVWD’s Customer Emergency Assistance Program to address gaps between the federal Low Income Household Water Emergency Assistance Program and working through the Financial Response Team process to have a more robust TVWD Customer Emergency Assistance Program to offer customers beginning July 1.
- Working on the past due accounts within the fireline, multifamily and commercial customer classifications.
Collections Update

**Budget Impact:**
The activities undertaken to improve collections are within the District's 2019-21 biennial budget. However, the COVID-19 crisis has increased the need for both customer assistance (within the Customer Emergency Assistance Fund) and bad debt expense (within the General Fund). In addition, the District is reviewing the option to develop a reporting application using existing technologies to manage customer contacts and payment plans. This application will be complemented by Open SmartFlex, the new customer information system. The development of the reporting application is also within the District’s 2019-21 biennial budget.

**Staff Contact Information:**
Andrew Carlstrom; Customer Service Manager; 503-848-3024; andrew.carlstrom@tvwd.org

**Attachments:**
None

**Management Staff Initials:**

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To: Board of Commissioners

From: Paul L. Matthews, Chief Financial Officer and Budget Officer

Date: May 4, 2021

Subject: Discussion of Transfer of Appropriations to the Willamette Intake Facilities Fund

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Key Concepts:

- As the Managing Agency for the Willamette Intake Facilities (WIF) Commission, TVWD manages the WIF’s budget and financial affairs. In part, this management of the WIF Commission’s budget and financial affairs is accounted for within a fund at TVWD, specifically the WIF Fund (43).
- Like all other TVWD funds, the current budget appropriations for the WIF Fund are based on TVWD’s adopted 2019-21 biennial budget, which was adopted by the Board of Commissioners on June 19, 2019.
- The adopted 2019-21 biennial budget includes appropriations consistent with the WIF Commission’s Annual Work Plan and Budget (Budget) for the first year only. The second year of the biennium is based on the expected budget for the WIF Commission for FY2021.
- For FY2021, the WIF Commission Board adopted a Budget that would exceed the appropriations within TVWD’s WIF Fund. A transfer of appropriations will allow TVWD to comply with Oregon local budget law and is within TVWD’s scope as Managing Agency.
- This transfer of appropriations will not alter TVWD’s costs, which are determined by the intergovernmental agreement that formed the WIF Commission. Therefore, this proposed action will not result in TVWD subsidizing any other WIF Commission partner.

Background:

As the Managing Agency for several joint ventures, TVWD’s budget establishes the legal appropriations for the joint ventures. TVWD manages these budgets and the financial affairs of each joint venture by establishing separate funds for each joint venture. These funds include:

- Willamette River Water Coalition (Fund 41),
- WIF Commission (Fund 44), and
- Willamette Water Supply System Commission (Fund 45).

TVWD adopts a biennial budget while the governing bodies of the joint ventures adopt two annual budgets for the same biennium. Because of this difference in timing, TVWD must estimate the second year of the biennial budget for each joint venture well before the joint ventures’ governing bodies adopt them. As a result, TVWD’s adopted biennial budget generally does not match the two adopted budgets for each of the joint ventures.
Discussion of Transfer of Appropriations to the Willamette Intake Facilities Fund

When the appropriation within TVWD’s budget for a joint venture is less than the sum of the two-year adopted budgets of the joint venture’s governing body, TVWD may need to adjust its fund-level budgets to comply with Oregon local budget law.

In reviewing the fund-level budgets for each joint venture, staff recommends the appropriations for the WIF Fund be increased to match the required appropriations for the adopted budgets of the WIF Commission Board. The most efficient way to adjust the WIF Fund budget is to transfer appropriations from TVWD’s general operating contingency to the WIF Fund. This transfer of appropriation can be done by resolution of the Board of Commissioners in a regular meeting. An adopted resolution would adjust the legal appropriations in the WIF Fund and ensure that TVWD, as Managing Agency, complies with Oregon local budget law. This transfer of appropriation will not affect the required contributions by TVWD’s partners nor result in a subsidy of the partners by TVWD. The resolution would only adjust the fund-level budgets to ensure compliance with the law.

Staff plans to bring a resolution transferring appropriation from TVWD’s general operating contingency to the WIF Fund at the Board’s regular meeting on May 19, 2021. Staff wishes to present the information to the Board in a work session and answer questions regarding the proposed resolution.

**Budget Impact:**
The resolution will reduce general operating contingency appropriations within the District’s General Fund by $629,358, increase interfund transfer appropriations in the General Fund by $629,358, increase resources within the Willamette Intake Facilities Fund by $629,358, increase appropriations of materials and services in the Willamette Intake Facilities Fund by $73,975, and increase the appropriations of capital outlay in the Willamette Intake Facilities Fund by $555,383. TVWD’s 2019-21 biennial budget has $15.0 million of general operating contingency available for these appropriations. This transfer of appropriations will not affect other aspects of the District’s 2019-21 biennium budget.

**Staff Contact Information:**
Paul L. Matthews; Chief Financial Officer; 503-848-3017; paul.matthews@tvwd.org

**Attachments:**
Draft resolution

**Management Staff Initials:**

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RESOLUTION NO. XX-21

A RESOLUTION TRANSFERRING GENERAL FUND GENERAL OPERATING CONTINGENCY APPROPRIATION TO WILIAMETTE INTAKE FACILITIES FUND MATERIALS AND SERVICES APPROPRIATION AND CAPITAL OUTLAY APPROPRIATIONS FOR THE BIENNIAL BUDGET PERIOD 2019-21.

WHEREAS, the Tualatin Valley Water District (TVWD) is the Managing Agency for the Willamette Intake Facilities (WIF) Commission; and

WHEREAS, as the Managing Agency, TVWD manages the budget and financial affairs of the WIF Commission; and

WHEREAS, TVWD’s adopted biennial budget establishes the legal appropriations levels for the WIF Commission and is managed within the District’s Willamette Intake Facilities Fund (Fund 43); and

WHEREAS, the WIF Commission annually adopts its work plan and budget and adopted the annual workplan and budget for the fiscal year ending June 30, 2021 at its regular meeting on April 27, 2020; and

WHEREAS, the combined actual spending of the WIF Commission in FY2020, and the amount authorized by the WIF Commission’s annual budget and workplan for FY2021 could exceed the appropriations in TVWD’s WIF Fund (Fund 43); and

WHEREAS, as the Managing Agency, TVWD is responsible for appropriating sufficient funds for the WIF Commission; and

WHEREAS, the Board of Commissioners finds the public is best served by transferring the appropriations from its General Fund General Operating Contingency to the WIF Fund to provide appropriations for materials and services and capital outlay.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TUALATIN VALLEY WATER DISTRICT THAT:

Section 1: The General Fund (01) general operating contingency is reduced by $629,358 and the interfund transfer appropriation for the General Fund is increased by $629,358 for the 2019-21 biennial budget period.

Section 2: The Willamette Intake Facilities Fund (43) materials and services appropriation is increased by $73,975 and its capital outlay appropriations is increased by $555,383 for the 2019-21 biennial budget period.

Approved and adopted at a regular meeting held on the 19th day of May 2021.

__________________________________________________________
Bernice Bagnall, President

__________________________________________________________
Todd Sanders, Secretary